Mindtree
Welcome to possible

Registered Office Address: Mindtree Ltd.
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

Ref: MT/STAT/CS/16-17/ 73 **August 08, 2016**

The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

Dear Sirs,

Ref: Application under Regulations 37 of SEBI (LODR) Regulations, 2015

Sub: Scheme of Amalgamation of Magnet 360, LLC (Transferor Company) with Mindtree Limited (Transferee Company)

Dear Sir,

We refer to the above subject and in terms of Regulations 37 of SEBI (LODR) Regulations, 2015, we would like to bring to your kind notice that the Board of Directors of Mindtree Limited (Transferee Company) at their meeting held on July 18, 2016 has approved the Scheme of Amalgamation of Magnet 360, LLC (Transferor Company), the wholly owned subsidiary with Mindtree Limited (Transferee Company), the holding Company.

As required we herewith submit 2 sets of required documents as per the checklist enclosed. We further enclose herewith, cheque bearing number 249790 for an amount of Rs.105,000/- (Rupees one lakhs five thousand only) dated July 28, 2016 drawn on HSBC, M G Road, Bangalore (Net amount after the deduction of applicable TDS)

We request you to take the above document on record and grant us the approval at the earliest.

Thanking you,
Yours sincerely,

for **Mindtree Limited**

Vedavalli

Vedavalli S
Company Secretary

MINDTREE LIMITED * BENGALURU *

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Documents required to be submitted for approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, for the Scheme of Amalgamation / Arrangement (including reduction in capital, arrangement with creditors, etc) proposed to be filed under sections 391, 394 and 101 of the Companies Act, 1956 or under Sections 230-234 and Section 66 of Companies Act, 2013, whichever applicable

Sr. No.	Documents to be submitted along with application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	Annexure Numbers
1.	Certified true copy of the resolution passed by the Board of Directors of the company.	Annexure A
2.	Certified copy of the draft Scheme of Amalgamation / Arrangement, etc. proposed to be filed before the High Court.	Annexure B
3.	Valuation report from Independent Chartered Accountant **as applicable** as per Para I (A)(4) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015.	Annexure C1
4.	Report from the Audit Committee recommending the draft scheme taking into consideration, inter alia, the valuation report at sr. no. 3 above	Annexure C2
5.	Fairness opinion by Merchant Banker	Annexure D
6.	Shareholding pattern of all the companies pre and post Amalgamation / Arrangement as per the format provided under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	Transferee Company – E1 Transferor Company – E2
7.	Audited financials of the transferee/resulting and transferor/demerged companies for the last 3 financial years (financials not being more than 6 months old) as per **Annexure I. Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (were it is due) accompanied mandatorily by the Limited Review Report of the auditor.**	Transferee Company – F1 Transferor Company – F2
8.	Quarterly compliance Report on Corporate Governance as per Regulation 27 (2)(a) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as per **Annexure II**	Annexure G
9.	Complaint report as per Annexure II of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015(To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website). Format given in **Annexure III**	This will be submitted within 7 days of expiry of 21 days from the date of receiving the complaints
10.	Compliance report with the requirements specified in Part-A of Annexure I of SEBI circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 as per **Annexure IV**	Annexure H
11.	If as per the company, approval from the shareholders through postal ballot and e-voting, as required under **Para**	Annexure I and J

For Mindtree Limited

Company Secretary

MINDTREE LIMITED BENGALURU

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	(I) (A) (9) (a) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, is not applicable then as required under Para (I)(A)(9)(c) of said SEBI circular, submit the following: a) An undertaking certified by the auditor clearly stating the reasons for non applicability of Sub Para 9(a) b) Certified copy of Board of Director's resolution approving the aforesaid auditor certificate.	
12.	Name of the Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI. Certified true copy of the resolution passed by the Board of Directors, in case BSE is DSE.	NSE
13.	Brief details of the transferee/resulting and transferor/demerged companies as per format enclosed at **Annexure V.**	Annexure K
14.	Net worth certificate (excluding Revaluation Reserve) together with related workings pre and post scheme for the transferee and / or resulting company.	Annexure L
15.	Capital evolution details of the transferee/resulting and transferor/demerged companies as per format enclosed at **Annexure VI.**	Transferee Company – M1 Transferor Company – M2
16.	Confirmation by the Managing Director/ Company Secretary as per format enclosed as **Annexure VII.**	Annexure N
17.	Statutory Auditor's Certificate confirming the compliance of the accounting treatment etc. as specified in Para **(I)(A) (5)(a) of Annexure I of SEBI Circular no.** CIR/CFD/CMD/16/2015 dated November 30, 2015, as per the format given in **Annexure II of aforesaid SEBI circular. Format given in Annexure VIII**	Annexure 0
18.	Annual Reports of all the listed transferee/resulting/demerged/etc. companies involved and audited financial of all the unlisted transferor/demerged/resulting/etc. companies for the last financial year.	Transferee Company – P1
19.	Processing fee (non-refundable) payable will be as below, though RTGS - Details given in **Annexure IX** or though Cheque/DD **favoring 'BSE Limited'** Rs.1,00,000/- plus Service Tax as applicable, where one entities/companies are Merged or one new company formed due to De-merger Rs. 2,00,000/- plus Service Tax as applicable, where more than one entity/company is Merged or more than one new company formed due to De-merger.	Cheque bearing number 249790 dated July 28, 2016 for an amount of Rs.105,000/- (after the deduction of applicable TDS)
20.	Name & Designation of the Contact Person Telephone Nos. (landline & mobile) Email ID.	Vedavalli S Company Secretary +91 80339 64938 9611801650 Vedavalli.S@mindtree.com

MINDTREE LIMITED * BENGALURU *

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Kindly note that all pages of the documents/details provided should be serially numbered, stamped and certified by the authorized signatory of the company.

Kindly also submit one additional set of the documents at sr. nos. 2 to 11 separately (hard copy as well as soft copy emailed to *"bse.schemes@bseindia.com"* mentioning company name as subject, for uploading on the Exchange website).

The Exchange reserves the right to modify and ask for additional documents / clarifications depending on a case to case basis. Approval for the proposed scheme will be subject to compliance with the Statutory/ Regulatory requirements, norms of the Board of Directors of the Exchange and other Exchange requirements.

For Mindtree Limited

Company Secretary

MINDTREE LIMITED
BENGALURU

REMITTANCE ADVICE

Mindtree Limited

Global Village, RVCE Post, Mysore Road, Bangalore-560 059, INDIA.
Phone +91 80 67064000

Favour To :

BSE LIMITED
DALAL STREET
Mumbai
IN
123456

Dear Sir/Madam,

We have settled the items listed below with the enclosed check for payment 2161601959, subject to the goods and services supplied and the invoice therefore being in order.

Kind regards

FOR MINDTREE LTD.

Document	Ref.document	Gross amount	Deductions	Net amount
2161504482	ADV-MAGNET 3	115,000.00	10,000.00	105,000.00
Sum total		115,000.00	10,000.00	105,000.00

Payment document	Check number	Date	Currency	Payment amount
2161601959	249790	28.07.2016	INR	*******105,000.00*

Prepared By Checked By Authorised By Received By

A/c Payee Only

Valid for three months from the date of issuance

The Hongkong and Shanghai Banking Corporation Limited
No. 7, Mahatma Gandhi Road, Bangalore - 560 001.
IFSC CODE HSBC0560002

दिनांक Date 28.07.2016
D D M M Y Y Y Y

Pay BSE LIMITED को या उनके आदेश पर Or Order

रुपये Rupees ONE LAKH FIVE THOUSAND INR and PAISE ZERO अदा करें।

₹ *******105,000.00*

खाता सं. A/c No. 071-838031-001

For MINDTREE LIMITED

Authorised Signatories
Pls. Sign above this line

Payable at par at all Branches of HSBC in India

UTILITY FORMS PVT. LTD. / CTS - 2010

⑈249790⑈ 560039002⑆ 790071⑈ 29

ANNEXURE B

SCHEME OF AMALGAMATION OF MAGNET360, LLC WITH MINDTREE LIMITED

PART I

PRELIMINARY

A. This Scheme of Amalgamation provides for the amalgamation of Magnet360, LLC, a Minnesota limited liability company having its registered office at 5757 Wayzata Boulevard Minneapolis, MN 55416 USA (i.e. the "**Transferor Company**") with Mindtree Limited, having its registered office at Global Village, RVCE Post, Mysore Road, Bangalore 560 059 (i.e. the "**Transferee Company**") pursuant to the relevant provisions of the Companies Act, 1956 and the Minnesota Revised Uniform Limited Liability Company Act, Chapter 322C of the Minnesota Statutes.

B. The Transferor Company is a wholly owned subsidiary of the Transferee Company.

C. The Transferor Company was organized on March 25, 2008 under Chapter 322B of the Minnesota Statutes and, effective February 19, 2016, elected to be governed by Chapter 322C of the Minnesota Statutes and the Transferor Company Operating Agreement. The Transferor Company is involved in the business of full suite of salesforce solutions such as CRM, branded sites and communities, social campaign strategy and management, and marketing automation.

D. The Transferee Company was incorporated as a private company on August 5, 1999, under the name MindTree Consulting Private Limited as per the provisions of the Companies Act, 1956. Subsequently, MindTree Consulting Private Limited ceased to be a private company and the name of the Transferee Company was changed to MindTree Consulting Limited on November 6, 2006. Subsequently on March 28, 2008, the name of the Transferee Company was changed from MindTree Consulting Limited to Mindtree Limited. The Transferee Company is involved in the business of software and technology related services, product development services, information management services etc.

E. The merger of the Transferor Company under this Scheme of Amalgamation will be effected as a Scheme under Sections 391 to 394 of the Companies Act, 1956 and provisions of the other Applicable Laws.

F. Under the laws of the States of Minnesota, this transaction will be characterised as a merger of a Minnesota limited liability company with and into a foreign organization under the Sections 322C.1001 through 322C.1005 of the Minnesota Statutes, with the Transferee Company being the surviving organization (as such term is defined in Section 322C.1001, Subdivision 13 of the Minnesota Statutes).

G. By this Scheme, it is proposed to amalgamate the Transferor Company with the Transferee Company, for the purposes of better, efficient and economical management, control and running of the businesses, and for further development and growth of the business of the Transferee Company and for administrative convenience. The proposed amalgamation between the Transferor Company and the Transferee Company shall result in the following, benefits, amongst others, to both companies, their respective members and creditors.

(i) The amalgamation will enable the Transferee Company to integrate its business operations and provide significant impetus to the growth of the Transferee Company. The consolidation of the activities by way of an amalgamation will lead to synergies of operations and a stronger and wider capital and financial base for future growth/expansion. The combined entity will have a bigger portfolio of services targeted at a wider array of customers, which will strengthen its competitive position in providing IT services /software & technology related services markets This will also enable the Transferee Company to address newer solutions and services to its customers and to the Transferor Company's customers and enhance its marketing capabilities.

(ii) The amalgamation will result in economy of scales and reduction in overheads, administrative, managerial and other expenditure, operational rationalisation, organisational efficiency, and optimal utilisation of various resources.

(iii) The managerial expertise of the Transferor Company will contribute to the strength of the Transferee Company. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Company, facilitate resource mobilisation and achieve better cash flows. This would contribute substantially towards enhancement of shareholder's value of the Transferee Company.

(iv) Duplication of administrative functions will be eliminated together with the multiple record - keeping resulting in reduced expenditure.

(v) This amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and the Transferee Company.

(vi) The banks, creditors and institutions, if any, are not affected by the proposed amalgamation as their security is maintained.

(vii) There shall be impetus and increase in the area of sales, network of the Transferee Company apart from reduction in costs.

(viii) The amalgamation shall result in the combination of manpower of both the company and a single management structure for the company.

(ix) The combined managerial and technical expertise would enable the Transferee Company to develop a business model that would be competitive and cogent.

PART II

IN CONSIDERATION OF THE RECIPROCAL PROMISES, THIS SCHEME BETWEEN THE TRANSFEROR COMPANY AND THE TRANSFEREE COMPANY AND THEIR RESPECTIVE SHAREHOLDERS, CREDITORS (SECURED AND UNSECURED) IS BEING PROPOSED IN ACCORDANCE WITH THE TERMS SET OUT HEREUNDER:

1. DEFINITIONS AND INTERPRETATIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

1.1 "**Act**" means the Companies Act, 1956, as may be applicable, including any statutory modifications, re-enactments or amendments thereto and shall include the relevant and corresponding sections under the Companies Act, 2013, as and when the same are made applicable.

1.2 "**Appropriate Authorities**" means any governmental, statutory, regulatory, department or public body or authority of the relevant jurisdiction, including, if applicable, Securities and Exchange Board of India, stock exchanges, Registrar of Companies, Courts, National Company Law Tribunal and other regulatory authorities of the State of Minnesota, United States of America and India.

1.3 "**Appointed Date**" means April 1, 2016.

1.4 "**Applicable Laws**" shall include all applicable:

(i) statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines or policies of any applicable country and/or jurisdiction; and

(ii) judicial, quasi-judicial and/or administrative decisions, interpretations, directions, directives, licenses, permits, judgments, writs, injunctions, arbitral awards, decrees, orders, terms and conditions of governmental or regulatory approvals or agreements with any governmental or regulatory authority.

1.5 "**Effective Date**" means last of the dates specified in Clause 13 of this Scheme.

1.6 "**Minnesota Statutes**" means the Minnesota Revised Uniform Limited Liability Company Act and Chapter 322C of the Minnesota Statutes.

1.7 "**Order**" means the order of the High Court of Karnataka or National Company Law Tribunal, sanctioning the Composite Scheme of Amalgamation.

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1.8 "**Scheme**" or "**The Scheme**" means this Composite Scheme of Amalgamation in its present form as approved by the Board of Directors of the Transferor Company and Transferee Company subject to such modification(s) made under Clause 12 of this Scheme as the High Court of Karnataka/ National Company Law Tribunal may impose on the Transferee Company and such modifications which the Transferor Company may deem necessary subject to the approval of the same by the High Court of Karnataka/ National Company Law Tribunal.

1.9 "**Transferee Company**" means Mindtree Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Global Village, RVCE Post, Mysore Road, Bangalore 560 059.

1.10 "**Transferor Company**" means Magnet360, LLC, a limited liability company organized in the State of Minnesota, United States of America, and governed by Chapter 322C of the Minnesota Statutes.

1.11 "**Transferor Company Operating Agreement**" means the Operating Agreement of the Transferor Company dated February 19, 2016, amending and restating the Amended and Restated Member Control Agreement dated January 1, 2012.

1.12 "**Undertaking of the Transferor Company**" means the business of the Transferor Company and includes:

(a) all the assets of the Transferor Company as on the Appointed Date;
(b) all the liabilties of the Transferor Company as on the Appointed Date;

Without prejudice to the generality of the above, the Undertaking of the Transferor Company shall include all rights, privileges, powers and authorities and all property, movable or immovable, real or personal, corporeal or incorporeal of whatsoever nature, in possession or reversion, present or contingent of whatever nature and where so ever situated in the United States of America or overseas, and where so ever situate belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company including in particular, but without being limited to fixed assets, capital work-in-progress, current assets, debts, receivables, investments, software, technologies, belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, powers, authorities, allotments, approvals, permissions, licenses, consents, exemptions, registrations, statutory licences, no-objection certificates and certifications, contracts, engagements, arrangements, rights, title, interest, quotas, benefits and advantages of whatsoever nature and where so ever situated, liberties, easements, advantages, exemptions, benefits, leases, leasehold rights, licences, tenancy rights, quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections & installations, utilities, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, benefits of all agreements, subsidies, grants, sales-tax, turnover tax, excise, permits, quotas, rights, entitlements, tenancies, roof rights, brand, all copyrights, trademarks, service marks, know-how, technical know-how, trade names, descriptions, trading style, franchise, labels, label, designs, colour schemes, utility models, holograms, bar codes, designs, patents, copyrights, and other industrial or intellectual property rights of any nature whatsoever and licences in respect thereof, privileges and any rights, title or interest in intellectual property rights, benefits of contracts, agreements and all other rights including lease rights, licenses including those relating to trademarks, or service marks, powers and facilities of every kind, nature and description whatsoever of the Transferor Company or to which the Transferor Company is entitled and all the debts, liabilities including contingent liabilities, duties, responsibilities and obligations of Transferor Company on the Appointed Date and all other obligations of whatsoever kind including liabilities for payment of gratuity, pension benefits, provident fund or compensation in the event of retrenchment and all other interests arising to the Transferor Company and any accretions or additions thereto after the Appointed Date.

1.13 Reference in the Scheme to **"upon the Scheme becoming effective"** or **"effectiveness of the Scheme"** shall mean the Effective Date.

2. SHARE CAPITAL

2.1 The share capital of the Transferee Company as on June 30, 2016 is as under:

Particulars	Amount in Rs.
Authorised Share Capital	
800,000,000 Equity Shares of Rs. 10 each/-	8,000,000,000/-
Issued , Subscribed and Paid up Share Capital	
167,830,816 Equity shares of Rs 10/each	1,678,308,160/-

2.2 The Transferee Company is the sole member of the Transferor Company and owns 100% of the membership interests in the Transferor Company.

3. AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

3.1 TRANSFER AND VESTING OF ASSETS

3.1.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme including in relation to the mode of transfer and vesting, all of the assets, both movable and immovable, tangible and intangible, investments, rights, title and interests comprised in the Undertaking of Transferor Company shall pursuant to Section 394 of the Companies Act, 1956 and Section 322C.1005 of the Minnesota Statutes and without any further act or deed be transferred to and vested in the Transferee Company so as to become as and from the Appointed Date, the estate, assets, rights, title and interest of the Transferee Company.

3.1.2 The mode of vesting of assets referred to in Clause 3.1.1 is as under:

3.1.2.1 In respect of such of the said assets as are movable in nature including investments or are otherwise capable of transfer by manual delivery

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and/or by endorsement and delivery, the same shall be so transferred by the Transferor Company to the Transferee Company in pursuance of the provisions of this Scheme, Section 394 of the Companies Act, 1956, , provisions of Section 322C.1005 of the Minnesota Statutes in relation to the Transferor Company and other Applicable Laws, without requiring any deed or instrument of conveyance for the same and upon such transfer the same shall become the property, estate, assets, rights, title interest and authorities of the Transferee Company.

3.1.2.2 In respect of such of the said assets of the Transferor Company other than those referred to in Clause 3.1.2.1 above including the immovable assets, the same shall, without any further act, instrument or deed, be and stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 394 of the Companies Act, 1956 and the concerned authorities having jurisdiction over the assets shall endorse and record the name of Transferee Company in its record so as to facilitate the implementation of the Scheme and vesting of the Undertaking of the Transferor Company in the Transferee Company without hindrance from the Appointed Date. For the avoidance of doubt, it is hereby clarified that all the rights, title and interest of the Transferor Company in any leasehold properties shall pursuant to Section 394 of the Companies Act, 1956 and the provisions of this Scheme and provisions of Section 322C.1005 of the Minnesota Statutes in realtion to the Transferor Company and other Applicable Laws, without any further act or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company so as to become as and from the Appointed Date, the right, title and interest of the Transferee Company.

3.1.2.3 In respect of movable assets, other than those specified in Clause 3.1.2.1 above, including all businesses through /with existing sub-brokers / authorised persons /clients and related rights & obligations, undertakings / records / know your customer documents, sundry debtors, outstanding loans, advances recoverable in cash or in kind or for value to be received, bank balances, cash balances and deposits with Government, Semi Government, local and other authorities, bodies and customers, etc., the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company in pursuance of the provisions of Section 394 of the Companies Act, 1956 and provisions of Section 322C.1005 of the Minnesota Statutes in relation to the Transferor Company and other Applicable Laws without requiring any deed or instrument of conveyance for the same and further it shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such debts, loans, advances or deposits have arisen in order to give effect to the provisions of this Clause. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to such person, debtor or depositee that pursuant to the High Court of Karnataka/ / National Company Law Tribunal having sanctioned the Scheme, the

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said person, debtor or depositee should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Company. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

3.1.2.4 All patents, copyrights, designs, trademarks, service marks, know-how, technical know-how, trade names, descriptions, trading style, franchise, labels, label designs, colour schemes, utility models, holograms, bar codes, patents, copyrights, and other industrial or intellectual property rights of any nature whatsoever and licenses, privileges in respect thereof, of every kind, nature and description whatsoever of the Transferor Company or to which the Transferor Company is entitled or which may accrue to the Transferor Company shall, pursuant to the provisions of Section 394 of the Companies Act, 1956 or provisions of the Companies Act, 2013 as may be applicable and provisions of Section 322C.1005 of the Minnesota Statutes in relation to Transferor Company and other Applicable Laws without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date, all the patents, copyrights, designs, trademarks, service marks, know-how, technical know-how, trade names, descriptions, trading style, franchise, labels, label designs, colour schemes, utility models, holograms, bar codes, patents, copyrights, and industrial or intellectual property rights, licenses and privileges of the Transferee Company and shall remain valid, effective and enforceable by the Transferee Company on the same terms and conditions.

3.1.2.5 All the licenses, permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued, which may accrue to the Transferor Company shall, pursuant to the provisions of Section 394 of the Companies Act, 1956 or provisions of the Companies Act, 2013 as may be applicable, provisions of Section 322C.1005 of the Minnesota Statutes in relation to the Transferor Company and other Applicable Laws without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date the licenses, permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and

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enforceable on the same terms and conditions to the extent permissible under law.

3.1.2.6 Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme and receipt of third party consents if necessary, all contracts, deeds, bonds, agreements, arrangements including but not limited to all direct and indirect tax exemptions and/or deferral benefits and/or any other direct or indirect tax benefits and all other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company shall, wherever and if necessary, enter into and/or issue and/or execute deeds, writings or confirmations, enter into any tripartite arrangements, confirmations or novations to which Transferor Company will also be a party in order to give formal effect to the provisions of this clause. Similarly, the exemption privilege and benefits under direct and indirect taxes availed/ enjoyed currently by the Transferor Company shall continue to be available in the hands of the Transferee Company unhindered even after/upon coming into effect of this Scheme.

3.1.2.7 All the profits or incomes accruing or arising to the Transferor Company, or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.

3.1.3 It is clarified that all assets and receivables whether contingent or otherwise of the Transferor Company as on start of business on the Appointed Date whether provided for or not, in the books of accounts and all other assets or receivables which may accrue or arise on or after the Appointed Date but which relate to the period up to the Appointed Date shall be the assets and receivables of the Transferee Company.

3.1.4 The aforesaid transfer/vesting, shall be, subject to the existing validly created charge/mortgage/hypothecation over the said assets or any part of it, provided however, that any reference in any security documents to which the Transferor Company is a party, to such assets of the Transferor Company, offered or agreed to be offered as security for any financial assistance both availed and to be availed up to any limit for which sanctions have already been obtained by the Transferor Company or obligations to the secured creditors of the Transferor Company shall be construed as references only to the assets pertaining to the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clause 3.1.1 of the Scheme to the end and intent that such security, mortgage and/or charge shall not extend or deemed to extend to any of the

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assets or to any of the other units or divisions or undertakings of the Transferee Company, unless specifically and in writing agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company either on *pari passu* basis or otherwise, as may be agreed to by the Transferee Company and the secured creditors. The secured creditors of the Transferee Company shall continue to have a charge over the assets of the Transferee Company and such charge shall not extend to the assets of the Transferor Company, transferred to the Transferee Company pursuant to the Scheme. In respect of the floating charges created by the Transferor Company in favour of its lenders for all the movable assets, documents of title to goods, receivables, claims and other current assets that are acquired by the Transferor Company from the Appointed Date till the Effective Date shall be deemed to be the security and shall be available as security for the loans, cash credits and other working capital facilities, both fund based and non-fund based, which were sanctioned by the lenders of the Transferor Company, either utilised fully or partly or unutilised by the Transferor Company, subject to the limits sanctioned by the lenders.

3.2 TRANSFER OF LIABILITIES

Upon coming into effect of the Scheme and with effect from the Appointed Date:

3.2.1 All secured and unsecured debts, (whether in Rupees or in foreign currency) all liabilities, duties and obligations of the Transferor Company (hereinafter referred to as the "**said Liabilities**") shall also be and stand transferred or be deemed to be and stand transferred, without any further act, instrument or deed, to the Transferee Company, pursuant to the provisions of Section 394 of the Companies Act, 1956 or provisions of the Companies Act, 2013 as may be applicable and provisions of Section 322C.1005 of the Minnesota Statutes in relation to the Transferor Company and other Applicable Laws so as to become as and from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company such that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. Provided always that nothing in this clause shall or is intended to enlarge the security for any loan, deposit or other indebtedness created by the Transferor Company prior to the Appointed Date which shall be transferred to and be vested in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be required or obliged in any manner to create any further or additional security thereof after the Appointed Date or otherwise.

3.2.2 Any loans or other obligations due between or amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability or debt in that behalf. It is clarified that all debts, liabilities, duties, responsibilities and obligations of the Transferor Company as on start of business on the Appointed Date whether provided for or not in the books of

MINDTREE LIMITED BENGALURU S.L.

accounts and all other liabilities etc which may accrue or arise on or after the Appointed Date but which relates to the period up to the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company.

3.2.3 All the loans advanced and other facilities sanctioned to the Transferor Company by its bankers/financial institutions prior to the Appointed Date which are partly drawn/utilised shall be deemed to be the loans/advances sanctioned to the Transferee Company and the said loans and advances shall be drawn/utilised either partly or fully by the Transferor Company from the Appointed Date till the Effective Date and all the loans/advances and/or other facilities so drawn by the Transferor Company shall on the Effective Date be treated as the advances and loans made available to the Transferee Company and any balance in the said accounts shall be transferred to the Transferee Company and all the obligations of the Transferor Company under any loan agreement shall be construed as and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.

3.2.4 The Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation, in favour of the secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which they are a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on their part to be carried out or performed.

3.2.5 It is hereby clarified that merely the increase in the size and turnover of the Transferee Company subsequent to this Scheme shall not have the effect of increasing any liability or penalty on the Transferee Company for any matters that arise prior to the Appointed Date.

3.2.6 Upon coming into effect of the Scheme, benefits of all taxes paid including any advance tax and tax deductions right to carry forward and set off unabsorbed losses, unused tax credits, tax deductions and depreciation by the Transferor Company from the Appointed Date, regardless of the period to which they relate, shall be deemed to be paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company has paid or incurred the same and shall be deemed to be the rights/claims of the Transferee Company.

3.2.7 The existing social security or labour welfare schemes, and pension and / or superannuation fund or trusts created by the Transferor Company or any other special funds created or existing for the benefit of the employees of the Transferor Company shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time shall be maintained separately.

MINDTREE LIMITED BENGALURU

3.2.8 The Transferee Company, if necessary shall take steps for suitable alterations in the Memorandum of Association and Articles of Association so as to enable it to implement this Scheme as may be required.

3.3 CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS.

Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect immediately before the amalgamation, shall be, in full force and effect, against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any tripartite arrangement, confirmations or novations to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or it becomes necessary.

3.4 TREATMENT OF TAXES PAID BY THE TRANSFEROR COMPANY:

All taxes, levies, cess etc. (whether direct or indirect) that might have been paid by the Transferor Company (whether before the Appointed Date or after the Appointed Date) during the period when the merger has not become effective for any tax liability that arises after the Appointed Date shall be deemed to be tax paid by the Transferee Company and credit in respect thereof shall be given to the Transferee Company accordingly.

3.5 TREATMENT OF SCHEME FOR THE PURPOSES OF THE INCOME TAX ACT, 1961

3.5.1 This Scheme has been drawn up to comply and come within the definition and conditions relating to "Amalgamation" as specified under Section 2(1B) and Section 47 of the Income Tax Act, 1961.

3.5.2 If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said sections of the Income Tax Act, 1961, at a later date, including resulting from an amendment of any Applicable Law or for any other reason whatsoever, the Scheme shall stand modified/ amended to the extent determined necessary to comply and come within the definition and conditions relating to "Amalgamation" as specified in the Income Tax Act, 1961. In such an event the clauses which are inconsistent shall be read down or if the need arises be deemed to be deleted and such modification/reading down or deemed deletion shall however not affect the other parts of the Scheme.

3.5.3 Any refund under the tax laws received by or due to the Transferor Company consequent to any assessments made on the Transferor Company subsequent to the Appointed Date pertaining to the business transferred and for which no credit is taken in the accounts as on the date immediately preceding the

MINDTREE LIMITED * BENGALURU *

Appointed Date, shall also belong to and be received by the Transferee Company.

4. TRANSFER OF EMPLOYEES

On the Effective Date:

4.1 The services of all the employees of the Transferor Company shall stand transferred to the Transferee Company on the terms and conditions not less beneficial to such employees than those subsisting with reference to the Transferor Company. The position, rank, and designation of the employees would be decided by the Transferee Company.

4.2 The services of such employees shall not be treated as broken or interrupted for the purposes of bonus, provident fund, gratuity, superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the respective Transferor Company, as the case may be.

4.3 Subject to Clause 4.1, the Transferee Company shall have the right to transfer such employees to any unit, division, profit/cost centre or department of the Transferee Company situated anywhere in India or abroad if warranted and as may be deemed necessary from time to time.

4.4 The Transferee Company shall assume all of the rights, obligations, and liabilities of the Transferor Company in connection with any immigration related matters including any programs, fillings, etc. in the United States of America.

4.5 In regard to labour welfare fund or social security benefits or any other special fund created or existing for the benefit of such employees of the Transferor Company, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company and if necessary the names of the aforesaid funds or schemes will be suitably changed. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid schemes, fund, trusts, etc. In the event that the trustees/funds are constituted as holders of any securities, trust funds of trust monies, in relation to any provident fund trust, gratuity trust or superannuation trust of the Transferor Company, such funds/securities/ monies shall be transferred by such funds/ trustees of the trusts of the Transferor Company to such funds/trustees of the trusts of the Transferee Company as may be existing or set up for the same purpose and object and such transfer shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the

Applicable Laws and relevant stamp legislation as applicable. In such case, appropriate Deed(s) of Trust and/or documents for transfer of trust properties shall be executed simultaneously upon the sanction of the Scheme in accordance with the terms hereof by the trustees in favour of the trusts of the Transferee Company so as to continue the benefits of the employees. For this purpose such funds or schemes of the Transferor Company may be continued and/or amalgamated with and/or transferred to the similar funds/schemes of the Transferee Company, if the Transferee Company considers so desirable or deemed fit for the smooth administration, management, operation and uniformity of such funds/schemes so however, that such funds/schemes do not become less favourable to the employees of the Transferor Company with reference to those on the date preceding the Effective Date. The trustees including the Board of Directors of the Transferee Company shall be entitled to adopt such course in this regard as may be advised provided however that there shall be no discontinuation or breakage in the service of the employees of the Transferor Company.

4.6 It is clarified that with regard to such employees of the Transferor Company who have ceased to be the employees of the Transferor Company on account of reasons other than any disciplinary action that may have been taken against such employees by the Transferor Company, from the Appointed Date, the Transferee Company shall assume all the responsibilities and obligations of the Transferor Company towards such employees until the said responsibilities and obligations stand duly discharged in law.

5. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

5.1 With effect from the Appointed Date and upto and including the Effective Date:

5.1.1 the Transferor Company shall be deemed to have been carrying on and shall carry on all their business(es) and activity(ies) and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

5.1.2 the Transferor Company shall carry on their business and activities with reasonable diligence, business prudence in the ordinary course of business and shall not (without the prior written consent of the Transferee Company) alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of its units/undertakings or any part thereof except pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date.

5.1.3 all the profits or income accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by Transferor Company shall pursuant to coming into effect of the Scheme for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure, as the case may be, of the Transferee Company.

MINDTREE LIMITED BENGALURU

5.2 Save as provided for in this Scheme, the Transferor Company shall not make any change in its capital structure either by any increase (*by fresh issue of equity shares whether by way of public issue, private placement, on a rights basis, or issuance of bonus shares, convertible debentures or otherwise*), decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner which may, in any way, affect the operation of the Scheme, except by mutual consent of the respective Boards of Directors of the Transferor Company and Transferee Company.

5.3 The Transferor Company shall also be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authority, as are necessary for such consents, approvals and sanctions which the Transferee Company may require.

5.4 The Transferee Company shall carry on the business of the Transferor Company after the Effective Date.

6 CONCLUDED MATTERS

The transfer and vesting of the assets and the liabilities in the Transferee Company and the continuance of contracts or proceedings by or against the Transferee Company as provided in this Scheme shall not affect any contract or proceedings relating to the assets and the liabilities, fully performed and completed by the Transferor Company before the Appointed Date and the Transferee Company accepts and adopts all such acts, deeds, matters and things done and or executed by the Transferor Company in this regard.

7 DISOLUTION OF THE TRANSFEROR COMPANY

7.1 On the Scheme becoming effective, Transferor Company shall stand dissolved without being wound up pursuant to the provisions of Sections 322C.0701 through 322C.0707 or Article V of the Transferor Company Operating Agreement.

8 CONSIDERATION BY THE TRANSFEREE COMPANY

8.1 The Transferor Company is the wholly owned subsidiary of the Transferee Company and the entire membership interest of Transferor Company is held by the Transferee Company. The Transferor Company undertakes not to effect any change in its membership interests till this Scheme comes into effect. Upon the coming into effect of this Scheme, the investment made by the Transferee Company in the membership interest of the Transferor Company shall stand cancelled and no shares shall be issued by the Transferee Company to the member of the Transferor Company, without there being any further act or deed in furtherance thereof.

8.2 Upon the Scheme becoming effective, the entire membership interest of the Transferor Company shall be cancelled and extinguished.

9 ACCOUNTING TREATMENT

MINDTREE LIMITED * BENGALURU *

9.1 The Transferee Company shall, upon the Scheme becoming operative, record the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme, at the respective book values as on March 31, 2016 determined under purchase method when the subsidiary was acquired in accordance with the applicable accounting standards.

9.2 The investments made in the share capital of the Transferor Company by Transferee Company will stand cancelled.

9.3 Upon the Scheme becoming effective, any goodwill arising out of amalgamation, shall be treated in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013.

10 PENDING LEGAL PROCEEDINGS

If any suit, appeal or other proceeding of whatever nature by or against Transferor Company be pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. Therefore, upon this Scheme coming into effect, all legal actions, suits, writs or other proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company, as the case may be, as effectually as if the same had been pending and/or arising by or against the Transferee Company. As contemplated by Section 322C.1005, Subd. 2, of the Minnesota Statutes, the Transferee Company, as of the Effective Date, consents to the jurisdiction of the courts of the State of Minnesota to enforce any debt, obligation, or other liability owed by the Transferor Company if before the Effective Date, the Transferor Company is subject to suit in the State of Minnesota on such debt, obligation, or other liability. If the Transferee Company is not authorized to transact business as a foreign organization in the State Minnesota, the Transferee Company appoints the Secretary of State of the State of Minnesota as its agent for service of process for the purposes of enforcing a debt, obligation, or other liability under Section 322C.1005, Subd. 2, of the Minnesota Statutes.

11 APPLICATION TO THE HONOURABLE HIGH COURT OF KARNATAKA, NATIONAL COMPANY LAW TRIBUNAL AND OTHER APPLICABLE AUTHORITIES

11.1 The Transferee Company shall, with all reasonable dispatch, make application to the High Court of Karnataka or the National Company Law Tribunal where the registered office of the Transferee Company is situated, for sanctioning this Scheme under Section 391 to 394 of the Companies Act, 1956 for an Order or Orders thereof sanctioning this Scheme and for carrying this Scheme into effect.

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11.2 The Transferor Company shall initiate and pursue all actions necessary under the Section 322C.1001 through 322C.1005 of the Minnesota Statutes and provisions of any other Applicable Law under the State of Minnesota, United States of America for sanctioning of the Scheme and obtain all such approvals if any, as may be required under the relevant Applicable Laws.

12 MODIFICATIONS/AMENDMENTS TO THE SCHEME

12.1 The Transferor Company and Transferee Company by their respective Boards of Directors may make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Company and Transferee Company by their respective Boards of Directors shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

12.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s)/ representative(s) of the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

13 SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

13.1 The Scheme is condition on and subject to:

13.1.1 Approval of the Scheme by the requisite majority of the members, creditors and such class of persons of the Transferee Company as may be directed by the High Court of Karnataka/ National Company Law Tribunal on applications made for directions under Section 391 of the Companies Act, 1956/ or applicable provisions of the Companies Act, 2013.

13.1.2 Approval of the Scheme by the Board of Directors and the sole member of the Transferor Company as may be prescribed under the applicable provisions of Section 322C.1003 of the Minnesota Statutes, all other Applicable Laws and the Transferor Company Operating Agreement.

13.1.3 Sanctions and Orders under the provisions of Section 391 read with Section 394 of the Company Act, 1956 or the applicable provisions under the Companies Act, 2013 being obtained by the Transferee Company from the High Court of Karnataka or the National Company Law Tribunal or Appropriate Authority.

MINDTREE LIMITED BENGALURU

13.1.4 All other sanctions and approvals as may be required by any Applicable Law in respect of this Scheme being obtained.

13.2 It is clarified that the provisions of paragraph 5.16 (a) introduced through circular bearing no CIR/CFD/DIL/8/2013 dated May 21, 2013 as an amendment to the circular bearing no CIR/CFD/DIL/5/2013 dated February 4, 2013 issued by the Securities and Exchange Board of India shall not be applicable to this Scheme.

13.3 This Scheme, although to come into operation from the Appointed Date, shall not become effective until the last of the following dates, namely:

13.3.1 That on which the last of the aforesaid consents, approvals, permissions, resolutions, assignments and orders as mentioned in Clause 13.1 shall be obtained or passed.

13.3.2 That on which all necessary certified copies of Orders under Sections 391 and 394 of the Companies Act, 1956 or the applicable provisions of the Companies Act, 2013 shall be duly filed with the Registrar of Companies, Karnataka and such other Appropriate Authority located in the State of Minnesota, United States of America, if so required.

13.3.3 That articles of merger executed by the Transferor Company and the Transferee Company, shall be filed with the Minnesota Secretary of State as contemplated by and in compliance with Section 322C.1004 of the Minnesota Statutes.

The last of such dates shall be the **"Effective Date"** for the purpose of this Scheme.

14 OPERATIVE DATE OF THE SCHEME

It is clarified that the Scheme shall become effective from the Effective Date however it shall be operative from the Appointed Date.

15 COSTS

15.1 All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or court's order including this Scheme or in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Transferee Company.

16. EFFECT OF NON RECEIPT OF APPROVAL/SANCTION

In the event of any of the said sanctions and approvals referred to in Clause 13 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Court of Karnataka/ National

Company Law Tribunal/ Appropriate Authority and/or Order or Orders not being passed as aforesaid before or within such further period or periods as may be agreed upon between the Boards of Directors of the Transferor Company and the Transferee Company (who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s)) or for any other reason this Scheme cannot be made effective, this Scheme shall stand revoked, cancelled, be of no effect and be null and void. No rights and liabilities shall accrue to or be incurred inter-se by the parties in terms of the Scheme, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as may otherwise arise in law. Further the Boards of Directors of the Transferor Company and Transferee Company shall be entitled to revoke, cancel and declare the Scheme to be of no effect if such Boards are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up Orders with any authority could have serious financial implication on the Transferor Company and/or the Transferee Company or any of the aforesaid company. And in case of any of the aforesaid events, each party shall bear their respective costs, charges and expenses in connection with this Scheme.

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For Mindtree Limited

Company Secretary

MINDTREE LIMITED BENGALURU

ANNEXURE A

Mindtree
Welcome to possible

Registered Office Address: Mindtree Ltd.
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

EXTRACT OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON JULY 18, 2016 AT GLOBAL VILLAGE, RVCE POST, MYSORE ROAD, BENGALURU-560059

APPROVAL OF THE SCHEME OF AMALGAMATION OF MAGNET 360 LLC. WITH MINDTREE LIMITED

"RESOLVED THAT, pursuant to the provisions of sections 391 to 394 and all other applicable provisions, if any, of the Companies Act, 1956 and that of the relevant provisions of the Companies Act, 2013, if any, and enabling provisions in the Company's Memorandum and Articles of Association, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015and various circulars issued by SEBI and other Statutory Authorities from time to time and subject to confirmation of the Jurisdictional High Court / National Company Law Tribunal and approval of the Foreign Investment Promotion Board / Reserve Bank of India and other concerned authorities, if any, and all such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Company, the consent of the Board be and is hereby accorded for the amalgamation of Magnet 360, LLC (Transferor Company) with the Company (Transferee Company) vide the Scheme of Amalgamation [hereinafter the "Scheme"] (the draft of which was submitted to this meeting and was initialed by the Chairman of the meeting for the purposes of identification).

"RESOLVED FURTHER THAT there is no requirement for the share entitlement ratio as the transferor company is the wholly owned subsidiary of the transferee company and no shares are allotted to them.

RESOLVED FURTHER THAT the valuation report issued by the Chartered Accountant be and is hereby taken on record.

RESOLVED FURTHER THAT the Fairness report issued by the merchant banker (which was considered by the Audit Committee) and the report of the Audit Committee recommending the Scheme of amalgamation be and are hereby taken on record.

RESOLVED FURTHER THAT the undertaking of the Company with regard to non-applicability of requirements under Paragraph 9 (a) of I (A) of Annexure I of the Securities Exchange Board of India (SEBI) Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 , in respect of the scheme duly certified by the Statutory Auditors of the Company , placed before the Board, be and is hereby approved and taken on record by the Board.

RESOLVED FURTHER THAT in the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

RESOLVED FURTHER THAT National Stock Exchange of India Limited be and is hereby appointed as the Designated Stock Exchange for the purpose of the Scheme.

MINDTREE LIMITED * BENGALURU *

S.L.

RESOLVED FURTHER THAT for the purpose of the Scheme of amalgamation of Magnet 360, LLC with the Company, any of the Executive Directors, Mr. Jagannathan Chakravarthi, CFO, Mr. Erwan Carpentier, SVP Legal and General Counsel, Ms. Vedavalli Sridharan, Company Secretary, be and are hereby severally authorized to:

i. *to make such alterations and changes to the aforesaid Scheme of Amalgamation as may be expedient or necessary, particularly for satisfying the requirements or conditions imposed by the Central Government or by the concerned Stock Exchanges or the Court of competent jurisdiction;*

ii. *to evolve, decide upon and bring into effect the Scheme and make and give effect to any modifications, changes, variations, alterations or revision in the Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority or may suo moto decide in its absolute discretion and to do all such acts, deeds, matters and things whatsoever, including settling any question, doubt or difficulty that may arise with regard to or in relation to the scheme as it may in its absolute discretion consider necessary, expedient, fit and proper;*

iii. *file applications/petitions/affidavits/pleadings or other documents as may be required for the scheme in the High Court of Karnataka/ National Company Law Tribunal or other relevant courts including the filings as may be required under the laws of the transferor company;*

iv. *obtain the requisite approval of the Foreign Investment Promotion Board / Reserve Bank of India; if necessary;*

v. *affix the common seal of the Company on any documents as per the Articles of Association;*

vi. *file the said Scheme with the concerned Stock exchanges for approval in terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the appointment of designated stock exchange;*

vii. *To approve various reports as may be required with regard to the filing of the scheme as may be required by the stock exchanges and various government authorities;*

viii. *settle any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;*

ix. *make application to relevant authorities or other persons for their approval as may be required;*

x. *authorize any person(s) to, sign and file applications/petitions to the High Court of Karnataka/ National Company Law Tribunal and that of other competent jurisdiction for directions for holding a meeting of the Members and Creditors and for confirmation of the Scheme, including the appointment of Chairman for such meetings, to sign notices convening such meetings of shareholders, creditors and other concerned persons;*

xi. *authorise any person(s) to file all pleadings, reports, and sign and issue public advertisements and notices, for and in connection with the above purpose;*

MINDTREE LIMITED * BENGALURU *

xii. *give such directors as may be considered necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the scheme or implementation hereof or in any manner whatsoever connected herewith and*

xiii. *do all such act, deeds and things necessary, desirable or expedient in connection with or incidental to giving effect to the purpose of the above resolution;*

xiv. *to appear before the Official Liquidator, Registrar of Companies, Income Tax Department, Regional Director and other statutory and quasi-judicial authorities in connection with matters, connected and incidental thereto;*

xv. *to appoint Mr. N.K. Dilip, Mr. Nanjappa. M.G., Mr. Raghunath Ananthapur, Ms. Rashmi Talukdar, Mr. Bhargava. K.S., Mr. Ankush V.H and/or any other advocates of M/s Tatva Legal, Advocates having their office at B-3, 2nd Floor, Embassy Heights, Annexe Block, Magrath Road, Bangalore 560 025 as advocates to represent the Company before the High Court of Karnataka/ National Company Law Tribunal and other courts in respect of the Scheme and all matters, connected and incidental thereto and all such acts, deeds and things (incidental and ancillary) as may be considered necessary and expedient in relation thereto;*

xvi. *to file necessary forms, papers, returns, documents etc., with the Registrar of Companies, Karnataka within stipulated time as applicable under the provisions of the Companies Act;*

xvii. *To appoint Scruitiniser to conduct the proceedings of Court convened meeting of shareholders/creditors, if any, at a fee as they may deem fit.*

//CERTIFIED TRUE COPY//

For Mindtree Limited

Company Secretary

MINDTREE LIMITED * BENGALURU *

ANNEXURE C1

RCE & Co.
Chartered Accountants

No. 458 & 459, 2nd Floor, MP Arcade
18th Main Road, 4th T Block, Jayanagar
Bengaluru - 560 041
Tel/Fax: 4120 5845, 4097 3833
www.rceglobal.com

To,

The Board of Directors
Mindtree Limited
Global Village,
Mylasandra, Mysore Road, RVCE Post,
Bangalore – 560059

CERTIFICATE OF EXCHANGE RATIO

IN THE MATTER OF AMALGAMATION OF MAGNET 360 LLC WITH MINDTREE LIMITED

Based on the draft Scheme of Amalgamation ('the Scheme') of Magnet 360 LLC with Mindtree Limited and according to the information and explanations provided to us, we hereby certify as under:

a. As on date Mindtree Limited holds entire Membership interests of Magnet 360 LLC which is its wholly owned subsidiary.

b. Pursuant to the draft Scheme of Amalgamation Membership interests in Magnet 360 LLC held by Mindtree Limited will be cancelled and the Mindtree Limited shall not be required to issue and / allot any shares to the members of Magnet 360 LLC.

c. Accordingly, no valuation of shares is applicable to the Scheme. In our opinion, we state that the above Scheme is fair and reasonable since the shareholders of Mindtree Limited will continue to remain beneficial owners of Mindtree Limited in the same proportion as they held prior to the Scheme.

d. This Certificate is issued at the request of Mindtree Limited in accordance with para 4(a) of Annexure 1 of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 and should not be used for any other purpose without our prior written consent.

CERTIFIED TRUE COPY

For RCE & Co.
Chartered Accountants
Firm's Registration No. 009141S

CHARTERED ACCOUNTANTS R.C.E. & Co. BANGALORE

Meenakshi
Partner
Membership No. 216264

For Mindtree Limited

Company Secretary

MINDTREE LIMITED BENGALURU

Place: Bangalore
Date: July 18, 2016

ANNEXURE C2

Mindtree
Welcome to possible

Registered Office Address: Mindtree Ltd.
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

REPORT OF THE AUDIT COMMITTEE

MEMBERS PRESENT:

Mr. Ramesh Ramanathan, Chairman
Dr. Albert Hieronimus, Member
Ms. Apurva Purohit, Member
Mr. V G Siddhartha, Member

IN ATTENDANCE:

Ms. Vedavalli S, Company Secretary

BY INVITATION:

Mr. Krishnakumar N, Executive Chairman
Mr. Rostow Ravanan, CEO& Managing director
Mr. NS Parthasarathy, Executive Director
Mr. Jagannathan Chakravarthi, CFO
Mr. Erwan Carpentier, Senior VP & General Counsel

1. Mindtree Limited (MT or the 'Transferee Company') has placed before the Audit Committee at its meeting held on July 18, 2016, a draft Scheme of Amalgamation of Magnet 360 , LLC (Transferor Company) with the Transferee Company under section 391 to 394 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013 (including any statutory modifications or re-enactment or amendment thereof).for recommendation of the draft scheme inter alia after considering the valuation report and the Fairness report as required vide SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

   The Audit Committee pursuant to requirements set out in the abovementioned SEBI Circulars and after considering the following documents;

   a. Draft Scheme of Amalgamation
   b. Valuation report dated July 18, 2016 issued by RCE & Co., Chartered Accountants;
   c. Fairness Opinion dated July 18, 2016 by M/s SPA Capital Advisors Ltd. ('Merchant Bankers')

   hereby reports:

   that the proposed Amalgamation of the Transferor Company envisaged in this scheme would be beneficial to the Transferee Company and all the Stakeholders.

2. The Audit Committee has noted that:

   i. Transferor Company is the wholly owned subsidiary of the Transferee Company and is currently engaged in the business of IT Services;

MINDTREE LIMITED ★ BENGALURU ★

ii. Amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits;

a. The amalgamation will enable the Transferee Company to integrate its business operations and provide significant impetus to the growth of the Transferee Company. The consolidation of the activities by way of an amalgamation will lead to synergies of operations and a stronger and wider capital and financial base for future growth/expansion. The combined entity will have a bigger portfolio of services targeted at a wider array of customers, which will strengthen its competitive position in providing IT services /software & technology related services markets This will also enable the Transferee Company to address newer solutions and services to its customers and to the Transferor Company's customers and enhance its marketing capabilities.

b. The amalgamation will result in economy of scales and reduction in overheads, administrative, managerial and other expenditure, operational rationalisation, organisational efficiency, and optimal utilisation of various resources.

c. The managerial expertise of the Transferor Company will contribute to the strength of the Transferee Company. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Company, facilitate resource mobilisation and achieve better cash flows. This would contribute substantially towards enhancement of shareholder's value of the Transferee Company.

d. Duplication of administrative functions will be eliminated together with the multiple record - keeping resulting in reduced expenditure.

e. This amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and the Transferee Company.

f. The banks, creditors and institutions, if any, are not affected by the proposed amalgamation as their security is maintained.

g. There shall be impetus and increase in the area of sales, network of the Transferee Company apart from reduction in costs.

h. The amalgamation shall result in the combination of manpower of both the company and a single management structure for the company.

i. The combined managerial and technical expertise would enable the Transferee Company to develop a business model that would be competitive and cogent.

Registered Office Address: Mindtree Ltd.
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

iii. The Audit Committee took note of the Fairness Opinion and the fact that no shares of the Transferee Company will be issued and allotted pursuant to the proposed Scheme since the entire paid-up capital of the Transferor Company is wholly owned by the Transferee Company.

iv. In any case, since the entire equity shareholding of the Transferor Company is held by the Transferee Company and therefore as an internal group restructuring, it does not adversely affect the stakeholders and creditors of the Transferee Company and the Transferor Company and is in the best interest of the Company, its shareholders, creditors and other stakeholders.

In light of the foregoing, Audit Committee inter-alia after taking into consideration, the Valuation Report and the Fairness Opinion dated July 18, 2016 and on perusal of the rationale of the Scheme, approves the draft Scheme of Amalgamation and recommends the draft scheme of Amalgamation for favorable consideration by the Board of Directors, Stock Exchange(s) and the SEBI.

Ramesh Ramanathan
Chairman- Audit Committee

Date: July 18, 2016
Place: Bengaluru

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For Mindtree Limited
Company Secretary

MINDTREE LIMITED BENGALURU

ANNEXURE D

SPA
THE FINANCIAL ADVISORS
www.spacapital.com

SPA Capital Advisors Ltd.
(Formerly SPA Merchant Bankers Ltd.)
CIN: U65990DL1995PLC167628
25, C-Block Community Centre
Janak Puri, New Delhi-110 058
Tel : 011-25517371, 25515086
Fax : 011-25532644
Email : info@spacapital.com

Submitted to

Mindtree Limited

FAIRNESS OPINION REPORT

On proposed Scheme of Amalgamation of

MAGNET 360, L.L.C.

With

Mindtree Limited

BY

M/s SPA CAPITAL ADVISORS LTD.

25, C-Block, Community Centre,

Janak Puri, New Delhi.

Tel: 25558601/25517371/25515086

Fax: 25572763

Website: www.spacapital.com

"Everything we hear is an opinion, not a fact. Everything we see is a perspective, not the truth."

CERTIFIED TRUE COPY

July 18, 2016

For Mindtree Limited

Company Secretary

MINDTREE LIMITED * BENGALURU *

SPA
THE FINANCIAL ADVISORS
www.spacapital.com

To,

The Board of Directors,
Mindtree Limited,
Global Village, RVCE Post,
Mysore Road, Bangalore-560059.

RE: Fairness Opinion on proposed Scheme of Amalgamation of Magnet 360 L.L.C. with Mindtree Ltd.

PURPOSE

We have been engaged to give fairness opinion on the "Scheme of Amalgamation" of Magnet 360 L.L.C., having its registered office at 5757 Wayzata Boulevard Minneapolis, MN 55416 USA (i.e. the "Transferor Company") with Mindtree Limited, having its registered office at Global Village, RVCE Post, Mysore Road, Bangalore 560 059 (i.e. the "Transferee Company") pursuant to the relevant provisions of the Companies Act, 1956.

The fairness opinion report is required to be submitted to the stock exchanges to facilitate the companies with regulation 11, regulation 37 & regulation 94 of the Securities Exchange Board of India (Listing obligation and disclosure Requirements; (SEBI) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30th November 2015).

BACKGROUND

- The Transferor Company was incorporated on March 25, 2008, as per the provisions of the. The Transferor Company is involved in the business of full suite of Salesforce solutions such as CRM, branded sites and

For Mindtree Limited
Company Secretary
MINDTREE LIMITED * BENGALURU *
SPA Capital Advisors Ltd. New Delhi

communities, social campaign strategy and management, and marketing automation.

- The Transferee Company was incorporated as a private company on August 5, 1999, under the name MindTree Consulting Private Limited as per the provisions of the Companies Act, 1956. Subsequently, MindTree Consulting Private Limited ceased to be a private company and the name of the Transferee Company was changed to MindTree Consulting Limited on November 6, 2006. Subsequently on March 28, 2008, the name of the Transferee Company was changed from MindTree Consulting Limited to Mindtree Limited. The Transferee Company is involved in the business of software and technology.

The share capital of the Transferee Company as on June 30, 2016 is as under:

Particulars	Amount in Rs.
Authorised Share Capital	
800,000,000 Equity Shares of Rs. 10 each/-	8,000,000,000/-
Issued , Subscribed and Paid up Share Capital	
167,830,816 Equity Shares of Rs. 10 each/-	1,678,308,160/-

The Transferee Company is the sole member of the Transferor Company and owns 100% membership interests in the Transferor Company .

TRANSACTION

We understand that the merger of the Transferor Company under this proposed Scheme of Amalgamation will be effected as a Scheme under the provisions of the other Applicable Laws and under Sections 391 to 394 of the Companies Act, 1956.

MINDTREE LIMITED * BENGALURU *
C.S.

SPA Capital Advisors Limited New Delhi *

By this Scheme of Amalgamation it is proposed to amalgamate the Transferor Company with the Transferee Company, for the purposes of better, efficient and economical management, control and running of the businesses, and for further development and growth of the business of the Transferee Company and for administrative convenience. The proposed amalgamation between the Transferor Companies and the Transferee Company shall result in the following, benefits, amongst others, to both companies, their respective members and creditors.

(i) The amalgamation will enable the Transferee Company to integrate its business operations and provide significant impetus to the growth of the Transferee Company. The consolidation of the activities by way of an amalgamation will lead to synergies of operations and a stronger and wider capital and financial base for future growth/expansion. The combined entity will have a bigger portfolio of services targeted at a wider array of customers, which will strengthen its competitive position in providing IT services /software & technology related services markets This will also enable the Transferee Company to address newer solutions and services to its customers and to transferor's customers and enhance its marketing capabilities.

(ii) The amalgamation will result in economy of scales and reduction in overheads, administrative, managerial and other expenditure, operational rationalisation, organisational efficiency, and optimal utilisation of various resources.

(iii) The managerial expertise of the Transferor Companies will contribute to the strength of the Transferee Company. Consequently, the Transferee Company will offer a strong financial structure to all creditors including

MINDTREE LIMITED * BENGALURU *

SPA Capital Advisors Limited New Delhi *

the creditors of the Transferor Companies, facilitate resource mobilisation and achieve better cash flows. This would contribute substantially towards enhancement of shareholder's value of the Transferee Company.

(iv) Duplication of administrative functions will be eliminated together with the multiple record - keeping resulting in reduced expenditure.

(v) This amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Companies and the Transferee Company.

(vi) The banks, creditors and institutions, if any, are not affected by the proposed amalgamation as their security is maintained.

(vii) There shall be impetus and increase in the area of sales, network of the Transferee Company apart from reduction in costs.

(viii) The amalgamation shall result in the combination of manpower of both the companies and a single management structure for the companies.

(ix) The combined managerial and technical expertise would enable the Transferee Company to develop a business model that would be competitive and cogent.

VALUATION REPORT

In the proposed Scheme of Arrangement, the entire equity share capital of Transferor Company held by Transferee Company will be cancelled and there shall not be any change in the shareholding pattern of Transferee Company, as per the provisions of SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30th November 2015; a valuation report from independent valuer is not required in such cases where there is no change in the shareholding pattern of the listed company.

MINDTREE LIMITED * BENGALURU *

S.T

SPA Capital Advisors Limited New Delhi *

CONCLUSION

Pursuant to the Composite Scheme of Amalgamation, Membership interest in Magnet 360 L.L.C., will be cancelled and Mindtree Limited shall not be required to issue and / allot any shares to the members of Transferor companies.

Therefore, On the basis of information and explanation provided to us, in our opinion the scheme of amalgamation and arrangement is fair and reasonable to the holders of equity shares of Mindtree.

Disclaimer: *The Final Report has been prepared for the internal and exclusive use of the Board of Directors of Mindtree Limited (the "Board of Directors") in support of the decisions to be taken by it. Therefore, the Final Report may not be disclosed, in whole or in part, to any third party or used for any purpose whatsoever other than those indicated in the Engagement and in the Final Report itself, provided that the Final Report may be transmitted to the experts appointed in compliance with the law and its content may be disclosed publicly where required by regulations of the Indian authorities. Any other use, in whole or in part, of the Final Report will have to be previously agreed and authorised in writing by SPA Capital Advisors Limited (SPA). In preparing the Final Report, SPA has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by Mindtree Limited. SPA has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information. Publicly available information deemed relevant for the purpose of the analyses contained in the Final Report has also been used. Therefore the Final Report is based on: (i) our interpretation of the information which Mindtree Limited, as well as their representatives and advisers, have supplied to us to date; (ii) our understanding of the terms upon which Mindtree Limited intends to consummate the Transaction (iii) the assumption that the Transaction will be consummated in accordance with*

MINDTREE LIMITED ★ BENGALURU ★

SPA Capital Advisors Limited ★ New Delhi *the expected terms and within the expected time periods. The Final Report and the Opinion concern exclusively for the purpose of proposed amalgamation and do not constitute an opinion by SPA as to the absolute value of the shares of Mindtree Limited.*

For SPA Capital Advisors Limited.

(Sourabh Garg)	SPA Capital Advisors Limited New Delhi	**(Khushboo Tanwar)**
Vice President		**Manager**

MINDTREE LIMITED BENGALURU

ANNEXURE E1

Pre and Post Amalgamation Shareholding Pattern of Mindtree Limited in terms of Point number 5 of Regulation 37 of the SEBI (LODR) Regulations, 2015 checklist of documents as on June 30, 2016

1	Name of Listed Entity: Mindtree Limited	
2	Scrip Code/Name of Scrip/Class of Security: 532819/MINDTREE/Equity Shares	
3	Share Holding Pattern Filed under: Reg. 31(1)(b)	
	a.	If under 31(1)(b) then indicate the report for Quarter ending: June 30, 2016
	b.	If under 31(1)(c) then indicate date of allotment/extinguishment
4	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-	

	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in locked-in?	Yes	
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

For Mindtree Limited

Company Secretary

MINDTREE LIMITED * BENGALURU *

Mindtree Limited

Pre and Post Amalgamation shareholding Pattern of Mindtree Limited in terms of Point number 6 of Regulation 37 of the SEBI (LODR) Regulations, 2015 checklist of documents

Table I - Summary Statement holding of specified securities

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	9	23030226	0	0	23030226	13.72	23030226	0	23030226	13.72	0	13.72	0	0.00	0	0.00	23030226
(B)	Public	71699	144800590	0	0	144800590	86.28	144800590	0	144800590	86.28	0	86.28	107824	0.07	NA	NA	144415763
(C)	Non Promoter - Non Public				0				0			0			0.00	NA	NA	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total	71708	167830816	0	0	167830816	100.00	167830816	0	167830816	100.00	0	100.00	107824	0.06	0	0.00	167445989

MINDTREE LIMITED * BENGALURU *

S.T

Mindtree Limited

Pre and Post Amalgamation shareholding Pattern of Mindtree Limited in terms of Point number 6 of Regulation 37 of the SEBI (LODR) Regulations, 2015 checklist of documents

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities: No of Voting Rights: Class eg: X	Class eg: y	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a	Number of Locked in shares: No. (a)	As a % of total Shares held(b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held(b)	Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Indian																		
(a)	Individuals / Hindu Undivided Family		4	16832870	0	0	16832870	10.03	16832870	0	16832870	10.03	0	10.03	0	0.00	0	0.00	16832870
	Krishnakumar N	AAAPK6972D	1	8004172	0	0	8004172	4.77	8004172	0	8004172	4.77	0	4.77	0	0.00	0	0.00	8004172
	Subroto Bagchi	ADJPB9499C	1	5255700	0	0	5255700	3.13	5255700	0	5255700	3.13	0	3.13	0	0.00	0	0.00	5255700
	N S Parthasarathy	ABLPP8001E	1	2404562	0	0	2404562	1.43	2404562	0	2404562	1.43	0	1.43	0	0.00	0	0.00	2404562
	Rostow Ravanan	ACSPR0729D	1	1168436	0	0	1168436	0.70	1168436	0	1168436	0.70	0	0.70	0	0.00	0	0.00	1168436
(b)	Central Government / State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Financial Institutions / Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Any Other (Specify)		4	3685372	0	0	3685372	2.20	3685372	0	3685372	2.20	0	2.20	0	0.00	0	0.00	3685372
	Persons Acting In Concert		4	3685372	0	0	3685372	2.20	3685372	0	3685372	2.20	0	2.20	0	0.00	0	0.00	3685372
	Susmita Bagchi	ALEPB9199E	1	2769300	0	0	2769300	1.65	2769300	0	2769300	1.65	0	1.65	0	0.00	0	0.00	2769300
	Akila Krishnakumar	AAUPK1138R	1	840000	0	0	840000	0.50	840000	0	840000	0.50	0	0.50	0	0.00	0	0.00	840000
	Sanjay Kumar Panda	AAAPP0466H	1	60000	0	0	60000	0.04	60000	0	60000	0.04	0	0.04	0	0.00	0	0.00	60000
	Seema Ravanan	AQEPR3565R	1	16072	0	0	16072	0.01	16072	0	16072	0.01	0	0.01	0	0.00	0	0.00	16072
	Sub Total (A)(1)		8	20518242	0	0	20518242	12.23	20518242	0	20518242	12.23	0	12.23	0	0.00	0	0.00	20518242
2	Foreign																		
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(e)	Any Other (Specify)		1	2511984	0	0	2511984	1.50	2511984	0	2511984	1.50	0	1.50	0	0.00	0	0.00	2511984
	Foreign Promoter Company		1	2511984	0	0	2511984	1.50	2511984	0	2511984	1.50	0	1.50	0	0.00	0	0.00	2511984
	LSO Investment Private Limited	AABCL4294P	1	2511984	0	0	2511984	1.50	2511984	0	2511984	1.50	0	1.50	0	0.00	0	0.00	2511984
	Sub Total (A)(2)		1	2511984	0	0	2511984	1.50	2511984	0	2511984	1.50	0	1.50	0	0.00	0	0.00	2511984
	Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)		9	23030226	0	0	23030226	13.72	23030226	0	23030226	13.72	0	13.72	0	0.00	0	0.00	23030226

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note:

(1) PAN would not be displayed on website of Stock Exchange(s)

(2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Mindtree Limited

Pre and Post Amalgamation shareholding Pattern of Mindtree Limited in terms of Point number 6 of Regulation 37 of the SEBI (LODR) Regulations, 2015 checklist of documents

Table III - Statement showing shareholding pattern of the Public shareholder

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities: No of Voting Rights Class eg: X	Class eg: y	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held(b)	Number of Shares pledged: No. (a)	As a % of total Shares held(b)	Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Institutions																		
(a)	Mutual Fund		70	11614295	0	0	11614295	6.92	11614295	0	11614295	6.92	0	6.92	0	0.00	NA	NA	11614295
	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA OPPORTUNITIES FUND	AAATT4931H		2399964	0	0	2399964	1.43	2399964	0	2399964	1.43	0	1.43	0	0.00	NA	NA	2399964
	ICICI Prudential Value Discovery Fund	AAAAI0038F		2069140	0	0	2069140	1.23	2069140	0	2069140	1.23	0	1.23	0	0.00	NA	NA	2069140
	UTI LONG TERM ADVANTAGE FUND S II	AAATU1088L		1966948	0	0	1966948	1.17	1966948	0	1966948	1.17	0	1.17	0	0.00	NA	NA	1966948
	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS INCOME SAVER	AACTA5925A		1855000	0	0	1855000	1.11	1855000	0	1855000	1.11	0	1.11	0	0.00	NA	NA	1855000
(b)	Venture Capital Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Foreign Portfolio Investor(including Foreign Institutional Investors (FII))		187	68662172	0	0	68662172	40.91	68662172	0	68662172	40.91	0	40.91	0	0.00	NA	NA	68662172
	Nalanda India Fund Limited	AACCN5849D		15796356	0	0	15796356	9.41	15796356	0	15796356	9.41	0	9.41	0	0.00	NA	NA	15796356
	Matthews India Fund	AABTM6157F		5506584	0	0	5506584	3.28	5506584	0	5506584	3.28	0	3.28	0	0.00	NA	NA	5506584
	Oppenheimer International Small Company Fund	AAATO0456A		3681132	0	0	3681132	2.19	3681132	0	3681132	2.19	0	2.19	0	0.00	NA	NA	3681132
	Ontario Teachers' Pension Plan Board Managed By Arohi Asset Management Pte Ltd-NP9Q	AAACO7133R		3506612	0	0	3506612	2.09	3506612	0	3506612	2.09	0	2.09	0	0.00	NA	NA	3506612
	Copthall Mauritius Investment Limited	AAACC4303M		2892844	0	0	2892844	1.72	2892844	0	2892844	1.72	0	1.72	0	0.00	NA	NA	2892844
	Nalanda India Equity Fund Limited	AADCN6131F		2859520	0	0	2859520	1.70	2859520	0	2859520	1.70	0	1.70	0	0.00	NA	NA	2859520
	Amansa Holdings Private Limited	AAKCA7237L		2425456	0	0	2425456	1.45	2425456	0	2425456	1.45	0	1.45	0	0.00	NA	NA	2425456
	Arohi Asset Management Pte Ltd. A/C Arohi Emerging Asia Master Fund	AAHCA2305C		2381752	0	0	2381752	1.42	2381752	0	2381752	1.42	0	1.42	0	0.00	NA	NA	2381752
(f)	Financial Institutions / Banks		7	428785	0	0	428785	0.26	428785	0	428785	0.26	0	0.26	0	0.00	NA	NA	428785
(g)	Insurance Companies		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(h)	Provident Funds/ Pension Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(i)	Any Other (Specify)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Sub Total (B)(1)		264	80705252	0	0	80705252	48.09	80705252	0	80705252	48.09	0	48.09	0	0.00	NA	NA	80705252
2	Central Government/ State Government(s)/ President of India																		
	Sub Total (B)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
3	Non-Institutions																		
(a)	Individuals		67294	20935325	0	0	20935325	12.48	20935325	0	20935325	12.48	0	12.48	76372	0.36	NA	NA	20643058
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		67183	11071863	0	0	11071863	6.60	11071863	0	11071863	6.60	0	6.60	76372	0.69	NA	NA	10805840
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		111	9863462	0	0	9863462	5.88	9863462	0	9863462	5.88	0	5.88	0	0.00	NA	NA	9837218
	S Janakiraman	AASPJ3150E		3011487	0	0	3011487	1.79	3011487	0	3011487	1.79	0	1.79	0	0.00	NA	NA	3011487
(b)	NBFCs registered with RBI		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(c)	Employee Trusts		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Overseas Depositories(holding DRs) (balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Any Other (Specify)		4141	43160013	0	0	43160013	25.72	43160013	0	43160013	25.72	0	25.72	31452	0.07	NA	NA	43067453
	Trusts		3	150	0	0	150	0.00	150	0	150	0.00	0	0.00	0	0.00	NA	NA	150
	Foreign Nationals		18	832238	0	0	832238	0.50	832238	0	832238	0.50	0	0.50	25786	3.10	NA	NA	797384
	Hindu Undivided Family		1436	428250	0	0	428250	0.26	428250	0	428250	0.26	0	0.26	0	0.00	NA	NA	428250
	Non Resident Indians (Non Repat)		437	295343	0	0	295343	0.18	295343	0	295343	0.18	0	0.18	0	0.00	NA	NA	295343
	Directors excluding Promoter Directors		5	5248000	0	0	5248000	3.13	5248000	0	5248000	3.13	0	3.13	0	0.00	NA	NA	5248000
	V G Siddhartha	ABXPS1891D		5028000	0	0	5028000	3.00	5028000	0	5028000	3.00	0	3.00	0	0.00	NA	NA	5028000
	Non Resident Indians (Repat)		1159	770808	0	0	770808	0.46	770808	0	770808	0.46	0	0.46	5666	0.74	NA	NA	713102

MINDTREE LIMITED * BENGALURU

	Unclaimed Shares		1	61160	0	0	61160	0.04	61160	0	61160	0.04	0	0.04	0	0.00	NA	NA	61160
	Clearing Member		390	174026	0	0	174026	0.10	174026	0	174026	0.10	0	0.10	0	0.00	NA	NA	174026
	Bodies Corporate		692	35350038	0	0	35350038	21.06	35350038	0	35350038	21.06	0	21.06	0	0.00	NA	NA	35350038
	Coffee Day Enterprises Limited	AADCC3895L		17461768	0	0	17461768	10.40	17461768	0	17461768	10.40	0	10.40	0	0.00	NA	NA	17461768
	Coffee Day Trading Limited	AABCG2682A		10594244	0	0	10594244	6.31	10594244	0	10594244	6.31	0	6.31	0	0.00	NA	NA	10594244
	Amrit Petroleums Pvt Limited	AAACA4348L		3650000	0	0	3650000	2.17	3650000	0	3650000	2.17	0	2.17	0	0.00	NA	NA	3650000
	Sub Total (B)(3)		71435	64095338	0	0	64095338	38.19	64095338	0	64095338	38.19	0	38.19	107824	0.17	NA	NA	63710511
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)		71699	144800590	0	0	144800590	86.28	144800590	0	144800590	86.28	0	86.28	107824	0.07	NA	NA	144415763

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

Names	Holdings	%
No PACs under "Public Category"		

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

No. of shareholders	No. of Shares
309	61160

Note:

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to be disclosed along with the name of following persons:Institutions/Non Institutions holding more than 1% of total number of shares: Kindly refer Annexure - i

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance to be disclosed as held by custodian.

MINDTREE LIMITED ★ BENGALURU ★

Mindtree Limited

Pre and Post Amalgamation shareholding Pattern of Mindtree Limited in terms of Point number 6 of Regulation 37 of the SEBI (LODR) Regulations, 2015 checklist of documents

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: X	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Custodian/DR Holder		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
2	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0

Note:

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to disclose name of all holders holding more than 1% of total number of shares

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available

For Mindtree Limited

Company Secretary

MINDTREE LIMITED * BENGALURU

ANNEXURE E2

Shareholding of Magnet 360, LLC		
	Pre-merger Capital	Post-merger Capital
Particulars	Amount in USD	Amount in USD
None	NIL*	Nil
* Mindtree Limited is the sole member of the Magnet 360, LLC and owns 100% membership interests in Magnet 360, LLC		

For Mindtree Limited

Company Secretary

MINDTREE LIMITED ★ BENGALURU ★

Annexure F1

B S R & Co. LLP
Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

Telephone: + 91 80 3980 6000
Fax: + 91 80 3980 6999

Independent Auditor's Report

To the Members of Mindtree Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Mindtree Limited ('the Company'), which comprise the balance sheet as at 31 March 2014, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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For Mindtree Limited

Company Secretary

MINDTREE LIMITED BENGALURU

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014;

(b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and

(c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

   (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (ii) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   (iii) the balance sheet, statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

   (iv) in our opinion, the balance sheet, statement of profit and loss and cash flow statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and

   (v) on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration No. 101248W

Supreet Sachdev
Partner
Membership No. 205385

Bangalore

16 April 2014

ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in the Auditor's Report to the members of Mindtree Limited ('the Company') for the year ended 31 March 2014.

We report as follows:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were observed on such verification.

   c) Fixed assets disposed off during the year were not substantial and therefore do not affect the going concern assumption.

2. The Company is a service company, primarily rendering software development services. Accordingly, it does not hold any physical inventories. Thus, paragraph 4(ii) of the Order is not applicable.

3. The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.

5. In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956.

6. The Company has not accepted any deposits from the public.

7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

8. The Central Government of India has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for any of the services rendered by the Company.

9. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund,

MINDTREE LIMITED * BENGALURU *

Income-tax, Sales-tax, Service tax, Customs duty, and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Wealth tax, Employees State Insurance and Excise duty.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Income-tax, Sales-tax, Service tax, Customs duty, Cess and other material statutory dues were in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there are no dues of Customs duty and Cess which have not been deposited with the appropriate authorities on account of any dispute. The Company, however, disputes the following Income tax, Service tax and Sales tax dues:

Name of the statute	**Nature of the dues**	**Amount (Rs in millions)**	**Period to which the amount relates**	**Forum where dispute is pending**
Income Tax Act, 1961	Tax and interest	78.90*	Assessment year 2002-03	Assessing Officer, Bangalore**
Income Tax Act, 1961	Tax and interest	46.70*	Assessment year 2003-04	Commissioner of Income Taxes (Appeals), Bangalore
Income Tax Act, 1961	Tax and interest	60.84	Assessment year 2004-05	Commissioner of Income Taxes (Appeals), Bangalore
Income Tax Act, 1961	Tax and interest	8.45*	Assessment year 2007-08	Income Tax Appellate Tribunal, Bangalore

MINDTREE LIMITED * BENGALURU *

Name of the statute	Nature of the dues	Amount (Rs in millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax and interest	11.16	Assessment year 2007-08	Commissioner of Income Taxes (Appeals), Bangalore
Income Tax Act, 1961	Tax and interest	10.10	Assessment year 2008-09	Commissioner of Income Taxes (Appeals), Bangalore
Income Tax Act, 1961	Tax and interest	27.91*	Assessment year 2007-08	Income Tax Appellate Tribunal, Bangalore
Income Tax Act, 1961	Tax and interest	23.56	Assessment year 2009-10	Commissioner of Income Taxes (Appeals), Bangalore[SS]
Income Tax Act, 1961	Tax and interest	1.63	Assessment year 2009-10	Income Tax Appellate Tribunal Bangalore
Income Tax Act, 1961	Tax and interest	209.61*	Assessment year 2008-09	Income Tax Appellate Tribunal Bangalore
Income Tax Act, 1961	Tax and interest	62.90	Assessment year 2009-10	Income Tax Appellate Tribunal, Bangalore
Income Tax Act, 1961	Tax and interest	60.30^	Assessment year 2010-11	Assessing Officer, Bangalore
The Finance Act, 1994	Service tax and interest	11.29	June 2005 to March 2007	Customs, Excise and Service Tax Appellate Tribunal, Bangalore***

MINDTREE LIMITED * BENGALURU *

Name of the statute	Nature of the dues	Amount (Rs in millions)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax and interest	24.27	July 2003 to March 2006	Customs, Excise and Service Tax Appellate Tribunal, Bangalore***
The Finance Act, 1994	Tax, interest and penalty	64.47	July 2004 to November 2005	Customs, Excise and Service Tax Appellate Tribunal, Bangalore****
The Finance Act, 1994	Tax, interest and penalty	3.11*	April 2007 to March 2008	Customs, Excise and Service Tax Appellate Tribunal, Bangalore ****
The Finance Act, 1994	Tax, interest and penalty	22.68	September 2004 to March 2007	Customs, Excise and Service Tax Appellate Tribunal, Bangalore****
The Finance Act, 1994	Tax, interest and penalty	4.68	April 2007 to February 2008	Customs, Excise and Service Tax Appellate Tribunal, Bangalore
Karnataka Sales Tax Act, 1957	Tax and penalty	0.28*	Upto July 2004	Assistant Commissioner of Commercial taxes (Recovery), Bangalore

^ The Company has not obtained the final assessment order as at the date of this report.

* The above amounts are net of amount paid under protest.

$$The Company is awaiting the order giving effect order from the Assessing Officer as at the date of this report.

MINDTREE LIMITED BENGALURU

**The matter is currently pending with the Assessing Officer, as per ITAT order dated 12 July 2007.

*** Stay granted by Customs, Excise and Service Tax Appellate Tribunal, Bangalore vide original order dated 6 January 2012 and further order received dated 21 February 2013.

**** Stay granted by Customs, Excise and Service Tax Appellate Tribunal, Bangalore vide order dated 27 September 2012.

Note: The Income-Tax authorities have adjusted refund amounting to Rs.162 million in respect of the aforementioned demands without earmarking amounts to the Assessment Year which has not been reflected in the above disclosure.

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company did not have any outstanding dues to any financial institution or debenture holders during the year.

12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund/ nidhi/ mutual benefit fund/ society.

14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

16. The Company did not have any term loans outstanding during the year.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we are of the opinion that the funds raised on short-term basis have not been used for long-term investment.

18. The Company has not made any preferential allotment of shares to companies/ firms/ parties covered in the register maintained under Section 301 of the Companies Act, 1956.

19. The Company did not have any outstanding debentures during the year.

20. The Company has not raised any money by public issues during the year.

MINDTREE LIMITED * BENGALURU *

21. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

for **B S R & Co. LLP**
Chartered Accountants
Firm registration No. 101248W

Supreet Sachdev
Partner
Membership No. 205385

Bangalore
16 April 2014

MINDTREE LIMITED * BENGALURU *

Mindtree Limited
Balance sheet

	Note	As at March 31, 2014	As at March 31, 2013
			Rs in million
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1.1	417	415
Reserves and surplus	3.1.2	15,992	12,722
		16,409	13,137
Non-current liabilities			
Long-term borrowings	3.2.1	27	32
Other long-term liabilities	3.2.2	129	57
Long-term provisions	3.2.3	39	-
		195	89
Current liabilities			
Short-term borrowings	3.3.1	-	217
Trade payables		82	189
Other current liabilities	3.3.2	2,737	2,166
Short-term provisions	3.3.3	1,574	1,112
		4,393	3,684
		20,997	16,910
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	3.4.1	3,266	2,485
Intangible assets	3.4.1	170	104
Capital work-in-progress		496	571
Non-current investments	3.4.2	189	244
Deferred tax assets (net)	3.4.3	402	360
Long-term loans and advances	3.4.4	758	617
Other non-current assets	3.4.5	1,039	1,046
		6,320	5,427
Current assets			
Current investments	3.5.1	5,160	4,027
Trade receivables	3.5.2	6,004	4,508
Cash and bank balances	3.5.3	1,175	1,238
Short-term loans and advances	3.5.4	612	430
Other current assets	3.5.5	1,726	1,280
		14,677	11,483
		20,997	16,910

Significant accounting policies and notes to the accounts 2&3

The notes referred to above form an integral part of the financial statements

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As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W

For Mindtree Limited

Supreet Sachdev
Partner
Membership Number: 205385

Subroto Bagchi
Chairman

N. Krishnakumar
CEO & Managing Director

Rajesh S

Rostow Ravanan
Chief Financial Officer

Rajesh Srichand Narang
Company Secretary

Place: Bangalore
Date : April 16, 2014

Place: Bangalore
Date : April 16, 2014

MINDTREE LIMITED BENGALURU

Mindtree Limited
Statement of profit and loss

Rs in million

Particulars	Note	For the year ended March 31, 2014	For the year ended March 31, 2013
Revenue from operations		30,316	23,618
Other income	3.6	494	350
Total revenues		**30,810**	**23,968**
Expenses:			
Employee benefits expense	3.7	17,820	14,274
Finance costs	3.7	4	10
Depreciation and amortisation expense	3.4.1	809	624
Other expenses	3.7	6,390	4,824
Total expenses		**25,023**	**19,732**
Profit before tax		**5,787**	**4,236**
Tax expense:	3.4.3		
Current tax		1,317	887
Deferred tax		(42)	(40)
Profit for the year		**4,512**	**3,389**
Earnings per equity share	3.17		
Equity shares of par value Rs 10/- each			
Basic		108.50	82.70
Diluted		107.70	81.66
Weighted average number of equity shares used in computing earnings per share			
Basic		41,588,758	40,974,712
Diluted		41,896,409	41,496,296
Significant accounting policies and notes to the accounts	2&3		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W

Supreet Sachdev
Partner
Membership Number: 205385

Place: Bangalore
Date : April 16, 2014

For Mindtree Limited

Subroto Bagchi
Chairman

N. Krishnakumar
CEO & Managing Director

Rostow Ravanan
Chief Financial Officer

Rajesh Srichand Narang
Company Secretary

Place: Bangalore
Date : April 16, 2014

MINDTREE LIMITED BENGALURU

Mindtree Limited
Cash flow statement

	Rs in million	
	For the year ended March 31,	
	2014	2013
Cash flow from operating activities		
Profit before tax	5,787	4,236
Adjustments for :		
Depreciation and amortisation	809	624
Amortization of stock compensation cost	79	2
Interest expense	4	10
Interest/ dividend income	(215)	(192)
Profit on sale of fixed assets	(3)	(6)
Profit on sale of investments	(130)	(133)
Provision for diminution in the value of investments	(1)	1
Loss on dissolution of subsidiary	-	3
Exchange difference on derivatives	-	(308)
Effect of exchange differences on translation of foreign currency borrowings	25	28
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(69)	(30)
Operating profit before working capital changes	6,286	4,235
Changes in trade receivables	(1,496)	(430)
Changes in loans and advances and other assets	(837)	(564)
Changes in liabilities and provisions	568	391
Net cash provided by operating activities before taxes	4,521	3,632
Income taxes paid	(1,297)	(969)
Net cash provided by operating activities	3,224	2,663
Cash flow from investing activities		
Purchase of fixed assets	(1,520)	(1,066)
Proceeds from sale of fixed assets	3	0
Investment in subsidiary	-	(14)
Proceeds on dissolution of subsidiary	-	18
Interest/ dividend received from investments	222	179
Purchase of investments	(11,443)	(11,257)
Sale/ maturities of investments	10,495	10,216
Net cash used in investing activities	(2,243)	(1,915)
Cash flow from financing activities		
Issue of share capital (net of issue expenses paid)	63	322
Interest paid on loans	(5)	(11)
Repayment of borrowings	(811)	(941)
Proceeds from loans	564	719
Dividends paid (including distribution tax)	(924)	(214)
Net cash used in financing activities	(1,113)	(125)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	69	30
Net (decrease)/ increase in cash and cash equivalents	(63)	653
Cash and cash equivalents at the beginning of the year	1,238	585
Cash and cash equivalents at the end of the year (Refer note 3.8.3)	1,175	1,238

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W

Supreet Sachdev
Partner
Membership Number: 205385

For Mindtree Limited

Subroto Bagchi
Chairman

N. Krishnakumar
CEO & Managing Director

Rostow Ravanan
Chief Financial Officer

Rajesh Srichand Narang
Company Secretary

Place: Bangalore
Date : April 16, 2014

Place: Bangalore
Date : April 16, 2014

MINDTREE LIMITED ★ BENGALURU ★

1. Background

Mindtree Limited ('Mindtree' or 'the Company') is an international Information Technology consulting and implementation company that delivers business solutions through global software development. The Company is structured into five verticals – Manufacturing, BFSI, Hitech, Travel & Transportation and Others. The Company offers services in the areas of agile, analytics and information management, application development and maintenance, business process management, business technology consulting, cloud, digital business's, independent testing, infrastructure management services, mobility, product engineering and SAP services.

The Company is head quartered in Bangalore and has offices in India, United States of America, United Kingdom, Japan, Singapore, Malaysia, Australia, Germany, Switzerland, Sweden, UAE, Netherlands, Canada, Belgium, France and Republic of China.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting except for certain financial instruments which are measured at fair values and comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') which as per a clarification issued by the Ministry of Corporate Affairs continue to apply under section 133 of the Companies Act 2013 (which has superseded section 211(3C) of the Companies Act 1956 w.e.f. 12 September, 2013), other pronouncements of the Institute of Chartered Accountants of India ('ICAI'), the provisions of the Companies Act, 2013 (to the extent notified and applicable) and the Companies Act, 1956, (to the extent applicable) and the guidelines issued by Securities and Exchange Board of India ('SEBI') to the extent applicable.

2.2 Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in future periods.

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2.3 Fixed assets and depreciation

2.3.1 Fixed assets are carried at cost of acquisition (including directly attributable costs such as freight, installation, etc.) or construction less accumulated depreciation. Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

2.3.2 Acquired intangible assets are capitalised at the acquisition price. Internally generated intangible assets are recorded at cost that can be measured reliably during the development phase and when it is probable that future economic benefits that are attributable to the assets will flow to the Company.

2.3.3 Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.3.4 Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under capital advances. The cost of the fixed asset not ready for its intended use on such date, is disclosed under capital work-in-progress.

2.3.5 Depreciation is provided on the straight-line method. The rates specified under schedule XIV of the Companies Act, 1956 are considered as minimum rates. If the management's estimate of the useful life of a fixed asset at the time of the acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life. Pursuant to this policy, the management has estimated the useful life as under:

Asset classification	Useful life
Buildings	25-30 years
Computer systems	1-3 years
Computer software	2 years
Test equipment	3 years
Furniture and fixtures	5 years
Electrical installations	3-5 years
Office equipment	4-5 years
Motor vehicles	4-5 years
Plant and machinery	4 years
Intellectual property	5 years

2.3.6 Fixed assets individually costing Rupees five thousand or less are fully depreciated in the year of purchase/ installation. Depreciation on additions and disposals during the year is provided on a pro-rata basis.

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2.3.7 The cost of leasehold land is amortised over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortised over the lease term or useful life, whichever is lower.

2.4 Investments

2.4.1 Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

2.4.2 Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is carried out separately in respect of each investment.

2.4.3 Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise of cash-in-hand and balance in bank in current accounts and deposit accounts.

2.6 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.7 Employee benefits

2.7.1 Gratuity is a defined benefit scheme and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Company has an employees' gratuity fund managed by ICICI Prudential Life Insurance Company, SBI Life Insurance Company and Life Insurance Corporation of India. Actuarial gains and losses are charged to the statement of profit and loss.

2.7.2 Compensated absences are a long-term employee benefit and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Company accrues for the expected cost of short-term compensated absences in the period in which the employee renders services.

2.7.3 Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

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2.8 Revenue recognition

2.8.1 The Company derives its revenues primarily from software services. Revenue from software development on time-and-material basis is recognised as the related services are rendered. Revenue from fixed price contracts is recognised using the proportionate completion method, which is determined by relating the actual project cost of work performed to date to the estimated total project cost for each contract. Unbilled revenue represents cost and earnings in excess of billings while unearned revenue represents the billing in excess of cost and earnings. Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

Maintenance revenue is recognised ratably over the period of the maintenance contract.

2.8.2 Provision for discounts is recognised on an accrual basis in accordance with contractual terms of agreements with customers. Revenues are stated net of discount.

2.8.3 Dividend income is recognised when the right to receive payment is established.

2.8.4 Interest income is recognised using the time proportion method, based on the transactional interest rates.

2.9 Foreign exchange transactions

2.9.1 The Company is exposed to foreign currency transactions including foreign currency revenues, receivables and borrowings. With a view to minimize the volatility arising from fluctuations in currency rates, the Company enters into foreign exchange forward contracts and other derivative instruments.

2.9.2 Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.

2.9.3 Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

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2.9.4 In respect of integral operations, monetary assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. Non-monetary items are translated at the historical rate. The items in the statement of profit and loss are translated at the rates prevailing on the dates of the respective transactions. The differences arising out of the translation are recognised in the statement of profit and loss.

2.9.5 Forward exchange contracts and other similar instruments that are not in respect of forecasted transactions are accounted for using the guidance in Accounting Standard ('AS') 11, 'The effects of changes in foreign exchange rates'. For such forward exchange contracts and other similar instruments covered by AS 11, based on the nature and purpose of the contract, either the contracts are recorded based on the forward rate/ fair value at the reporting date, or based on the spot exchange rate on the reporting date. For contracts recorded at the spot exchange rates, the premium or discount at the inception is amortized as income or expense over the life of the contract.

2.9.6 For forward exchange contracts and other derivatives that are not covered by AS 11 and that relate to a firm commitment or highly probable forecasted transactions, the Company has adopted Accounting Standard ('AS') 30, 'Financial Instruments: Recognition and Measurement' to the extent that the adoption did not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements. In accordance with AS 30, such derivative financial instruments, which qualify for cash flow hedge accounting and where the Company has met all the conditions of cash flow hedge accounting, are fair valued at balance sheet date and the resultant exchange loss/ gain is debited/ credited to the hedge reserve until the transaction is completed. Other derivative instruments are recorded at fair value at the reporting date and the resultant exchange loss/ gain is debited/ credited to statement of profit and loss.

2.10 Warranties

Warranty costs (i.e. post contract support services) are estimated by the management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the period of recognition of revenue.

2.11 Provision and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2.12 Taxation

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Company. Deferred tax charge or credit are recognised for the future tax consequences attributable to timing difference that result between the profit offered for income taxes and the profit as per the financial statements. Deferred tax in respect of timing difference which originate during the tax holiday period but reverse after the tax holiday period is recognised in the year in which the timing difference originate. For this purpose the timing differences which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain to be realised.

Minimum alternate tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in the balance sheet if there is a convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant assets can be measured reliably. MAT credit entitlement can be carried forward and utilized for a period of ten years from the period in which such credit is availed.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

2.13 Earnings per share

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary item. The number of equity shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the year. The number of equity shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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2.14 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised. In respect of goodwill, impairment loss will be reversed only when it is caused by specific external events and their effects have been reversed by subsequent external events.

2.15 Employee stock based compensation

The Company measures the compensation cost relating to employee stock options, restricted shares and stock appreciation rights using the intrinsic value method. The compensation cost is amortised over the vesting/ service period.

2.16 Government grants

Grants from the government are recognised when there is reasonable assurance that:

(i) the Company will comply with the conditions attached to them; and
(ii) the grant will be received.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a nominal value.

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3. Notes to the accounts

3.1 Shareholders' funds

3.1.1 Share capital

a)

Particulars	As at March 31, 2014	As at March 31, 2013
Authorised		
79,620,000 (March 31, 2013: 79,620,000) equity shares of Rs 10/- each	796	796
Issued, subscribed and paid-up capital		
41,689,731 (March 31, 2013: 41,535,055) equity shares of Rs 10/- each fully paid	417	415
Total	**417**	**415**

b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below:

Particulars	As at March 31, 2014		As at March 31, 2013	
	No of shares	Rs	No of shares	Rs
Number of shares outstanding at the beginning of the year	41,535,055	415	40,543,923	405
Add: Shares issued on exercise of employee stock options and restricted shares	154,676	2	991,132	10
Number of shares outstanding at the end of the year	41,689,731	417	41,535,055	415

c) The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each.

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

The Board of Directors at their meeting held on April 16, 2014, have recommended an issue of bonus shares on the company's equity shares in the ratio of 1:1 (one additional equity share for every one existing equity share). The Company is in the process of complying with necessary formalities.

The Company declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

The Board of Directors at its meeting held on October 16, 2013 had declared an interim dividend of 50% (Rs 5 per equity share on a par value of Rs 10 each). At its meeting held on January 16, 2014, the Board declared a second interim dividend of 50% (Rs 5 per equity share on a par value of Rs 10 each). The Board of Directors at its meeting held on April 16, 2014 have recommended a third interim dividend of

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50% (Rs 5 per equity share of par value Rs 10 each). Further, the Board has recommended a final dividend of 50% (Rs 5 per equity share of par value Rs 10 each) for the year ended March 31, 2014 and a special dividend of 50% (Rs 5 per equity share of par value Rs 10 each) for completion of 15 years in business. If the proposed 1:1 bonus share issue is approved by shareholders prior to the date of the AGM, the final & special dividend amounts would be accordingly reduced to 25% (Rs 2.5 per equity share of Rs 10 each). The total dividend appropriation for the year ended March 31, 2014 amounted to Rs 1,221, including corporate dividend tax of Rs 180.

During the year ended March 31, 2013, the amount of per share dividend recognized as distributions to equity shareholders was Rs 12. The dividend for the year ended March 31, 2013 includes Rs 5 per share of final dividend, Rs 7 per share of interim dividend. The total dividend appropriation for the year ended March 31, 2013 amounted to Rs 578, including corporate dividend tax of Rs 81.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Equity shareholder holding more than 5 percent of equity shares along with the number of equity shares held at the beginning and at the end of the year is as given below:

Sr. No.	Name of the shareholder	As at March 31, 2014		As at March 31, 2013	
		Number of shares	%	Number of shares	%
1	Coffee Day Resorts Private Limited	4,365,442	10.5%	4,565,442	11.0%
2	Nalanda India Fund Limited	3,949,089	9.5%	3,949,089	9.5%
3	Global Technology Ventures Limited	2,648,561	6.4%	2,498,561	6.0%
4	Subroto Bagchi *	-	-	2,078,585	5.0%

*Holds less than 5% of equity shares as at the reporting date

e) The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date. Number of equity shares allotted as fully paid up without payment being received in cash is 1,300,965 during the period of five years immediately preceding March 31, 2014 and March 31, 2013. These shares were allotted to the shareholders of erstwhile Aztecsoft Limited pursuant to the scheme of amalgamation for the financial year ended March 31, 2010.

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f) Employee stock based compensation

The Company instituted the Employees Stock Option Plan ('ESOP') in fiscal 2000, which was approved by the Board of Directors ('the Board'). The Company currently administers seven stock option programs, a restricted stock purchase plan and a stock appreciation rights plan.

Program 1 [ESOP 1999]

Options under this program are exercisable at an exercise price of Rs 10 per option. All stock options have a four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant and become fully exercisable. Each option is entitled to 1 equity share of Rs 10 each. This program extends to employees who have joined on or before September 30, 2001 or have been issued employment offer letters on or before August 7, 2001. This plan was terminated on September 30, 2001. The contractual life of each option is 11 years after the date of grant.

Particulars	Year ended March 31,	
	2014	2013
Outstanding options, beginning of the year	-	4,000
Granted during the year	-	-
Exercised during the year	-	500
Lapsed during the year	-	3,500
Forfeited during the year	-	-
Outstanding options, end of the year	-	-
Options vested and exercisable, end of the year	-	-

Program 2 [ESOP 2001]

Options under this program have been granted to employees at an exercise price of Rs 50 per option. All stock options have a four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant and become fully exercisable. Each option is entitled to 1 equity share of Rs 10 each. This program extends to employees who have joined on or after October 1, 2001 or have been issued employment offer letters on or after August 8, 2001 or options granted to existing employees with grant date on or after October 1, 2001. This plan was terminated on April 30, 2006. The contractual life of each option is 11 years after the date of grant.

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Particulars	Year ended March 31,	
	2014	2013
Outstanding options, beginning of the year	47,918	79,367
Granted during the year	-	-
Exercised during the year	12,868	25,837
Lapsed during the year	3,821	5,612
Forfeited during the year	-	-
Outstanding options, end of the year	**31,229**	**47,918**
Options vested and exercisable, end of the year	31,229	47,918

Program 3 [ESOP 2006 (a)]

Options under this program have been granted to employees at an exercise price of Rs 250 per option. All stock options have a four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant and become fully exercisable. Each option is entitled to 1 equity share of Rs 10 each. This program extends to employees to whom the options are granted on or after May 1, 2006. This plan was terminated on October 25, 2006. The contractual life of each option is 5 years after the date of grant. There are no options outstanding as at the reporting dates.

Program 4 [ESOP 2006 (b)]

Options under this program are granted to employees at an exercise price periodically determined by the Compensation Committee. All stock options have a four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant and become fully exercisable. Each option is entitled to 1 equity share of Rs 10 each. This program extends to employees to whom the options are granted on or after October 25, 2006. The contractual life of each option is 5 years after the date of grant.

Particulars	Year ended March 31,	
	2014	2013
Outstanding options, beginning of the year	304,650	1,349,038
Granted during the year	-	-
Exercised during the year	57,600	905,860
Lapsed during the year	28,475	97,528
Forfeited during the year	71,325	41,000
Outstanding options, end of the year	**147,250**	**304,650**
Options vested and exercisable, end of the year	89,175	115,225

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Program 5 [ESOP 2008A]

Options under this program are granted to employees of erstwhile Aztecsoft Limited as per swap ratio of 2:11 as specified in the merger scheme. Each new option is entitled to 1 equity share of Rs 10 each.

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Outstanding options, beginning of the year	108,248	124,803
Granted during the year	-	-
Exercised during the year	20,614	14,437
Lapsed during the year	2,610	2,118
Forfeited during the year	-	-
Outstanding options, end of the year	**85,024**	**108,248**
Options vested and exercisable, end of the year	85,024	108,248

Directors' Stock Option Plan, 2006 ('DSOP 2006')

Options under this program have been granted to independent directors at an exercise price periodically determined by the Compensation Committee. All stock options vest equally over three year vesting term at the end of 1, 2 and 3 years respectively from the date of the grant and become fully exercisable. Each option is entitled to 1 equity share of Rs 10 each. The contractual life of each option is 4 years after the date of the grant.

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Outstanding options, beginning of the year	135,000	151,667
Granted during the year	-	20,000
Exercised during the year	45,000	36,667
Lapsed during the year	10,000	-
Forfeited during the year	25,000	-
Outstanding options, end of the year	**55,000**	**135,000**
Options vested and exercisable, end of the year	41,666	76,667

Program 7 [ESOP 2010A]

In-principle approvals for administering the seventh stock option program i.e. ESOP 2010 (A) has been received by the Company from the BSE and NSE for 1,135,000 equity shares of Rs 10 each. No options have been granted under the program as at March 31, 2014.

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Employee Restricted Stock Purchase Plan 2012 ('ERSP 2012')

ERSP 2012 was instituted with effect from July 16, 2012 to further issue upto 1,000,000 equity shares of nominal value of Rs 10 each. Shares under this program are granted to employees at an exercise price of not less than Rs 10 per equity share or such higher price as decided by the Board of Directors. Shares shall vest over such term as determined by the Board of Directors not exceeding ten years from the date of the grant. All shares will have a minimum lock in period of one year from the date of allotment.

Particulars	Year ended March 31,	
	2014	2013
Outstanding shares, beginning of the year	-	-
Granted during the year	18,594	7,831
Exercised during the year	18,594	7,831
Lapsed during the year	-	-
Forfeited during the year	-	-
Outstanding shares, end of the year	-	-
Shares vested and exercisable, end of the year	-	-

During the year ended March 31, 2014, 18,594 shares were granted by the Company under Employee Restricted Stock Purchase Plan 2012 ('ERSP 2012')

The weighted average fair value of each unit under the above mentioned ERSP 2012 plan, granted during the year was Rs 1,138 using the Black-Scholes model with the following assumptions:

Weighted average grant date share price	Rs 1,150
Weighted average exercise price	Rs 10
Dividend yield %	0.27%
Expected life	1 year
Risk free interest rate	8.22%
Volatility	106.05%

During the year, the Company has also granted stock appreciation rights ('SAR') units and letter of intent to issue shares under ERSP 2012 plan to some of its employees which is subject to certain vesting conditions. Details of the grant/issue are given below.

Particulars	SAR	ERSP 2012 plan
No of units/ shares	382,500	115,000
Contractual life	4 years	5 years
Date of grant	18-Jul-13	18-Jul-13*
Price per share/ unit	Grant price of Rs 910	Exercise price of Rs 10*

*Based on Letter of Intent

The weighted average fair value of each unit under the above mentioned ERSP 2012 plan, granted during the year was Rs 898 using the Black-Scholes model with the following assumptions:

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Weighted average grant date share price	Rs 914
Weighted average exercise price	Rs 10
Dividend yield %	0.17 % - 0.30%
Expected life	5 years
Risk free interest rate	8.29%
Volatility	104.65% - 107.7%

The following table summarizes information about the weighted average exercise price of options/ shares exercised under various programs:

Amount in Rs

Particulars	Year ended March 31,	
	2014	2013
Program 1	-	10.00
Program 2	50.00	50.00
Program 3	-	-
Program 4	507.14	336.84
Program 5	387.64	404.63
DSOP 2006	560.00	259.27
ERSP 2012	10.00	10.00

The following tables summarize information about the options/ shares outstanding under various programs as at March 31, 2014 and March 31, 2013 respectively:

Particulars	As at March 31, 2014		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in Rs)
Program 1	-	-	-
Program 2	31,229	1.13	50.00
Program 3	-	-	-
Program 4	147,250	1.78	496.58
Program 5	85,024	2.28	393.90
DSOP 2006	55,000	1.24	558.55
ERSP 2012	-	-	-

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Particulars	As at March 31, 2013		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in Rs)
Program 1	-	-	-
Program 2	47,918	2.00	50.00
Program 3	-	-	-
Program 4	304,650	2.62	491.45
Program 5	108,248	3.21	392.82
DSOP 2006	135,000	1.95	559.41
ERSP 2012	-	-	-

The Company has recorded compensation cost for all grants using the intrinsic value-based method of accounting, in line with prescribed SEBI guidelines.

Had compensation been determined under the fair value approach described in the Guidance Note on, "Accounting for employee share based payments" issued by ICAI, the Company's net profit and basic and diluted earnings per share would have reduced to the proforma amounts as indicated:

Particulars	Year ended March 31,	
	2014	2013
Net profit as reported	4,512	3,389
Add: Stock-based employee compensation expense (intrinsic value method)	79	-
Less: Stock-based employee compensation expense (fair value method)	18	(74)
Pro forma net profit	4,609	3,315
Basic earnings per share as reported	108.50	82.70
Pro forma basic earnings per share	110.83	80.89
Diluted earnings per share as reported	107.70	81.66
Pro forma diluted earnings per share	110.02	79.87

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3.1.2 Reserves and surplus

Particulars	As at March 31, 2014	As at March 31, 2013
Capital reserve		
Opening balance	87	87
Additions during the year	-	-
	87	**87**
Securities premium reserve		
Opening balance	2,125	1,808
Additions during the year on exercise of employee stock options/ restricted shares	83	317
	2,208	**2,125**
General reserve		
Opening balance	1,091	752
Add: Transfer from statement of profit and loss	451	339
	1,542	**1,091**
Share option outstanding account		
Opening balance	48	48
Additions during the year	20	-
	68	**48**
Hedge reserve		
Opening balance	173	(250)
Additions during the year	(124)	423
	49	**173**
Surplus (Balance in the statement of proft and loss)		
Opening balance	9,198	6,726
Add: Amount transferred from statement of profit and loss	4,512	3,389
Amount avalaible for appropriations	13,710	10,115
Appropriations:		
Interim dividend	(624)	(289)
Final dividend*	(417)	(208)
Dividend distribution tax	(180)	(81)
Amount transfered to general reserve	(451)	(339)
	12,038	**9,198**
Total	**15,992**	**12,722**

*Includes special dividend as at March 31, 2014.

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3.2 Non-current liabilities

3.2.1 Long-term borrowings

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured)		
Other loans and advances	27	32
Total	**27**	**32**

Long-term borrowings represent the amount received from Council for Scientific and Industrial Research (CSIR) to develop a project under "Development of Intelligent Video Surveillance Server (IVSS) system".

The loan is an unsecured loan carrying a simple interest of 3% p.a on the outstanding amount of loan. Repayment of loan is in 10 equal annual installments from June 2011. Any delay in repayment entails a liability of 12% p.a. compounded monthly for the period of delay.

There is no continuing default in the repayment of the principal loan and interest amounts.

3.2.2 Other long-term liabilities

Particulars	As at March 31, 2014	As at March 31, 2013
Other long-term liabilities	97	57
Employee related liabilities	32	-
Total	**129**	**57**

3.2.3 Long-term provisions

Particulars	As at March 31, 2014	As at March 31, 2013
Provision for discount	39	-
Total	**39**	**-**

Refer note 3.3.3 for the disclosure of provisions movement as required under the provisions of Accounting Standard – 29 'Provisions, Contingent Liabilities and Contingent Assets' ('AS 29').

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3.3 Current liabilities

3.3.1 Short-term borrowings

Particulars	As at March 31, 2014	As at March 31, 2013
(Secured)		
Packing credit loan from banks	-	217
Total	**-**	**217**

During the year, the Company has availed packing credit loans of USD 10 million and has repaid packing credit loans of USD 14 million. These packing credit loans were secured against the trade receivables of the Company. As at March 31, 2014, the Company has no outstanding packing credit loan (As at March 31, 2013: USD 4 million). The Company had taken forward exchange contracts with respect to this loan. In accordance with 'AS 11' the forward premium arising at inception was amortized as an expense over the life of the contract.

Details of interest rate and repayment terms in respect of above packing credit loan are as below:

Name of the bank	As at March 31, 2014			As at March 31, 2013		
	Rs	Rate of interest p.a	Date of repayment	Rs	Rate of interest p.a	Date of repayment
HSBC	-	-	-	217	1.98%	29-May-13
Total	**-**			**217**		

3.3.2 Other current liabilities

Particulars	As at March 31, 2014	As at March 31, 2013
Current maturities of long-term debt*	5	5
Interest accrued but not due on borrowings	1	2
Unearned income	100	36
Unpaid dividends	4	3
Creditors for capital goods	175	105
Advances from customers	103	42
Employee related liabilities	1,245	1,023
Book overdraft	85	136
Other liabilities**	1,019	814
Total	**2,737**	**2,166**

*The details of interest rates, repayment and other terms are disclosed under note 3.2.1.

**Includes derivative liability of Rs 44 (As at March 31, 2013: Rs 13).

As at March 31, 2014, the Company has outstanding forward contracts amounting to USD 47.5 million (As at March 31, 2013: USD 112.75 million) and Euro 5 million (As at March 31, 2013: Euro 11 million). These derivative instruments have been entered to hedge highly probable forecasted sales.

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In accordance with the provisions of AS 30, those derivative instruments which qualify for cash flow hedge accounting have been fair valued at balance sheet date and the resultant exchange gain/ (loss) has been credited/ (debited) to hedge reserve (Refer Note 3.1.2). As of March 31, 2014, the Company does not have any derivative instruments that do not qualify for hedge accounting. However such instruments that were prevalent in the previous year have been fair valued at the balance sheet date and the resultant exchange gain Rs 308 for the year ended March 31, 2013 has been recorded in the statement of profit and loss.

3.3.3 Short-term provisions

Particulars	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits		
- Gratuity	2	11
- Compensated absences	320	262
Provision for taxes	219	199
Provision for discount	231	145
Dividend payable	626	374
Dividend distribution tax payable	106	61
Provision for forseeable losses on contracts	3	-
Provision for post contract support services	4	3
Provision for disputed dues*	63	57
Total	**1,574**	**1,112**

*Represents disputed tax dues provided pursuant to unfavourable order received from the tax authorities against which the Company has preferred an appeal with the relevant authority. In respect of the provisions of AS 29, the disclosures required have not been provided in accordance with paragraph 72 of AS 29.

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The following table sets out the status of the gratuity plan as required under AS 15-Employee Benefits.

Particulars	**As at March 31, 2014**	**As at March 31, 2013**
Change in projected benefit obligations		
Obligations at the beginning of the year	324	276
Service cost	74	62
Interest cost	26	19
Benefits settled	(36)	(41)
Actuarial (gain)/ loss	(23)	8
Obligations at end of the year	**365**	**324**
Change in plan assets		
Plan assets at the beginning of the year, at fair value	313	275
Expected return on plan assets	26	23
Actuarial gain/ (loss)	-	1
Contributions	60	55
Benefits settled	(36)	(41)
Plan assets at the end of the year, at fair value	**363**	**313**

Reconciliation of the present value of the obligation and the fair value of the plan assets

Particulars	**As at March 31,**				
	2014	**2013**	**2012**	**2011**	**2010**
Fair value of plan assets at the end of the year	363	313	275	257	212
Present value of defined obligations at the end of the year	(365)	(324)	(276)	(265)	(208)
Asset/ (liability) recognised in the balance sheet	**(2)**	**(11)**	**(1)**	**(8)**	**4**

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Particulars	For the year ended March 31,	
	2014	2013
Gratuity cost		
Service cost	74	62
Interest cost	26	19
Expected return on plan assets	(26)	(23)
Actuarial (gain)/loss	(23)	7
Net gratuity cost	51	65
Actual return on plan assets	26	24
Assumptions		
Interest rate	8.80%	7.96%
Expected rate of return on plan assets	8%	8%
Salary increase	6%	6%
Attrition rate	13%	13.38%
Retirement age	60	60

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The disclosure of provisions movement as required under the provisions of AS 29 is as follows:-

Provision for post contract support services

Particulars	For the year ended March 31,	
	2014	2013
Balance at the beginning of the year	3	5
Provisions made during the year	1	-
Utilisations during the year	-	-
Released during the year	-	(2)
Provision at the end of the year	4	3

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Provision for discount

Particulars	For the year ended March 31, 2014	2013
Balance at the beginning of the year	145	109
Provisions made during the year	290	144
Utilisations during the year	(154)	(95)
Released during the year	(11)	(13)
Provision at the end of the year	270	145
Current	231	145
Non-current	39	-

Provision for foreseeable losses on contracts

Particulars	For the year ended March 31, 2014	2013
Balance at the beginning of the year	-	4
Provisions made during the year	3	-
Utilisations during the year	-	(4)
Released during the year	-	-
Provision at the end of the year	3	-

The current provisions are expected to be utilized over a period of one year and the non-current provisions are expected to be utilized over a period of two to three years.

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Mindtree Limited
Significant accounting policies and notes to the accounts
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3.4 Non-current assets

3.4.1 Fixed assets

Assets	Gross block				Accumulated depreciation				Net book value	
	As at April 1, 2013	Additions during the year	Deletions during the year	As at March 31, 2014	As at April 1, 2013	For the year	Deletions during the year	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Tangible assets										
Leasehold land	425	-	-	425	71	12	-	83	342	354
Buildings	1,626	285	-	1,911	289	59	-	348	1,563	1,337
Leasehold improvements	1,186	417	1	1,602	865	173	1	1,037	565	321
Computer systems	1,296	483	209	1,570	1,018	276	209	1,085	485	278
Test equipment	219	-	1	218	198	20	1	217	1	21
Furniture and fixtures	151	41	1	191	138	20	1	157	34	13
Electrical installations	247	114	1	360	205	52	1	256	104	42
Office equipment	482	119	1	600	370	67	1	436	164	112
Motor vehicles	2	1	1	2	2	-	1	1	1	-
Plant and machinery	8	-	-	8	1	-	-	1	7	7
Total (A)	5,642	1,460	215	6,887	3,157	679	215	3,621	3,266	2,485
Intangible assets										
Intellectual property	67	-	-	67	39	13	-	52	15	28
Computer Software	698	197	3	892	622	117	2	737	155	76
Total (B)	765	197	3	959	661	130	2	789	170	104
Total (A+B)	6,407	1,657	218	7,846	3,818	809	217	4,410	3,436	2,589
Previous year	5,820	626	39	6,407	3,229	624	35	3,818	2,589	

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3.4.2 Non-current investments

Particulars	As at March 31, 2014	As at March 31, 2013
Investment in mutual funds (quoted)	168	223
Investment in equity instruments (unquoted)		
- Investment in Trade	8	8
- Investment in subsidiary	14	14
Less: Provision for diminution in value of investments	(1)	(1)
Total	**189**	**244**
Aggregate amount of quoted investments	168	223
Aggregate market value of quoted investments	170	224
Aggregate amount of unquoted investments	22	22

Details of investment in mutual funds are as given below:

Particulars	As at March 31, 2014	As at March 31, 2013
JP Morgan Mutual Fund	-	70
Birla Sun Life Mutual Fund	-	30
IDFC Mutual Fund	-	28
Tata Mutual Fund	40	95
Reliance Mutual Fund	28	-
UTI Mutual Fund	100	-
Total	**168**	**223**

Details of investment in trade unquoted investments are as given below:

Particulars	As at March 31, 2014	As at March 31, 2013
2,400 (previous year: 2,400) equity shares in Career Community.com Limited	1	1
643,790 (previous year: 643,790) 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
Total	**8**	**8**

Details of investment in subsidiary are as given below:

Particulars	As at March 31, 2014	As at March 31, 2013
Mindtree Software (Shanghai) Co., Ltd ('MSSCL')	14	14
Total	**14**	**14**

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3.4.3 Taxes

Particulars	For the year ended March 31, 2014	2013
Tax expense		
Current tax	1,317	887
Deferred tax	(42)	(40)
Total	**1,275**	**847**

The Company has units at Bangalore, Hyderabad and Chennai registered as Special Economic Zone (SEZ) units which are entitled to a tax holiday under Section 10AA of the Income Tax Act, 1961.

The Company also has STPI units at Bangalore and Pune which are registered as a 100 percent Export Oriented Unit, which were earlier entitled to a tax holiday under Section 10B and Section 10A of the Income Tax Act, 1961.

Deferred tax assets (net):
Deferred tax assets included in the balance sheet comprises the following:

Particulars	As at March 31, 2014	As at March 31, 2013
Excess of depreciation as per books over depreciation allowed under Income Tax Act, 1961	213	215
Provision for doubtful debts	31	10
Provision for compensated absence	100	84
Provision for volume discount	29	34
Others	29	17
Total deferred tax assets	**402**	**360**

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3.4.4 Long-term loans and advances

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured considered good)		
Capital advances	136	127
Security deposits*	512	426
Advances recoverable in cash or in kind or for value to be received*	110	64
Total	**758**	**617**

*Refer note 3.15 for related party balances.

3.4.5 Other non-current assets

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured considered good)		
Advance tax and tax deducted at source, net of provision for taxes	853	848
MAT credit entitlement	160	165
Other non-current assets	26	33
Total	**1,039**	**1,046**

3.5 Current assets

3.5.1 Current investments

Particulars	As at March 31, 2014	As at March 31, 2013
Investment in mutual funds (quoted)	4,760	3,628
Less: Provision for diminution in the value of investments	-	(1)
Term deposits	400	400
Total	**5,160**	**4,027**
Aggregate amount of quoted investments	4,760	3,628
Aggregate market value of quoted investments	4,912	3,710
Aggregate amount of unquoted investments	400	400

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Details of investment in mutual funds are as given below:

Particulars	As at March 31, 2014	As at March 31, 2013
ICICI Prudential Mutual Fund	366	409
IDFC Mutual Fund	365	228
UTI Mutual Fund	193	248
HSBC Mutual Fund	80	70
Franklin Templeton Mutual Fund	449	310
DSP Blackrock Mutual Fund	419	248
Birla Sun Life Mutual Fund	440	371
Reliance Mutual Fund	367	349
Tata Mutual Fund	306	152
DWS Mutual Fund	156	198
SBI Mutual Fund	315	358
HDFC Mutual Fund	513	440
Axis Mutual Fund	103	51
Principal Mutual Fund	-	30
Kotak Mutual Fund	54	51
JP Morgan Mutual Fund	203	-
Sundaram Mutual Fund	106	50
Pinebridge Mutual Fund	30	30
L & T Mutual Fund	142	-
IDBI Mutual Fund	153	35
Total	**4,760**	**3,628**

Details of investments in term deposit are as given below:

Particulars	As at March 31, 2014	As at March 31, 2013
HDFC Limited	400	400
Total	**400**	**400**

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3.5.2 Trade receivables

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured)		
Debts overdue for a period exceeding six months		
- considered good	95	175
- considered doubtful	131	36
Other debts		
- considered good	5,909	4,333
- considered doubtful	5	10
Less: Provision for doubtful debts	(136)	(46)
Total	**6,004**	**4,508**

3.5.3 Cash and bank balances

Particulars	As at March 31, 2014	As at March 31, 2013
Balances with banks in current and deposit accounts^ *	1,171	1,235
Cash on hand	-	-
Other bank balances**	4	3
Total	**1,175**	**1,238**

^The deposits maintained by the Company with banks comprises time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

* Balances with banks include the following:

Particulars	As at March 31, 2014	As at March 31, 2013
Balance with banks held as margin money towards guarantees	1	1

**Other bank balances represent balances in respect of unpaid dividends and are considered restricted in nature.

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3.5.4 Short-term loans and advances

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured considered good)		
Advances recoverable in cash or in kind or for value to be received*	627	440
Less: Provision for doubtful advances	(15)	(10)
Total	**612**	**430**

*Refer note 3.15 for related party balances.

3.5.5 Other current assets

Particulars	As at March 31, 2014	As at March 31, 2013
Unbilled revenue	1,014	637
Other current assets*	712	643
Total	**1,726**	**1,280**

*Includes derivative asset of Rs 93 (As at March 31, 2013: Rs 181).

3.6 Other income

Particulars	For the year ended March 31, 2014	2013
Interest income	66	64
Dividend income	150	128
Net gain on sale of investments	130	133
Foreign exchange gain/ (loss)	118	-
Other non-operating income	30	25
Total	**494**	**350**

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3.7 Expenses

Employee benefits expense	For the year ended March 31, 2014	2013
Salaries and wages	16,189	13,029
Contribution to provident and other funds	1,404	1,107
Expense on employee stock based compensation	79	2
Staff welfare expenses	148	136
Total	**17,820**	**14,274**

Finance costs	For the year ended March 31, 2014	2013
Interest expense	4	10
Total	**4**	**10**

Other expenses	For the year ended March 31, 2014	2013
Travel expenses	1,466	935
Sub-contractor charges	1,406	861
Computer consumables	325	256
Legal and professional charges	383	249
Power and fuel	255	206
Rent (Refer note 3.16)	537	412
Repairs to buildings	42	55
Repairs to machinery	28	20
Insurance	39	20
Rates and taxes	74	72
Exchange loss, net	-	340
Other expenses	1,835	1,398
Total	**6,390**	**4,824**

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3.8 Contingent liabilities and commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2014 is Rs 854 (March 31, 2013: Rs 470).

b) As of the balance sheet date, the Company's net foreign currency exposure that is not hedged by a derivative instrument or otherwise is Rs 5,683 (March 31, 2013: Rs 4,018).

c) The Company has received an income tax assessment for the financial year 2008-09 wherein demand of Rs 24 has been raised against the Company on account of certain disallowances, adjustments made by the income tax department. A significant portion of this amount arises from the manner of adjustment of brought forward losses in arriving at the taxable profits of the Company and disallowance of portion of profit earned outside India from the STP and SEZ units.

   Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demands received.

   The Company has received a favourable order from the Commissioner of Income tax (Appeals) for majority of grounds and considering the order passed, there will not be any demand on the Company. On the other grounds which are not favourable, the Company has filed an appeal before the Income Tax Appellate Tribunal ('ITAT').

d) The Company has received income tax assessments for financial years 2006-07 and 2007-08 for the erstwhile subsidiary Mindtree Technologies Private Limited (MTPL) with demands amounting to Rs 11 and Rs 10 on account of certain disallowances/ adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demand received. The Company has not deposited the amount of demand with the department.

e) The Company has received income tax assessments under Section 143(3) of the Income-tax Act 1961 pertaining to erstwhile subsidiary Aztecsoft Limited for the financial years 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 wherein demand of Rs 91, Rs 49, Rs 61, Rs 28, Rs 58, Rs 119, Rs 214 and Rs 63 respectively has been raised against the Company. These demands have arisen mainly on account of transfer pricing adjustments made in the order. The Company has not accepted these orders and has been advised by its legal counsel/ advisors to prefer appeals before appellate authorities and accordingly the Company has filed appeals before the Commissioner of Income Tax (Appeals) and ITAT. The Company has deposited Rs 15 with the department against these demands. The department has adjusted pending refunds amounting to Rs 363 against these demands

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The Company received a favourable order from the Commissioner of Income Tax (Appeals) for the year 2001-02 where in the Commissioner of Income Tax (Appeals) accepted the Company's contentions and quashed the demand raised. The Income tax department appealed against the above mentioned order with ITAT. ITAT, in an earlier year passed an order setting aside both the orders of the Commissioner of Income Tax (Appeals) as well as the Assessing Officer and remanded the matter back to the Assessing Officer for re-assessment. The Company preferred an appeal with the Hon'ble High Court of Karnataka against the order of the ITAT. The Hon'ble High Court of Karnataka has dismissed the appeal filed against the order of ITAT and upheld the order passed by the ITAT and accordingly the case is pending before Assessing Officer for re-assessment

The Company has appealed against the demands received for financial years 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09. Based on favourable order received by the Company for the financial year 2001-02 and an evaluation of the facts and circumstances, no provision has been made against the above orders in the financial statements.

f) The Company received an assessment order for financial year 2006-07 for the erstwhile subsidiary Mindtree Wireless Private Limited from the Assistant Commissioner of Income-tax ('ACIT') with a demand amounting to Rs 39 on account of certain other disallowances/ transfer pricing adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals) against the demand received.

The Company has received the order from the Commissioner of Income Tax (Appeals) wherein the Commissioner of Income Tax (Appeals) accepted the grounds in part and in respect of unfavorable grounds, the Company has filed an appeal before Income Tax Appellate Tribunal. The final order giving effect by the Assessing Officer is completed and the demand is reduced to Rs 33. The Company has deposited Rs 5 with the department against this demand.

g) The Company has received a draft assessment order for financial year 2009-10 from the Deputy Commissioner of Income Tax with a demand amounting to Rs 60 due to non-adjustment of brought forward losses and transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company will file an appeal with Commissioner of Income Tax (Appeals) once the final order is received.

3.9 Quantitative details

The Company is engaged in software development services. Such services are not capable of being expressed in any generic unit and hence, it is not possible to give the quantitative details required under paragraphs 5(viii)(c) of general instructions for preparation of the statement of profit and loss as per revised Schedule VI to the Companies Act, 1956.

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(Rupees in millions, except share and per share data, unless otherwise stated)

3.10 Value of imports on CIF basis

Particulars	For the year ended March 31,	
	2014	2013
Capital goods	292	238
Others	-	4
Total	**292**	**242**

3.11 Expenditure in foreign currency

Particulars	For the year ended March 31,	
	2014	2013
Branch office expenses	11,203	7,821
Travel expenses	251	134
Professional charges	28	21
Others	288	97
Total	**11,770**	**8,073**

3.12 Earnings in foreign currency

Particulars	For the year ended March 31,	
	2014	2013
Income from software development	29,484	22,598
Other income	5	17
Total	**29,489**	**22,615**

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3.13 During the year ended March 31, 2014, the Company has remitted in foreign currency dividend of Rs 21 (year ended March 31, 2013: Rs 8 million)

				For the year ended March 31, 2014
Dividend	**Year to which it relates**	**Number of shares held**	**Number of shareholders**	**Amount remitted**
Second interim dividend	2012-13	1,125,384	78	4.5
Final dividend	2012-13	1,124,402	79	5.6
First interim dividend	2013-14	1,098,098	50	5.4
Second interim dividend	2013-14	1,121,908	51	5.6

				For the year ended March 31, 2013
Dividend	**Year to which it relates**	**Number of shares held**	**Number of shareholders**	**Amount remitted**
Final dividend	2011-12	1,743,465	46	3
First interim dividend	2012-13	1,693,943	45	5

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3.14 Segmental reporting

Effective April 1, 2013, the Company has restructured its organisational and management structure and its internal financial reporting structure to be better aligned to market needs. Pursuant to such re-organization, the Company has identified Manufacturing, BFSI, Hitech, Travel and Transport and Others as its reportable business segments. Accordingly, as required by the accounting standards, comparatives have been restated and presented in line with the current segments.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

Income and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income.

The assets of the Company are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

Business segments

Statement of profit and loss	**For the year ended March 31,**	
	2014	**2013**
Segment revenue		
Manufacturing	6,528	4,498
BFSI	6,986	5,293
Hitech	8,464	7,210
Travel & Transportation	6,077	4,691
Others	2,261	1,926
Total	**30,316**	**23,618**
Segment operating income		
Manufacturing	1,594	875
BFSI	450	642
Hitech	1,811	1,543
Travel & Transportation	1,363	1,103
Others	888	697
Total	**6,106**	**4,860**
Unallocable expenses	(809)	(964)
Profit for the year before interest, other income and tax	**5,297**	**3,896**
Interest expense	(4)	(10)
Other income	494	350
Net profit before taxes	**5,787**	**4,236**
Income taxes	(1,275)	(847)
Net profit after taxes	**4,512**	**3,389**

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(Rupees in millions, except share and per share data, unless otherwise stated)

Geographical segments

Revenues	For the year ended March 31, 2014	2013
America	17,558	13,411
Europe	8,540	6,944
India	1,449	1,462
Rest of World	2,769	1,801
Total	30,316	23,618

3.15 Related party transactions

Name of related party	Nature of relationship
Mindtree Software (Shanghai) Co., Ltd ('MSSCL'), Republic of China	Subsidiary
Janaagraha Centre for Citizenship & Democracy	Entity with common key management person
Amalgamated Bean Coffee Trading Company Limited ('ABCTCL') Tanglin Developments Limited ('TDL')	These entities are part of Coffee Day Group which through various entities and its promoters holds 19.84 % equity stake in Mindtree, and the group has a nominee on the Mindtree Board.

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(Rupees in millions, except share and per share data, unless otherwise stated)

Transactions with the above related parties during the year were:

Name of related party	Nature of transaction	For the year ended March 31, 2014	2013
Amalgamated Bean Coffee Trading Company Limited	Procurement of supplies	17	13
Janaagraha Centre for Citizenship & Democracy	Donation paid	3	-
Tanglin Developments Limited	Leasing office buildings and land	399	310
	Advances/ deposits paid		
	- towards electricity deposit/ charges	3	220
	- towards lease rentals	486	259
	Advances/ deposits received back:		
	- towards electricity deposit/ charges	48	108
	- towards lease rentals	327	147
	Interest on advance towards electricity charges/ deposit	22	3

Balances payable to related parties are as follows:

Name of related party	As at March 31, 2014	As at March 31, 2013
Tanglin Developments Limited	-	9

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(Rupees in millions, except share and per share data, unless otherwise stated)

Balances receivable from related parties are as follows:

Name of related party	Nature of transactions	As at March 31, 2014	As at March 31, 2013
Tanglin Developments Limited	Rental Advance		
	- Current	126	112
	- Non-current	94	-
	Advance towards electricity charges		
	- Current	48	48
	- Non-current	16	64
	Security deposit (including electricity deposit) returnable on termination of lease	399	345
	Interest accrued on advance towards electricity charges	3	3

Key Managerial Personnel:

Subroto Bagchi	Executive Chairman
Krishnakumar Natarajan	CEO & Managing Director
S. Janakiraman	Executive Director, President and Chief Technology Officer
N.S. Parthasarathy	Executive Director, President and Chief Operating Officer
Dr. Albert Hieronimus	Independent Director and Non-Executive Vice Chairman
V.G.Siddhartha	Non-Executive Director
Prof. David B. Yoffie	Independent Director
Prof. Pankaj Chandra	Independent Director
Ramesh Ramanathan	Independent Director
Apurva Purohit	Independent Director
Rostow Ravanan	Chief Financial Officer and Alternate Director to Mr. N.S.Parthasarathy
Anjan Lahiri**	-
R. Srinivasan*	-

*R Srinivasan retired with effect from July 19, 2013
**Anjan Lahiri resigned with effect from May 6, 2013.

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(Rupees in millions, except share and per share data, unless otherwise stated)

The Board of Directors appointed Apurva Purohit as an Independent Director and N S Parthasarathy as an Executive Director, effective January 1, 2014. Further, the Board of Directors appointed Rostow Ravanan as an Alternate Director to N S Parthasarathy, effective January 17, 2014.

Remuneration paid to key managerial personnel during the year ended March 31, 2014 amounts to Rs 151 (for the year ended March 31, 2013: Rs 96). Dividends paid to directors during the year ended March 31, 2014 amounts to Rs 134 (year ended March 31, 2013 amounts to Rs 30).

The above remuneration excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

3.16 Lease transactions

Lease rental expense under non-cancellable operating lease during the year ended March 31, 2014 amounted to Rs 266 (for the year ended March 31, 2013: Rs 161). Future minimum lease payments under non-cancellable operating lease are as below:

Particulars	**As at March 31, 2014**	**As at March 31, 2013**
Payable -- Not later than one year	267	203
Payable -- Later than one year and not later than five years	473	521

Additionally, the Company leases office facilities and residential facilities under cancellable operating leases. The rental expense under cancelable operating lease during the year ended March 31, 2014 was Rs 271 (for the year ended March 31, 2013: Rs 251).

3.17 Earnings per equity share

Reconciliation of number of equity shares used in the computation of basic and diluted earnings per share is set out below:

Particulars	**For the year ended March 31, 2014**		**For the year ended March 31, 2013**	
	Basic EPS	**Diluted EPS**	**Basic EPS**	**Diluted EPS**
Weighted average number of equity shares outstanding during the year	41,588,758	41,588,758	40,974,712	40,974,712
Weighted average number of equity shares resulting from assumed exercise of employee stock options	-	307,651	-	521,584
Weighted average number of equity shares for calculation of earnings per share	41,588,758	41,896,409	40,974,712	41,496,296

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(Rupees in millions, except share and per share data, unless otherwise stated)

3.18 Auditor's remuneration

Particulars	**For the year ended March 31,**	
	2014	**2013**
Statutory audit	15	14
Certification	2	2
Total	**17**	**16**

3.19 The Company has a development center at Gainesville, Florida, US. The state of Florida has offered various incentives targeted to the needs of the development center. The nature and the extent of the government grant is given below:

Nature of expenses	**For the year ended March 31,**	
	2014	**2013**
Reimbursement of rent	3	2
Grant towards workforce training	28	4
Total	**31**	**6**

The Company has availed a non-monetary grant of USD 950,000 for renovation of project facility in the previous year. This grant is subject to fulfillment of certain conditions such as creation of minimum employment with specified average salary and capital investment at the development center at Gainesville, Florida, US.

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(Rupees in millions, except share and per share data, unless otherwise stated)

3.20 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2014 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	For the year ended March 31, 2014	March 31, 2013
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	Nil	Nil
The amount of interest paid by the buyer under the Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
The amount of interest due and payable for the year (where the principal has been paid but interest under the Act not paid);	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year; and	Nil	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

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(Rupees in millions, except share and per share data, unless otherwise stated)

3.21 The financial statements are presented in Rs in million. Those items which are required to be disclosed and which were not presented in the financial statement due to rounding off to the nearest Rs in million are given as follows:

Balance Sheet items *Amount in Rs*

Particulars	As at March 31, 2014	As at March 31, 2013
Share application money pending allotment	27,235	-
Cash on hand	25,277	12,328

3.22 Corresponding figures for the previous year presented have been regrouped, where necessary, to conform to the current year's classification.

As per our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W

For Mindtree Limited

CERTIFIED TRUE COPY

Supreet Sachdev
Partner
Membership No. : 205385

Subroto Bagchi
Chairman

N. Krishnakumar
CEO & Managing Director

Rajesh S

Rostow Ravanan
Chief Financial Officer

Rajesh Srichand Narang
Company Secretary

Place: Bangalore
Date: April 16, 2014

Place: Bangalore
Date: April 16, 2014

MINDTREE LIMITED ★ BENGALURU ★

B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

Telephone: +91 80 3980 6000
Fax: +91 80 3980 6999

Independent Auditor's Report

To the Members of Mindtree Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Mindtree Limited ('Mindtree' or 'the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Independent Auditor's Report (continued)

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

   (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   (e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

MINDTREE LIMITED BENGALURU

(f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 3.8 to the financial statements;

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 3.3.2 to the financial statements;

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Supreet Sachdev
Partner
Membership number: 205385

Bangalore
16 April 2015

MINDTREE LIMITED ★ BENGALURU ★

Annexure to the Independent Auditors' Report

With reference to the Annexure referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which its fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were observed on such verification.

(ii) The Company is a service company, primarily rendering software development services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and with regard to the sale of services. The Company does not have any purchase of inventories or sale of goods since it is a service Company. We have not observed any major weakness in the internal control system during the course of the audit.

(v) The Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Income tax, Wealth tax, Sales-tax, Service tax, Value added tax, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Custom Duty and Excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income tax, Wealth tax, Sales-tax, Service tax, Value added tax, cess and other material statutory dues were in arrears, as at 31 March 2015, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Wealth tax, Customs duty and Cess which have not been deposited with the appropriate authorities on account of any dispute. The Company, however, disputes the following Income tax, Service tax and Sales tax dues:

Name of the statute	Nature of the dues	Amount (Rs in millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax and interest	197.74*	Assessment year 2002-03	Assessing Officer, Bangalore**
Income Tax Act, 1961	Tax and interest	46.70*	Assessment year 2003-04	Commissioner of Income Taxes (Appeals), Bangalore
Income Tax Act, 1961	Tax and interest	60.84	Assessment year 2004-05	Commissioner of Income Taxes (Appeals), Bangalore
Income Tax Act, 1961	Tax and interest	8.45*	Assessment year 2007-08	Income Tax Appellate Tribunal, Bangalore
Income Tax Act, 1961	Tax and interest	11.16	Assessment year 2007-08	Commissioner of Income Taxes (Appeals), Bangalore
Income Tax Act, 1961	Tax and interest	10.10	Assessment year 2008-09	Commissioner of Income Taxes (Appeals), Bangalore
Income Tax Act, 1961	Tax and interest	27.91*	Assessment year 2007-08	Income Tax Appellate Tribunal, Bangalore
Income Tax Act, 1961	Tax and interest	23.56	Assessment year 2009-10	Commissioner of Income Taxes (Appeals), Bangalore[$$]

MINDTREE LIMITED BENGALURU

Name of the statute	Nature of the dues	Amount (Rs in millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax and interest	122.95*	Assessment year 2008-09	Income Tax Appellate Tribunal Bangalore
Income Tax Act, 1961	Tax and interest	62.90	Assessment year 2009-10	Income Tax Appellate Tribunal, Bangalore
Income Tax Act, 1961	Tax and interest	61.46	Assessment year 2010-11	Commissioner of Income Taxes (Appeals), Bangalore
The Finance Act, 1994	Service tax and interest	11.29	June 2005 to March 2007	Customs, Excise and Service Tax Appellate Tribunal, Bangalore***
The Finance Act, 1994	Service tax and interest	24.27	July 2003 to March 2006	Customs, Excise and Service Tax Appellate Tribunal, Bangalore***
The Finance Act, 1994	Tax, interest and penalty	64.47	July 2004 to November 2005	Customs, Excise and Service Tax Appellate Tribunal, Bangalore****
The Finance Act, 1994	Tax, interest and penalty	3.11*	April 2007 to March 2008	Customs, Excise and Service Tax Appellate Tribunal, Bangalore ****
The Finance Act, 1994	Tax, interest and penalty	22.68	September 2004 to March 2007	Customs, Excise and Service Tax Appellate Tribunal, Bangalore****
The Finance Act, 1994	Tax, interest and penalty	4.68	April 2007 to February 2008	Customs, Excise and Service Tax Appellate Tribunal, Bangalore

MINDTREE LIMITED * BENGALURU *

Name of the statute	Nature of the dues	Amount (Rs in millions)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Tax, interest and penalty	4.80	April 2008 to March 2009	Assistant Commissioner of Commercial taxes (Recovery), Bangalore
Karnataka Sales Tax Act, 1957	Tax and penalty	0.28*	Upto July 2004	Assistant Commissioner of Commercial taxes (Recovery), Bangalore

* The above amounts are net of amount paid under protest.

$$ The Company is awaiting the order giving effect order from the Assessing Officer as at the date of this report

** The Company has not obtained the final assessment order as at the date of this report.

*** Stay granted by Customs, Excise and Service Tax Appellate Tribunal, Bangalore vide original order dated 6 January 2012 and further order received dated 21 February 2013.

**** Stay granted by Customs, Excise and Service Tax Appellate Tribunal, Bangalore vide order dated 27 September 2012.

Note: The Income-Tax authorities have adjusted refund amounting to Rs.162 million in respect of the aforementioned demands without earmarking amounts to the Assessment Year which has not been reflected in the above disclosure.

(c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

(viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

(ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.

(x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xi) According to the information and explanations given to us, the Company has not taken any term loans during the year.

MINDTREE LIMITED BENGALURU

(xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

for **B S R & Co. LLP**
Chartered Accountants
Firm registration No. 101248W / W-100022

Supreet Sachdev
Partner
Membership No. 205385

Bangalore
16 April 2015

MINDTREE LIMITED ★ BENGALURU ★

Mindtree Limited
Balance sheet

	Note	As at March 31, 2015	Rs in million As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1.1	837	417
Reserves and surplus	3.1.2	19,271	15,992
		20,108	**16,409**
Share application money pending allotment	3.1.1 (g)	4	-
Non-current liabilities			
Long-term borrowings	3.2.1	23	27
Other long-term liabilities	3.2.2	334	129
Long-term provisions	3.2.3	-	39
		357	**195**
Current liabilities			
Trade payables		503	82
Other current liabilities	3.3.1	3,443	2,737
Short-term provisions	3.3.2	2,046	1,574
		5,992	**4,393**
		26,461	**20,997**
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	3.4.1	4,507	3,266
Intangible assets	3.4.1	119	170
Capital work-in-progress		354	496
Non-current investments	3.4.2	1,113	189
Deferred tax assets (net)	3.4.3	449	402
Long-term loans and advances	3.4.4	653	758
Other non-current assets	3.4.5	1,003	1,039
		8,198	**6,320**
Current assets			
Current investments	3.5.1	5,343	5,160
Trade receivables	3.5.2	6,798	6,004
Cash and bank balances	3.5.3	3,669	1,175
Short-term loans and advances	3.5.4	836	612
Other current assets	3.5.5	1,617	1,726
		18,263	**14,677**
		26,461	**20,997**
Significant accounting policies and notes to the accounts	2&3		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For **Mindtree Limited**

Supreet Sachdev
Partner
Membership Number: 205385

Subroto Bagchi
Chairman

N. Krishnakumar
CEO & Managing Director

Jagannathan Chakravarthi
Chief Financial Officer

Place: Bangalore
Date : April 16, 2015

Place: Bangalore
Date : April 16, 2015

MINDTREE LIMITED ★ BENGALURU ★

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Mindtree Limited
Statement of profit and loss

Particulars	Note	Rs in million, except share and per share data For the year ended March 31, 2015	March 31, 2014
Revenue from operations		35,474	30,316
Other income	3.6	831	494
Total revenues		36,305	**30,810**
Expenses:			
Employee benefits expense	3.7	20,646	17,820
Finance costs	3.7	1	4
Depreciation and amortisation expense	3.4.1	1,017	809
Other expenses	3.7	7,764	6,390
Total expenses		**29,428**	**25,023**
Profit before tax		**6,877**	**5,787**
Tax expense:	3.4.3		
Current tax		1,581	1,317
Deferred tax		(47)	(42)
Profit for the year		**5,343**	**4,512**
Earnings per equity share	3.17		
Equity shares of par value Rs 10/- each			
Basic		63.90	54.25
Diluted		63.62	53.90
Weighted average number of equity shares used in computing earnings per share			
Basic		83,619,436	83,177,516
Diluted		83,998,716	83,716,693
Significant accounting policies and notes to the accounts	2&3		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For Mindtree Limited

Supreet Sachdev
Partner
Membership Number: 205385

Subroto Bagchi
Chairman

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Chief Financial Officer

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MINDTREE LIMITED * BENGALURU *

Mindtree Limited
Cash flow statement

		Rs in million
	For the year ended March 31,	
	2015	2014
Cash flow from operating activities		
Profit before tax	6,877	5,787
Adjustments for :		
Depreciation and amortisation	1,017	809
Amortization of stock compensation cost	168	79
Interest expense	1	4
Interest/ dividend income	(294)	(215)
Profit on sale of fixed assets	(6)	(3)
Profit on sale of investments	(286)	(130)
Exchange difference on derivatives	(21)	-
Effect of exchange differences on translation of foreign currency borrowings	-	25
Effect of exchange differences on translation of foreign currency cash and cash equivalents	9	(69)
Operating profit before working capital changes	7,465	6,287
Changes in trade receivables	(794)	(1,496)
Changes in loans and advances and other assets	(33)	(837)
Changes in liabilities and provisions	879	568
Net cash provided by operating activities before taxes	7,517	4,522
Income taxes paid	(1,540)	(1,297)
Net cash provided by operating activities	5,977	3,225
Cash flow from investing activities		
Purchase of fixed assets	(1,995)	(1,520)
Proceeds from sale of fixed assets	8	3
Investment in Subsidiary	(600)	-
Interest/ dividend received from investments	219	222
Purchase of investments	(9,982)	(11,444)
Sale/ maturities of investments	10,252	10,495
Net cash used in investing activities	(2,098)	(2,244)
Cash flow from financing activities		
Issue of share capital (net of issue expenses paid)	67	63
Interest paid on loans	(1)	(5)
Repayment of borrowings	(4)	(811)
Proceeds from loans	-	564
Dividends paid (including distribution tax)	(1,438)	(924)
Net cash used in financing activities	(1,376)	(1,113)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(9)	69
Net increase/ (decrease) in cash and cash equivalents	2,494	(63)
Cash and cash equivalents at the beginning of the year	1,175	1,238
Cash and cash equivalents at the end of the year (Refer note 3.5.3)	3,669	1,175

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Supreet Sachdev
Partner
Membership Number: 205385

Place: Bangalore
Date : April 16, 2015

For Mindtree Limited

Subroto Bagchi
Chairman

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CEO & Managing Director

Jagannathan Chakravarthi
Chief Financial Officer

Place: Bangalore
Date : April 16, 2015

MINDTREE LIMITED * BENGALURU *

Mindtree Limited
Significant accounting policies and notes to the accounts
For the year ended March 31, 2015
(Rupees in millions, except share and per share data, unless otherwise stated).

1. Background

Mindtree Limited ('Mindtree' or 'the Company') is an international Information Technology consulting and implementation company that delivers business solutions through global software development. The Company is structured into five verticals – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Hitech and Media Services (HTMS), Travel and Hospitality (TH) and Others. The Company offers services in the areas of agile, analytics and information management, application development and maintenance, business process management, business technology consulting, cloud, digital business's, independent testing, infrastructure management services, mobility, product engineering and SAP services.

The Company is head quartered in Bangalore and has offices in India, United States of America, United Kingdom, Japan, Singapore, Malaysia, Australia, Germany, Switzerland, Sweden, UAE, Netherlands, Canada, Belgium, France, Ireland and Republic of China.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified and applicable) and guidelines issued by the Securities and exchange Board of India (SEBI).

2.2 Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in future periods.

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MINDTREE LIMITED ★ BENGALURU ★

(Rupees in millions, except share and per share data, unless otherwise stated)

2.3 Fixed assets and depreciation

2.3.1 Fixed assets are carried at cost of acquisition (including directly attributable costs such as freight, installation, etc.) or construction less accumulated depreciation. Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

2.3.2 Acquired intangible assets are capitalised at the acquisition price. Internally generated intangible assets are recorded at cost that can be measured reliably during the development phase and when it is probable that future economic benefits that are attributable to the assets will flow to the Company.

2.3.3 Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.3.4 Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under capital advances. The cost of the fixed asset not ready for its intended use on such date, is disclosed under capital work-in-progress.

2.3.5 Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Company. Depreciation for assets purchased/ sold during a period is proportionately charged. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The Company estimates the useful lives for fixed assets as follows:

Asset classification	Useful life
Buildings	5-30 years
Computer systems	2-3 years
Computer software	2 years
Test equipment	3 years
Furniture and fixtures	5 years
Electrical installations	3 years
Office equipment	4 years
Motor vehicles	4 years
Plant and machinery	4 years
Intellectual property	5 years

The Company believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

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2.3.6 The cost of leasehold land is amortised over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortised over the lease term or useful life, whichever is lower.

2.4 Investments

2.4.1 Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

2.4.2 Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is carried out separately in respect of each investment.

2.4.3 Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise of cash-in-hand and balance in bank in current accounts and deposit accounts.

2.6 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.7 Employee benefits

2.7.1 Gratuity is a defined benefit scheme and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Company has an employees' gratuity fund managed by ICICI Prudential Life Insurance Company, SBI Life Insurance Company and Life Insurance Corporation of India. Actuarial gains and losses are charged to the statement of profit and loss.

2.7.2 Compensated absences are a long-term employee benefit and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Company accrues for the expected cost of short-term compensated absences in the period in which the employee renders services.

2.7.3 Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

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2.8 Revenue recognition

2.8.1 The Company derives its revenues primarily from software services. Revenue from software development on time-and-material basis is recognised as the related services are rendered. Revenue from fixed price contracts is recognised using the proportionate completion method, which is determined by relating the actual project cost of work performed to date to the estimated total project cost for each contract. Unbilled revenue represents cost and earnings in excess of billings while unearned revenue represents the billing in excess of cost and earnings. Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

Maintenance revenue is recognised ratably over the period of the maintenance contract.

2.8.2 Provision for discounts is recognised on an accrual basis in accordance with contractual terms of agreements with customers. Revenues are stated net of discount.

2.8.3 Dividend income is recognised when the right to receive payment is established.

2.8.4 Interest income is recognised using the time proportion method, based on the transactional interest rates.

2.9 Foreign exchange transactions

2.9.1 The Company is exposed to foreign currency transactions including foreign currency revenues, receivables and borrowings. With a view to minimize the volatility arising from fluctuations in currency rates, the Company enters into foreign exchange forward contracts and other derivative instruments.

2.9.2 Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the statement of profit and loss for the period.

2.9.3 Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

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2.9.4 In respect of integral operations, monetary assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. Non-monetary items are translated at the historical rate. The items in the statement of profit and loss are translated at the rates prevailing on the dates of the respective transactions. The differences arising out of the translation are recognised in the statement of profit and loss.

2.9.5 Forward exchange contracts and other similar instruments that are not in respect of forecasted transactions are accounted for using the guidance in Accounting Standard ('AS') 11, 'The effects of changes in foreign exchange rates'. For such forward exchange contracts and other similar instruments covered by AS 11, based on the nature and purpose of the contract, either the contracts are recorded based on the forward rate/ fair value at the reporting date, or based on the spot exchange rate on the reporting date. For contracts recorded at the spot exchange rates, the premium or discount at the inception is amortized as income or expense over the life of the contract.

2.9.6 For forward exchange contracts and other derivatives that are not covered by AS 11 and that relate to a firm commitment or highly probable forecasted transactions, the Company has adopted Accounting Standard ('AS') 30, 'Financial Instruments: Recognition and Measurement' to the extent that the adoption did not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements. In accordance with AS 30, such derivative financial instruments, which qualify for cash flow hedge accounting and where the Company has met all the conditions of cash flow hedge accounting, are fair valued at balance sheet date and the resultant exchange loss/ gain is debited/ credited to the hedge reserve until the transaction is completed. Other derivative instruments are recorded at fair value at the reporting date and the resultant exchange loss/ gain is debited/ credited to statement of profit and loss.

2.10 Warranties

Warranty costs (i.e. post contract support services) are estimated by the management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the period of recognition of revenue.

2.11 Provision and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2.12 Taxation

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Company. Deferred tax charge or credit are recognised for the future tax consequences attributable to timing difference that result between the profit offered for income taxes and the profit as per the financial statements. Deferred tax in respect of timing difference which originate during the tax holiday period but reverse after the tax holiday period is recognised in the period in which the timing difference originate. For this purpose the timing differences which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain to be realised.

Minimum alternate tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in the balance sheet if there is a convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant assets can be measured reliably. MAT credit entitlement can be carried forward and utilized for a period of ten years from the period in which such credit is availed.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

2.13 Earnings per share

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary item. The number of equity shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the period. The number of equity shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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2.14 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised. In respect of goodwill, impairment loss will be reversed only when it is caused by specific external events and their effects have been reversed by subsequent external events.

2.15 Employee stock based compensation

The Company measures the compensation cost relating to stock options, restricted shares and phantom stock options using the intrinsic value method. The compensation cost is amortised over the vesting/ service period.

2.16 Government grants

Grants from the government are recognised when there is reasonable assurance that:

(i) the Company will comply with the conditions attached to them; and
(ii) the grant will be received.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a nominal value.

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(Rupees in millions, except share and per share data, unless otherwise stated)

3. Notes to the accounts

3.1 Shareholders' funds

3.1.1 Share capital

a)

Particulars	As at March 31, 2015	As at March 31, 2014
Authorised		
800,000,000 (March 31, 2014: 79,620,000) equity shares of Rs 10/- each	8,000	796
Issued, subscribed and paid-up capital		
83,732,372 (March 31, 2014: 41,689,731) equity shares of Rs 10/- each fully paid	837	417
Total	**837**	**417**

b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below:

Particulars	As at March 31, 2015		As at March 31, 2014	
	No of shares	Rs	No of shares	Rs
Number of shares outstanding at the beginning of the year	41,689,731	417	41,535,055	415
Add: Shares issued on exercise of employee stock options and restricted shares	276,980	2	154,676	2
Add: Bonus shares issued *	41,765,661	418	-	-
Number of shares outstanding at the end of the year	83,732,372	837	41,689,731	417

*Refer note 3.1.1 (e).

c) The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each.

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

The Company declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

The Board of Directors at its meeting held on October 15, 2014 declared an interim dividend of 30% (Rs 3 per equity share of par value Rs 10/- each) for the quarter ended September 30, 2014. At its meeting held on January 19, 2015, the Board declared a second interim dividend of 40% (Rs 4 per equity share of par value Rs 10/- each) for the quarter ended December 31, 2014. Further, the Board of Directors at its meeting held on April 16, 2015 have recommended a final dividend of 100% (Rs 10 per equity share of par value Rs 10 each).

During the year ended March 31, 2014, the amount of per share dividend recognized as distributions to equity shareholders was Rs 25 per equity share.

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(Rupees in millions, except share and per share data, unless otherwise stated)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Equity shareholder holding more than 5 percent of equity shares along with the number of equity shares held at the beginning and at the end of the year is as given below:

Sr. No.	Name of the shareholder	As at March 31, 2015		As at March 31, 2014	
		Number of shares	%	Number of shares	%
1	Coffee Day Enterprises Limited	8,730,884	10.4%	4,365,442	10.5%
2	Nalanda India Fund Limited	7,898,178	9.4%	3,949,089	9.5%
3	Global Technology Ventures Limited	5,297,122	6.3%	2,648,561	6.4%

e) In the period of five years immediately preceding March 31, 2015:

a. The Company has allotted 41,765,661 fully paid up equity shares during the quarter ended June 30, 2014 pursuant to 1:1 bonus share issue approved by shareholders. Consequently, options/ units granted under the various employee share based plans are adjusted for bonus share issue.

b. The Company has not bought back any class of equity shares.

c. The Company has allotted a total of 1,300,965 equity shares as fully paid up without payment being received in cash. These shares were allotted to the shareholders of erstwhile Aztecsoft Limited pursuant to the scheme of amalgamation during the financial year ended March 31, 2010.

f) **Employee stock based compensation**

The Company instituted the Employees Stock Option Plan ('ESOP') in fiscal 2000, which was approved by the Board of Directors ('the Board'). The Company currently administers seven stock option programs, a restricted stock purchase plan and a phantom stock option plan.

Program 1 [ESOP 1999]

Options under this program are exercisable at an exercise price of Rs 10 per option. All stock options have a four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant and become fully exercisable. Each option is entitled to 1 equity share of Rs 10 each. This program extends to employees who have joined on or before September 30, 2001 or have been issued employment offer letters on or before August 7, 2001. This plan was terminated on September 30, 2001. The contractual life of each option is 11 years after the date of grant. There are no options outstanding as at the reporting date.

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(Rupees in millions, except share and per share data, unless otherwise stated)

Program 2 [ESOP 2001]

Options under this program have been granted to employees at an exercise price of Rs 50 per option (Rs 25 per option post bonus issue). All stock options have a four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant and become fully exercisable. Each option is entitled to 1 equity share of Rs 10 each. This program extends to employees who have joined on or after October 1, 2001 or have been issued employment offer letters on or after August 8, 2001 or options granted to existing employees with grant date on or after October 1, 2001. This plan was terminated on April 30, 2006. The contractual life of each option is 11 years after the date of grant.

Particulars	**Year ended March 31,**	
	2015	**2014**
Outstanding options, beginning of the year	54,777*	47,918
Granted during the year	-	-
Exercised during the year	29,401	12,868
Lapsed during the year	2,304	3,821
Forfeited during the year	-	-
Outstanding options, end of the year	**23,072**	**31,229**
Options vested and exercisable, end of the year	23,072	31,229

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 3 [ESOP 2006 (a)]

Options under this program have been granted to employees at an exercise price of Rs 250 per option. All stock options have a four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant and become fully exercisable. Each option is entitled to 1 equity share of Rs 10 each. This program extends to employees to whom the options are granted on or after May 1, 2006. This plan was terminated on October 25, 2006. The contractual life of each option is 5 years after the date of grant. There are no options outstanding as at the reporting dates.

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Program 4 [ESOP 2006 (b)]

Options under this program are granted to employees at an exercise price periodically determined by the Nomination and Remuneration Committee. All stock options have a four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant and become fully exercisable. Each option is entitled to 1 equity share of Rs 10 each. This program extends to employees to whom the options are granted on or after October 25, 2006. The contractual life of each option is 5 years after the date of grant.

Particulars	Year ended March 31,	
	2015	2014
Outstanding options, beginning of the year	213,750*	304,650
Granted during the year	-	-
Exercised during the year	92,000	57,600
Lapsed during the year	-	28,475
Forfeited during the year	47,750	71,325
Outstanding options, end of the year	**74,000**	**147,250**
Options vested and exercisable, end of the year	74,000	89,175

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 5 [ESOP 2008A]

Options under this program are granted to employees of erstwhile Aztecsoft Limited as per swap ratio of 2:11 as specified in the merger scheme. Each option is entitled to 1 equity share of Rs 10 each.

Particulars	Year ended March 31,	
	2015	2014
Outstanding options, beginning of the year	168,295*	108,248
Granted during the year	-	-
Exercised during the year	51,293	20,614
Lapsed during the year	33,926	2,610
Forfeited during the year	-	-
Outstanding options, end of the year	**83,076**	**85,024**
Options vested and exercisable, end of the year	83,076	85,024

*Adjusted for bonus issue. Refer note 3.1.1 (e)

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Directors' Stock Option Plan, 2006 ('DSOP 2006')

Options under this program have been granted to independent directors at an exercise price periodically determined by the Nomination and Remuneration Committee. All stock options vest equally over three year vesting term at the end of 1, 2 and 3 years respectively from the date of the grant and become fully exercisable. Each option is entitled to 1 equity share of Rs 10 each. The contractual life of each option is 4 years after the date of the grant.

Particulars	**Year ended March 31,**	
	2015	**2014**
Outstanding options, beginning of the year	75,000*	135,000
Granted during the year	-	-
Exercised during the year	35,000	45,000
Lapsed during the year	-	10,000
Forfeited during the year	-	25,000
Outstanding options, end of the year	**40,000**	**55,000**
Options vested and exercisable, end of the year	26,666	41,666

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 7 [ESOP 2010A]

In-principle approvals for administering the seventh stock option program i.e. ESOP 2010 (A) has been received by the Company from the BSE and NSE for 1,135,000 equity shares of Rs 10 each. No options have been granted under the program as at March 31, 2015.

Employee Restricted Stock Purchase Plan 2012 ('ERSP 2012')

ERSP 2012 was instituted with effect from July 16, 2012 to issue equity shares of nominal value of Rs 10 each. Shares under this program are granted to employees at an exercise price of not less than Rs 10 per equity share or such higher price as determined by the Nomination and Remuneration Committee. Shares shall vest over such term as determined by the Nomination and Remuneration Committee not exceeding ten years from the date of the grant. All shares will have a minimum lock in period of one year from the date of allotment.

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MINDTREE LIMITED
BENGALURU

(Rupees in millions, except share and per share data, unless otherwise stated)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Outstanding shares, beginning of the year	-	-
Granted during the year	69,286	18,594
Exercised during the year	69,286	18,594
Lapsed during the year	-	-
Forfeited during the year	-	-
Outstanding shares, end of the year	-	-
Shares vested and exercisable, end of the year	-	-

During the year ended March 31, 2015, 69,286 equity shares were granted by the Company under Employee Restricted Stock Purchase Plan 2012 ('ERSP 2012')

The weighted average fair value of each unit under the above mentioned ERSP 2012 plan, granted during the year was Rs 840 using the Black-Scholes model with the following assumptions:

Weighted average grant date share price	Rs 851
Weighted average exercise price	Rs 10
Dividend yield %	0.31%
Expected life	1-2 years
Risk free interest rate	8.53%
Volatility	84.99%

The Company has also granted phantom stock options and letter of intent to issue shares under ERSP 2012 plan to certain employees which is subject to certain vesting conditions. Details of the grant/issue as at March 31, 2015 are given below:

Particulars	Phantom stock options plan*	ERSP 2012 plan*
Total no. of units/ shares	765,000	230,000
Vested units/ shares	100,980	28,248
Lapsed units/ shares	13,770	3,852
Forfeited units/ shares	-	16,000
Cancelled units/ shares (Refer note below)	497,250	-
Outstanding units/ shares as at the end of the year	153,000	181,900
Contractual life	2 years	5 years
Date of grant	18-Jul-13	18-Jul-13**
Price per share/ unit	Grant price of Rs 455	Exercise price of Rs 10**

*Adjusted for bonus issue. Refer note 3.1.1 (e).
**Based on Letter of Intent

During the year ended March 31, 2015, the Phantom stock units which were expected to vest during the financial years 2015-16 and 2016-17 have been cancelled by the Company. As a result of the cancellation of these units, the Company has reversed the stock based compensation recorded in earlier years of Rs 57 in the statement of profit and loss for the year ended March 31, 2015.

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The following table summarizes information about the weighted average exercise price of options/ shares exercised under various programs:

Amount in Rs

Particulars	Year ended March 31,	
	2015*	2014
Program 1	-	-
Program 2	30.25	50.00
Program 3	-	-
Program 4	344.77	507.14
Program 5	201.88	387.64
DSOP 2006	560.00	560.00
ERSP 2012	10.00	10.00

*Exercise price is adjusted post bonus issue.

The following tables summarize information about the options/ shares outstanding under various programs as at March 31, 2015 and March 31, 2014 respectively:

Particulars	As at March 31, 2015		
	Number of options/ shares*	Weighted average remaining contractual life (in years)	Weighted average exercise price* (in Rs)
Program 1	-	-	-
Program 2	23,072	0.70	25.00
Program 3	-	-	-
Program 4	74,000	0.32	265.07
Program 5	83,076	2.32	215.18
DSOP 2006	40,000	1.10	278.00
ERSP 2012	-	-	-

*Adjusted for bonus issue. Refer note 3.1.1 (e).

Particulars	As at March 31, 2014		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in Rs)
Program 1	-	-	-
Program 2	31,229	1.13	50.00
Program 3	-	-	-
Program 4	147,250	1.78	496.58
Program 5	85,024	2.28	393.90
DSOP 2006	55,000	1.24	558.55
ERSP 2012	-	-	-

The Company has recorded compensation cost for all grants using the intrinsic value-based method of accounting, in line with prescribed SEBI guidelines.

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Had stock based compensation been determined under the fair value approach described in the Guidance Note on, "Accounting for employee share based payments" issued by ICAI, the Company's net profit and basic and diluted earnings per share would have reduced to the proforma amounts as indicated:

Particulars	**Year ended March 31,**	
	2015	**2014**
Net profit as reported	5,343	4,512
Add: Stock-based employee compensation expense (intrinsic value method)	168	79
Less: Stock-based employee compensation expense (fair value method)	(173)	18
Pro forma net profit	5,338	4,609
Basic earnings per share as reported	63.90	54.25
Pro forma basic earnings per share	63.85	55.42
Diluted earnings per share as reported	63.62	53.90
Pro forma diluted earnings per share	63.56	55.06

g) The Company has received Rs 4 towards allotment of 15,000 equity shares and 276 equity shares at exercise prices of Rs 285 each and Rs 25 each respectively and is shown under Share application money pending allotment. The Company expects to make the allotment during the quarter ended June 30, 2015. The Company has sufficient authorized share capital to cover the share capital amount on allotment of shares out of share application money.

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3.1.2 Reserves and surplus

Particulars	As at March 31, 2015	As at March 31, 2014
Capital reserve		
Opening balance	87	87
	87	**87**
Securities premium reserve		
Opening balance	2,208	2,125
Additions during the year on exercise of employee stock options/ restricted shares	108	83
Less: Amount utilised for bonus shares	(418)	-
	1,898	**2,208**
General reserve		
Opening balance	1,542	1,091
Add: Transfer from statement of profit and loss	-	451
	1,542	**1,542**
Share option outstanding account		
Opening balance	68	48
Additions during the year	10	20
	78	**68**
Hedge reserve		
Opening balance	49	173
Movement during the year	(49)	(124)
	-	**49**
Surplus (Balance in the statement of proft and loss)		
Opening balance	12,038	9,198
Add: Amount transferred from statement of profit and loss	5,343	4,512
Amount available for appropriations	17,381	13,710
Appropriations:		
Interim dividend	(586)	(624)
Final dividend	(838)	(417)
Dividend distribution tax	(291)	(180)
Amount transferred to general reserve	-	(451)
	15,666	**12,038**
Total	**19,271**	**15,992**

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3.2 Non-current liabilities

3.2.1 Long-term borrowings

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured)		
Other loans and advances	23	27
Total	**23**	**27**

Long-term borrowings represent the amount received from Council for Scientific and Industrial Research (CSIR) to develop a project under "Development of Intelligent Video Surveillance Server (IVSS) system".

The loan is an unsecured loan carrying a simple interest of 3% p.a on the outstanding amount of loan. Repayment of loan is in 10 equal annual installments from June 2011. Any delay in repayment entails a liability of 12% p.a. compounded monthly for the period of delay.

There is no continuing default in the repayment of the principal loan and interest amounts.

3.2.2 Other long-term liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
Other long-term liabilities	334	97
Employee related liabilities	-	32
Total	**334**	**129**

3.2.3 Long-term provisions

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for discount	-	39
Total	**-**	**39**

Refer note 3.3.2 for the disclosure of provisions movement as required under the provisions of Accounting Standard – 29 'Provisions, Contingent Liabilities and Contingent Assets' ('AS 29').

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3.3 Current liabilities

3.3.1 Other current liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
Current maturities of long-term debt*	5	5
Interest accrued but not due on borrowings	1	1
Unearned income	225	100
Unpaid dividends	5	4
Creditors for capital goods	218	175
Advances from customers	27	103
Employee related liabilities	1,462	1,264
Book overdraft	155	85
Other liabilities**	1,345	1,000
Total	**3,443**	**2,737**

*The details of interest rates, repayment and other terms are disclosed under note 3.2.1.
**Includes derivative liability of Rs 3 (As at March 31, 2014: Rs 44).

As at March 31, 2015, the Company has outstanding forward contracts amounting to USD 32 million (As at March 31, 2014: USD 47. 5 million), GBP 2.25 million (As at March 31, 2014: Nil) and Euro 4.5 million (As at March 31, 2014: Euro 5 million). These derivative instruments have been entered to hedge highly probable forecasted sales.

In accordance with the provisions of AS 30, those forward contracts which qualify for cash flow hedge accounting have been fair valued at balance sheet date and the resultant exchange gain/ (loss) has been credited/ (debited) to hedge reserve (Refer Note 3.1.2). Other derivative instruments have been fair valued at the balance sheet date and resultant exchange gain of Rs 21 for the year ended March 31, 2015 (for the year ended March 31, 2014: Nil) has been recorded in the statement of profit and loss.

3.3.2 Short-term provisions

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for employee benefits		
- Gratuity	18	2
- Compensated absences	352	320
Provision for taxes, net of advance tax and tax deducted at source	227	219
Provision for discount	367	231
Dividend payable	837	626
Dividend distribution tax payable	172	106
Provision for foreseeable losses on contracts	-	3
Provision for post contract support services	5	4
Provision for disputed dues*	68	63
Total	**2,046**	**1,574**

*Represents disputed tax dues provided pursuant to unfavourable order received from the tax authorities against which the Company has preferred an appeal with the relevant authority. In respect of the provisions of AS 29, the disclosures required have not been provided in accordance with paragraph 72 of AS 29.

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The following table sets out the status of the gratuity plan as required under AS 15- Employee Benefits.

Particulars	**As at March 31, 2015**	**As at March 31, 2014**
Change in projected benefit obligations		
Obligations at the beginning of the year	365	324
Service cost	81	74
Interest cost	29	26
Benefits settled	(55)	(36)
Actuarial (gain)/ loss	(7)	(23)
Obligations at end of the year	**413**	**365**
Change in plan assets		
Plan assets at the beginning of the year, at fair value	363	313
Expected return on plan assets	29	26
Actuarial gain/ (loss)	5	-
Contributions	53	60
Benefits settled	(55)	(36)
Plan assets at the end of the year, at fair value	**395**	**363**

Reconciliation of the present value of the obligation and the fair value of the plan assets

Particulars	**As at March 31,**				
	2015	**2014**	**2013**	**2012**	**2011**
Fair value of plan assets at the end of the year	395	363	313	275	257
Present value of defined obligations at the end of the year	(413)	(365)	(324)	(276)	(265)
Asset/ (liability) recognised in the balance sheet	**(18)**	**(2)**	**(11)**	**(1)**	**(8)**

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Particulars	For the year ended March 31,	
	2015	2014
Gratuity cost		
Service cost	81	74
Interest cost	29	26
Expected return on plan assets	(29)	(26)
Actuarial (gain)/loss	(12)	(23)
Net gratuity cost	69	51
Actual return on plan assets	29	26
Assumptions		
Interest rate	7.80%	8.80%
Expected rate of return on plan assets	8.75%	8.00%
Salary increase	6.00%	6.00%
Attrition rate	14.23%	13.00%
Retirement age	60	60

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The disclosure of provisions movement as required under the provisions of AS 29 is as follows:-

Provision for post contract support services

Particulars	For the year ended March 31,	
	2015	2014
Balance at the beginning of the year	4	3
Provisions made during the year	2	1
Utilisations during the year	-	-
Released during the year	(1)	-
Provision at the end of the year	5	4

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Provision for discount

Particulars	For the year ended March 31, 2015	2014
Balance at the beginning of the year	270	145
Provisions made during the year	433	290
Utilisations during the year	(328)	(154)
Released during the year	(8)	(11)
Provision at the end of the year	367	270
Current	367	231
Non-current	-	39

Provision for foreseeable losses on contracts

Particulars	For the year ended March 31, 2015	2014
Balance at the beginning of the year	3	-
Provisions made during the year	-	3
Released during the year	(3)	-
Provision at the end of the year	-	3

The current provisions are expected to be utilized over a period of one year and the non-current provisions are expected to be utilized over a period of two to three years.

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3.4 Non-current assets

3.4.1 Fixed assets

Assets	Gross block				Accumulated depreciation				Net book value
	As at April 1, 2014	Additions during the year	Deletions during the year	As at March 31, 2015	As at April 1, 2014	For the year	Deletions during the year	As at March 31, 2015	As at March 31, 2015
Tangible assets									
Leasehold land	425	-	-	425	83	12	-	95	330
Buildings	2,694	928	1	3,621	957	149	1	1,105	2,516
Leasehold improvements	819	197	-	1,016	428	126	-	554	462
Computer systems	1,570	569	102	2,037	1,085	416	101	1,400	637
Test equipment	218	-	1	217	217	1	1	217	-
Furniture and fixtures	191	71	5	257	157	14	5	166	91
Electrical installations	360	167	6	521	256	69	6	319	202
Office equipment	600	155	24	731	436	80	24	492	239
Motor vehicles	2	27	1	28	1	5	1	5	23
Plant and machinery	8	-	-	8	1	-	-	1	7
Total (A)	**6,887**	**2,114**	**140**	**8,861**	**3,621**	**872**	**139**	**4,354**	**4,507**
Intangible assets									
Intellectual property	67	-	-	67	52	13	-	65	2
Computer Software	892	94	65	921	737	132	65	804	117
Total (B)	**959**	**94**	**65**	**988**	**789**	**145**	**65**	**869**	**119**
Total (A+B)	**7,846**	**2,208**	**205**	**9,849**	**4,410**	**1,017**	**204**	**5,223**	**4,626**

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3.4.1 Fixed Assets (continued)

Assets	Gross block				Accumulated depreciation				Net book value
	As at April 1, 2013	Additions during the year	Deletions during the year	As at March 31, 2014	As at April 1, 2013	For the year	Deletions during the year	As at March 31, 2014	As at March 31, 2014
Tangible assets									
Leasehold land	425	-	-	425	71	12	-	83	342
Buildings	2,332	362	-	2,694	829	128	-	957	1,737
Leasehold improvements	480	340	1	819	325	104	1	428	391
Computer systems	1,296	483	209	1,570	1,018	276	209	1,085	485
Test equipment	219	-	1	218	198	20	1	217	1
Furniture and fixtures	151	41	1	191	138	20	1	157	34
Electrical installations	247	114	1	360	205	52	1	256	104
Office equipment	482	119	1	600	370	67	1	436	164
Motor vehicles	2	1	1	2	2	-	1	1	1
Plant and machinery	8	-	-	8	1	-	-	1	7
Total (A)	**5,642**	**1,460**	**215**	**6,887**	**3,157**	**679**	**215**	**3,621**	**3,266**
Intangible assets									
Intellectual property	67	-	-	67	39	13	-	52	15
Computer Software	698	197	3	892	622	117	2	737	155
Total (B)	**765**	**197**	**3**	**959**	**661**	**130**	**2**	**789**	**170**
Total (A+B)	**6,407**	**1,657**	**218**	**7,846**	**3,818**	**809**	**217**	**4,410**	**3,436**

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3.4.2 Non-current investments

Particulars	As at March 31, 2015	As at March 31, 2014
Investment in mutual funds (quoted)	-	168
Trade investments (unquoted)		
- Investment in equity instruments	16	15
- Investment in preference shares	7	7
- Investment in Limited Liability Company	1,091	-
Less: Provision for diminution in value of investments	(1)	(1)
Total	**1,113**	**189**
Aggregate amount of quoted investments	-	168
Aggregate market value of quoted investments	-	170
Aggregate amount of unquoted investments	1,114	22

Details of investment in mutual funds are as given below:

Particulars	As at March 31, 2015		As at March 31, 2014	
	No of units	Amount	*No of units*	Amount
Tata Mutual Fund	-	-	*4,000,000*	40
Reliance Mutual Fund	-	-	*2,850,000*	28
UTI Mutual Fund	-	-	*10,000,000*	100
Total	-	-		**168**

Details of investment in equity instruments are as given below:

Particulars	As at March 31, 2015	As at March 31, 2014
2,400 (previous year: 2,400) equity shares in Career Community.com Limited	1	1
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited	-	-
950,000 (previous year: Nil) equity shares of Re.1 each in NuvePro Technologies Private Limited	1	-
Investment in wholly owned subsidiary - Mindtree Software (Shanghai) Co., Ltd ('MSSCL')	14	14
Total	**16**	**15**

Details of investment in preference shares are as given below:

Particulars	As at March 31, 2015	As at March 31, 2014
643,790 (previous year: 643,790) 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
Total	**7**	**7**

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Details of investment in Limited Liability Company is as given below:

Particulars	As at March 31, 2015	As at March 31, 2014
Investment in wholly owned subsidiary - Discoverture Solutions L.L.C.	1,091	-
Total	**1,091**	**-**

The Company has acquired 100% equity interest in Discoverture Solutions L.L.C. (Discoverture), a US based IT solution provider to the insurance industry, for a consideration of Rs 1,091. The consideration includes future payments which are based on achievement of certain specific milestones which have currently been provided for based on best estimate of the Company. The transfer of membership interests and control of Discoverture is effective February 13, 2015 and consequently, Discoverture has become a 100% subsidiary of the Company effective that date.

3.4.3 Taxes

Particulars	For the year ended March 31, 2015	2014
Tax expense		
Current tax	1,581	1,317
Deferred tax	(47)	(42)
Total	**1,534**	**1,275**

The Company has units at Bangalore, Hyderabad, Chennai and Bhubaneshwar registered as Special Economic Zone (SEZ) units which are entitled to a tax holiday under Section 10AA of the Income Tax Act, 1961.

The Company also has STPI units at Bangalore and Pune which are registered as a 100 percent Export Oriented Unit, which were earlier entitled to a tax holiday under Section 10B and Section 10A of the Income Tax Act, 1961.

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Deferred tax assets (net):
Deferred tax assets included in the balance sheet comprises the following:

Particulars	As at March 31, 2015	As at March 31, 2014
Excess of depreciation as per books over depreciation allowed under Income Tax Act, 1961	205	213
Provision for doubtful debts	16	31
Provision for compensated absence	117	100
Provision for volume discount	39	29
Others	72	29
Total deferred tax assets	**449**	**402**

3.4.4 Long-term loans and advances

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured considered good)		
Capital advances	107	136
Security deposits*	546	512
Advances recoverable in cash or in kind or for value to be received*	-	110
Total	**653**	**758**

*Refer note 3.15 for related party balances.

3.4.5 Other non-current assets

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured considered good)		
Advance tax and tax deducted at source, net of provision for taxes	834	853
MAT credit entitlement	110	160
Other non-current assets	59	26
Total	**1,003**	**1,039**

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3.5 Current assets

3.5.1 Current investments

Particulars	As at March 31, 2015	As at March 31, 2014
Investment in mutual funds (quoted)	4,643	4,760
Term deposits	700	400
Total	**5,343**	**5,160**
Aggregate amount of quoted investments	4,643	4,760
Aggregate market value of quoted investments	4,790	4,912
Aggregate amount of unquoted investments	700	400

Details of investment in mutual funds are as given below:

Particulars	As at March 31, 2015		As at March 31, 2014	
	No of units	Amount	*No of units*	Amount
ICICI Prudential Mutual Fund	*28,722,324*	472	*36,627,677*	366
IDFC Mutual Fund	*37,530,726*	433	*36,124,257*	365
UTI Mutual Fund	*13,456,138*	158	*27,011,640*	193
HSBC Mutual Fund	-	-	*79,974*	80
Franklin Templeton Mutual Fund	*11,695,643*	290	*26,910,401*	449
DSP Blackrock Mutual Fund	*14,790,537*	351	*41,938,435*	419
Birla Sun Life Mutual Fund	*20,007,295*	454	*44,008,990*	440
Reliance Mutual Fund	*23,725,772*	428	*34,640,032*	367
Tata Mutual Fund	*36,229,022*	422	*32,316,197*	306
DWS Mutual Fund	*4,483,697*	45	*15,626,078*	156
SBI Mutual Fund	*13,787,278*	358	*25,554,712*	315
HDFC Mutual Fund	*27,872,023*	424	*51,091,613*	513
Axis Mutual Fund	*100,840*	104	*103,111*	103
Bank of India AXA Mutual Fund	*10,000,000*	100	-	-
Kotak Mutual Fund	*5,681,936*	58	*5,305,892*	54
JP Morgan India Mutual Fund	*16,989,901*	189	*20,253,910*	203
Sundaram Mutual Fund	-	-	*10,462,576*	106
Princbridge Mutual Fund	-	-	*29,641*	30
L & T Mutual Fund	*98,576*	100	*140,743*	142
IDBI Mutual Fund	*254,281*	257	*152,373*	153
Total		**4,643**		**4,760**

Details of investments in term deposit are as given below:

Particulars	As at March 31, 2015	As at March 31, 2014
HDFC Limited	700	400
Total	**700**	**400**

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3.5.2 Trade receivables

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured)		
Debts overdue for a period exceeding six months		
- considered good	62	95
- considered doubtful	72	131
Other debts		
- considered good	6,736	5,909
- considered doubtful	9	5
Less: Provision for doubtful debts	(81)	(136)
Total	**6,798**	**6,004**

3.5.3 Cash and bank balances

Particulars	As at March 31, 2015	As at March 31, 2014
Balances with banks in current and deposit accounts^ *	3,664	1,171
Cash on hand	-	-
Other bank balances**	5	4
Total	**3,669**	**1,175**

^The deposits maintained by the Company with banks comprises time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

* Balances with banks include the following:

Particulars	As at March 31, 2015	As at March 31, 2014
Balance with banks held as margin money towards guarantees	-	1

**Other bank balances represent balances in respect of unpaid dividends and are considered restricted in nature.

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(Rupees in millions, except share and per share data, unless otherwise stated)

3.5.4 Short-term loans and advances

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured considered good)		
Advances recoverable in cash or in kind or for value to be received*	856	627
Less: Provision for doubtful advances	(20)	(15)
Total	**836**	**612**

*Refer note 3.15 for related party balances. This also includes amounts pertaining to housing deposits, vehicles, medical emergencies and salary advances given to employees to the extent of Rs 194 as at March 31, 2015.

3.5.5 Other current assets

Particulars	As at March 31, 2015	As at March 31, 2014
Unbilled revenue	981	1,014
MAT credit entitlement	36	-
Other current assets*	600	712
Total	**1,617**	**1,726**

*Includes derivative asset of Rs 24 (As at March 31, 2014: Rs 93).

3.6 Other income

Particulars	For the year ended March 31, 2015	2014
Interest income	140	66
Dividend income	154	150
Net gain on sale of investments	286	130
Foreign exchange gain/ (loss)	177	118
Other non-operating income	74	30
Total	**831**	**494**

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3.7 Expenses

Employee benefits expense	**For the year ended March 31, 2015**	**2014**
Salaries and wages	18,680	16,189
Contribution to provident and other funds	1,623	1,404
Expense on employee stock based compensation*	168	79
Staff welfare expenses	175	148
Total	20,646	17,820

Finance costs	**For the year ended March 31, 2015**	**2014**
Interest expense	1	4
Total	1	4

Other expenses	**For the year ended March 31, 2015**	**2014**
Travel expenses	1,732	1,466
Communication expenses	436	370
Sub-contractor charges	2,107	1,406
Computer consumables	441	325
Legal and professional charges	406	383
Power and fuel	275	255
Rent (Refer note 3.16)	625	537
Repairs to buildings	51	42
Repairs to machinery	35	28
Insurance	49	39
Rates and taxes	93	74
Other expenses	1,514	1,465
Total	7,764	6,390

*Refer note 3.1.1 (f)

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3.8 Contingent liabilities and commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2015 is Rs 508 (March 31, 2014: Rs 854).

b) The Company has received an income tax assessment for the financial year 2008-09 wherein demand of Rs 24 has been raised against the Company on account of certain disallowances, adjustments made by the income tax department. A significant portion of this amount arises from the manner of adjustment of brought forward losses in arriving at the taxable profits of the Company and disallowance of portion of profit earned outside India from the STP and SEZ units.

Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demands received.

The Company has received a favourable order from the Commissioner of Income tax (Appeals) for majority of grounds and considering the order passed, there will not be any demand on the Company. On the other grounds which are not favourable, the Company has filed an appeal before the Income Tax Appellate Tribunal ('ITAT').

c) The Company has received income tax assessments for financial years 2006-07 and 2007-08 for the erstwhile subsidiary Mindtree Technologies Private Limited (MTPL) with demands amounting to Rs 11 and Rs 10 on account of certain disallowances/ adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demand received. The Company has not deposited the amount of demand with the department.

d) The Company has received income tax assessments under Section 143(3) of the Income-tax Act 1961 pertaining to erstwhile subsidiary Aztecsoft Limited for the financial years 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 wherein demand of Rs 198, Rs 49, Rs 61, Rs 28, Rs 58, Rs 119, Rs 214 and Rs 63 respectively has been raised against the Company. These demands have arisen mainly on account of transfer pricing adjustments made in the order. The Company has not accepted these orders and has been advised by its legal counsel/ advisors to prefer appeals before appellate authorities and accordingly the Company has filed appeals before the Commissioner of Income Tax (Appeals) and ITAT. The Company has deposited Rs 15 with the department against these demands. The department has adjusted pending refunds amounting to Rs 450 against these demands.

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The Company received a favourable order from the Commissioner of Income Tax (Appeals) for the year 2001-02 where in the Commissioner of Income Tax (Appeals) accepted the Company's contentions and quashed the demand raised. The Income tax department appealed against the above mentioned order with ITAT. ITAT, in an earlier year passed an order setting aside both the orders of the Commissioner of Income Tax (Appeals) as well as the Assessing Officer and remanded the matter back to the Assessing Officer for re-assessment. The Company preferred an appeal with the Hon'ble High Court of Karnataka against the order of the ITAT. The Hon'ble High Court of Karnataka has dismissed the appeal filed against the order of ITAT and upheld the order passed by the ITAT and accordingly the case is pending before Assessing Officer for re-assessment. The Assistant Commissioner of Income tax has completed the reassessment & has issued a draft assessment order with a revised demand amounting to Rs 198 due to transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company will file an appeal with Dispute Resolution Panel.

During the year, the Company has received the order from the Commissioner of Income Tax (Appeals) for the year 2004-05 and on the unfavorable grounds, the Company has a filed an appeal with ITAT, Bangalore.

The Company has appealed against the demands received for financial years 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09. Based on favourable order received by the Company for the financial year 2001-02 from the Commissioner of Income Tax (Appeals) and an evaluation of the facts and circumstances, no provision has been made against the above orders in the financial statements.

e) The Company received an assessment order for financial year 2006-07 for the erstwhile subsidiary Mindtree Wireless Private Limited from the Assistant Commissioner of Income-tax ('ACIT') with a demand amounting to Rs 39 on account of certain other disallowances/ transfer pricing adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals) against the demand received.

The Company has received the order from the Commissioner of Income Tax (Appeals) wherein the Commissioner of Income Tax (Appeals) accepted the grounds in part and in respect of unfavorable grounds, the Company has filed an appeal before Income Tax Appellate Tribunal. The final order giving effect by the Assessing Officer is completed and the demand is reduced to Rs 33. The Company has deposited Rs 5 with the department against this demand.

f) The Company has received a final assessment order for financial year 2009-10 from the Deputy Commissioner of Income Tax with a demand amounting to Rs 61 due to non-adjustment of brought forward losses and transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals).

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3.9 Quantitative details

The Company is engaged in software development services. Such services are not capable of being expressed in any generic unit and hence, it is not possible to give the quantitative details required under paragraphs 5(viii)(c) of general instructions for preparation of the statement of profit and loss as per Schedule III to the Companies Act, 2013.

3.10 Value of imports on CIF basis

Particulars	For the year ended March 31, 2015	2014
Capital goods	339	292
Total	**339**	**292**

3.11 Expenditure in foreign currency

Particulars	For the year ended March 31, 2015	2014
Branch office expenses	15,822	11,203
Travel expenses	244	251
Professional charges	52	28
Others	363	288
Total	**16,481**	**11,770**

3.12 Earnings in foreign currency

Particulars	For the year ended March 31, 2015	2014
Income from software development	34,452	29,484
Other income	31	5
Total	**34,483**	**29,489**

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3.13 During the year ended March 31, 2015, the Company has remitted in foreign currency dividend of Rs 29 (for the year ended March 31, 2014: Rs 21)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Number of shares held		
Final dividend 2012-13	-	1,124,402
Second interim dividend 2012-13	-	1,125,384
First interim dividend 2013-14	-	1,098,098
Second interim dividend 2013-14	-	1,121,908
Third interim dividend 2013-14	1,119,693	-
Final and special dividend 2013-14	2,150,288	-
First interim dividend 2014-15	1,870,871	-
Second interim dividend 2014-15	1,878,172	-
Number of shareholders		
Final dividend 2012-13	-	79
Second interim dividend 2012-13	-	78
First interim dividend 2013-14	-	50
Second interim dividend 2013-14	-	51
Third interim dividend 2013-14	53	-
Final and special dividend 2013-14	51	-
First interim dividend 2014-15	52	-
Second interim dividend 2014-15	56	-
Amount Remitted (in Rs)		
Final dividend 2012-13	-	5 million
Second interim dividend 2012-13	-	5 million
First interim dividend 2013-14	-	6 million
Second interim dividend 2013-14	-	5 million
Third interim dividend 2013-14	6 million	-
Final and special dividend 2013-14	10 million	-
First interim dividend 2014-15	6 million	-
Second interim dividend 2014-15	7 million	-

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3.14 Segmental reporting

The Company is structured into five verticals – RCM, BFSI, HTMS, TH and Others. During the year, the Company has classified results of Media Services in HTMS. The results were previously classified with TH segment. Accordingly, as required by the accounting standards, comparatives have been restated and presented in line with the current segments. The Company considers business segment as the primary segment and geographical segment based on the location of customers as the secondary segment.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

Income and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income.

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The assets of the Company are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

Business segments

Statement of profit and loss	For the year ended March 31, 2015	2014
Segment revenue		
RCM	7,720	6,528
BFSI	8,233	6,986
HTMS	11,641	9,806
TH	5,843	4,735
Others	2,037	2,261
Total	**35,474**	**30,316**
Segment operating income		
RCM	1,503	1,594
BFSI	912	450
HTMS	2,738	2,477
TH	1,136	697
Others	793	888
Total	**7,082**	**6,106**
Unallocable expenses	(1,035)	(809)
Profit for the year before interest, other income and tax	**6,047**	**5,297**
Interest expense	(1)	(4)
Other income	831	494
Net profit before taxes	**6,877**	**5,787**
Income taxes	(1,534)	(1,275)
Net profit after taxes	**5,343**	**4,512**

Geographical segments

Revenues	For the year ended March 31, 2015	2014
America	21,921	17,558
Europe	8,964	8,540
India	1,350	1,449
Rest of World	3,239	2,769
Total	**35,474**	**30,316**

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3.15 Related party transactions

Name of related party	Nature of relationship
Mindtree Software (Shanghai) Co., Ltd ('MSSCL'), Republic of China	Subsidiary
Discoverture Solutions L.L.C.	Subsidiary with effect from February 13, 2015.
Discoverture Solutions U.L.C.	Subsidiary with effect from February 13, 2015.
Discoverture Solutions Europe Limited	Subsidiary with effect from February 13, 2015.
Mindtree Foundation	Entity with common key managerial person
Janaagraha Centre for Citizenship & Democracy	Entity with common key managerial person
Coffee Day Global Limited Tanglin Developments Limited ('TDL')	These entities are part of Coffee Day Group which through various entities and its promoters holds 19.76% equity stake in Mindtree, and the group has a nominee on the Mindtree Board.

Transactions with the above related parties during the year were:

Name of related party	Nature of transaction	For the year ended March 31, 2015	2014
Mindtree Software (Shanghai) Co., Ltd	Software services received	19	-
Discoverture Solutions L.L.C.	Software services rendered	22	-
Mindtree Foundation	Donation paid	13	-
Janaagraha Centre for Citizenship & Democracy	Software services rendered	1	-
	Donation paid	4	3
Coffee Day Global Limited	Procurement of supplies	17	17

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Tanglin Developments Limited	Leasing office buildings and land	321	399
	Advances/ deposits paid		
	- towards electricity deposit/ charges	9	3
	- towards lease rentals	-	486
	Advance/ deposits received back:		
	- towards electricity deposit/ charges	51	48
	- towards lease rentals	156	327
	Interest on advance towards electricity charges/ deposit		
	- amount recovered	7	-
	- amount accrued	4	22

Balances payable to related parties are as follows:

Name of related party	As at March 31, 2015	As at March 31, 2014
Mindtree Software (Shanghai) Co., Ltd	6	-

Balances receivable from related parties are as follows:

Name of related party	Nature of transactions	As at March 31, 2015	As at March 31, 2014
Discoverture Solutions L.L.C.	Trade receivables	22	-
Tanglin Developments Limited	Rental Advance		
	- Current	94	126
	- Non-current	-	94
	Advance towards electricity charges		
	- Current	16	48
	- Non-current	-	16
	Security deposit (including electricity deposit) returnable on termination of lease	375	399

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Interest accrued on advance towards electricity charges	-	3

Key Managerial Personnel:

Subroto Bagchi	Executive Chairman
Krishnakumar Natarajan	CEO and Managing Director
S. Janakiraman*	President, Chief Technology Officer and Executive Director
N.S. Parthasarathy	President, Chief Operating Officer and Executive Director
Rostow Ravanan**	Chief Financial Officer and Executive Director
Dr. Albert Hieronimus	Independent Director and Non-Executive Vice Chairman
Apurva Purohit	Independent Director
Prof. David B. Yoffie***	Independent Director
Manisha Girotra	Independent Director
Prof. Pankaj Chandra	Independent Director
Ramesh Ramanathan	Independent Director
V.G.Siddhartha	Non-Executive Director
Rajesh Srichand Narang****	Vice President - Legal and Company Secretary

*S Janakiraman resigned with effect from October 20, 2014.
**Rostow Ravanan has been designated as Head – Europe and has also taken over certain Key Accounts and Service Lines effective April 1, 2015 and Jagannathan Chakravarthi has been appointed as the Chief Financial Officer, effective April 1, 2015.
***Prof. David B. Yoffie resigned with effect from March 30, 2015.
**** Rajesh Srichand Narang resigned with effect from February 13, 2015.

The Board of Directors appointed Ms. Manisha Girotra as an Independent Director and Mr. Rostow Ravanan as an Executive Director, effective May 20, 2014.

Remuneration to key managerial personnel during the year ended March 31, 2015 amounts to Rs 224 (for the year ended March 31, 2014: Rs 151). Dividends paid to directors during the year ended March 31, 2015 amounts to Rs 173 (for the year ended March 31, 2014 amounts to Rs 134).

The above remuneration excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

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3.16 Lease transactions

Lease rental expense under non-cancellable operating lease during the year ended March 31, 2015 amounted to Rs 361 (for the year ended March 31, 2014: Rs 266). Future minimum lease payments under non-cancellable operating lease are as below:

Particulars	As at March 31, 2015	As at March 31, 2014
Payable -- Not later than one year	390	267
Payable -- Later than one year and not later than five years	541	473
Payable -- later than five years	106	4

Additionally, the Company leases office facilities and residential facilities under cancellable operating leases. The rental expense under cancelable operating lease during the year ended March 31, 2015 was Rs 264 (for the year ended March 31, 2014: Rs 271).

3.17 Earnings per equity share

Reconciliation of number of equity shares used in the computation of basic and diluted earnings per share is set out below:

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014*	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	83,619,436	83,619,436	83,177,516	83,177,516
Weighted average number of equity shares resulting from assumed exercise of employee stock options	-	379,280	-	539,177
Weighted average number of equity shares for calculation of earnings per share	83,619,436	83,998,716	83,177,516	83,716,693

*In accordance with Accounting Standard 20 on 'Earnings Per Share', basic and diluted earnings per share is adjusted for 1:1 bonus issue for previous year presented.

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3.18 Auditor's remuneration

Particulars	For the year ended March 31, 2015	2014
Statutory audit	16	15
Certification	2	2
Total	**18**	**17**

3.19 The Company has a development center at Gainesville, Florida, US. The state of Florida has offered various incentives targeted to the needs of the development center. The nature and the extent of the government grant is given below:

Nature of expenses	For the year ended March 31, 2015	2014
Reimbursement of rent	-	3
Grant towards workforce training	24	28
Total	**24**	**31**

The Company had availed a non-monetary grant of USD 950,000 for renovation of project facility. This grant is subject to fulfillment of certain conditions such as creation of minimum employment with specified average salary and capital investment at the development center at Gainesville, Florida, US.

3.20 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2015 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

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Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	Nil	Nil
The amount of interest paid by the buyer under the Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
the amount of interest due and payable for the year (where the principal has been paid but interest under the Act not paid);	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year; and	Nil	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

3.21 Total of expenditure incurred on Corporate Social Responsibility activities during the year ended March 31, 2015 is Rs 40.

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Significant accounting policies and notes to the accounts (continued)
For the year ended March 31, 2015
(Rupees in millions, except share and per share data, unless otherwise stated)

3.22 The financial statements are presented in Rs in million. Those items which are required to be disclosed and which are not presented in the financial statement due to rounding off to the nearest Rs in million are given as follows:

Balance Sheet items *Amount in Rs*

Particulars	**As at March 31, 2015**	**As at March 31, 2014**
Share application money pending allotment	-	27,235
Cash on hand	21,148	25,277
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited	126,400	126,400

3.23 As of the balance sheet date, the Company's net foreign currency exposure that is not hedged by a derivative instrument or otherwise is Rs 6,319 (March 31, 2014: Rs 5,683).

3.24 Corresponding figures for the previous year presented have been regrouped, where necessary, to conform to the current year's classification.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

For **Mindtree Limited**

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Supreet Sachdev
Partner
Membership No. : 205385

Subroto Bagchi
Chairman

N. Krishnakumar
CEO & Managing Director

Jagannathan Chakravarthi
Chief Financial Officer

Place: Bangalore
Date: April 16, 2015

Place: Bangalore
Date: April 16, 2015

MINDTREE LIMITED * BENGALURU *

Deloitte
Haskins & Sells

Chartered Accountants
Deloitte Centre
Anchorage II
100/2 Richmond Road
Bengaluru - 560 025
India

Tel : + 91 (80) 66276000
Fax: + 91 (80) 66276013

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MINDTREE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **MINDTREE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.

    e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji

V. Balaji
Partner
(Membership No. 203685)

BENGALURU, April 18, 2016
VB/UB/VMS/2016

MINDTREE LIMITED BENGALURU

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MINDTREE LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company as of and for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MINDTREE LIMITED
BENGALURU

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. L.

V. Balaji
Partner
(Membership No. 203685)

BENGALURU, April 18, 2016
VB/UB/VMS/2016

MINDTREE LIMITED * BENGALURU *

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered conveyance deed/ approved building plan provided to us, we report that, the title deeds, comprising all the immovable properties of buildings which are freehold as at the balance sheet date, are held in the name of the Company. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 186 of the Act in respect of investments made. According to the information and explanations given to us, the Company has not granted any loan or provided any guarantees and securities.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits.

(vi) Having regard to the nature of the Company's business/ activities, reporting under clause (vi) of the Order with regard to cost records is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

MINDTREE LIMITED BENGALURU

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount Involved (Rs. in millions)	Amount Unpaid (Rs. in millions)
Income-tax Act, 1961	Income-tax	Commissioner of Income Taxes (Appeals)	AY 2002-03 to 2004-05	324.75	202.29
			AY 2007-08 and 2008-09	21.26	3.14
			AY 2010-11	61.47	61.47
			AY 2013-14	15.30	15.30
		Income Tax Appellate Tribunal	AY 2005-06 to 2009-10	538.10	163.00
The Finance Act, 1994	Service tax	Customs, Excise and Service Tax Appellate Tribunal	July 2003 to May 2008	141.70	131.09
		Assistant Commissioner of Commercial Taxes (Recovery)	April 2008 to March 2009	4.80	4.80
The Karnataka Sales Tax Act, 1957	Value added tax	Assistant Commissioner of Commercial Taxes (Recovery)	Upto July 2004	0.79	0.29
The Central Sales Tax Act, 1956	Sales tax	Commissioner (Appeals)	2011-12	0.46	0.46

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans to bank and government. There are no borrowings from financial institutions and the Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

MINDTREE LIMITED
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(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or persons connected with them and hence provisions of Section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

BENGALURU, April 18, 2016
VB/UB/VMS/2016

Mindtree Limited
Balance sheet

	Note	As at March 31, 2016	Rs in million As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1.1	1,678	837
Reserves and surplus	3.1.2	22,486	19,271
		24,164	**20,108**
Share application money pending allotment	3.1.1 (g)	-	4
Non-current liabilities			
Long-term borrowings	3.2.1	18	23
Other long-term liabilities	3.2.2	1,072	334
		1,090	**357**
Current liabilities			
Short-term borrowings	3.3.1	400	-
Trade payables			
Payable to micro and small enterprises	3.20	4	-
Others		1,242	1,188
Other current liabilities	3.3.2	3,712	2,776
Short-term provisions	3.3.3	2,153	2,028
		7,511	**5,992**
		32,765	**26,461**
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	3.4.1	4,304	4,507
Intangible assets	3.4.1	92	119
Capital work-in-progress		232	354
Non-current investments	3.4.2	9,052	1,113
Deferred tax assets (net)	3.4.3	593	449
Long-term loans and advances	3.4.4	1,842	1,639
Other non-current assets	3.4.5	276	17
		16,391	**8,198**
Current assets			
Current investments	3.5.1	2,101	5,343
Trade receivables	3.5.2	8,825	6,798
Cash and bank balances	3.5.3	1,924	3,669
Short-term loans and advances	3.5.4	1,476	1,448
Other current assets	3.5.5	2,048	1,005
		16,374	**18,263**
		32,765	**26,461**

Significant accounting policies and notes to the accounts 2&3

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The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number: 008072S

For and on behalf of the Board of Directors of **Mindtree Limited**

V. Balaji
Partner
Membership Number: 203685

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

Place: Bengaluru
Date : April 18, 2016

Place: Bengaluru
Date : April 18, 2016

MINDTREE LIMITED BANGALORE

MINDTREE LIMITED BENGALURU

Mindtree Limited
Statement of profit and loss

Particulars	Note	Rs in million, except share and per share data For the year ended March 31, 2016	March 31, 2015
Revenue from operations		43,565	35,474
Other income	3.6	939	831
Total revenues		**44,504**	**36,305**
Expenses:			
Employee benefits expense	3.7	25,766	20,608
Finance costs	3.7	3	1
Depreciation and amortisation expense	3.4.1	1,309	1,017
Other expenses	3.7	9,691	7,802
Total expenses		**36,769**	**29,428**
Profit before tax		**7,735**	**6,877**
Tax expense:	3.4.3		
Current tax		1,830	1,581
Deferred tax		(144)	(47)
Profit for the year		**6,049**	**5,343**
Earnings per equity share	3.17		
Equity shares of par value Rs 10/- each			
Basic		36.08	31.95
Diluted		35.99	31.83
Weighted average number of equity shares used in computing earnings per share			
Basic		167,649,773	167,238,871
Diluted		168,091,689	167,893,221
Significant accounting policies and notes to the accounts	2&3		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number: 008072S

For and on behalf of the Board of Directors of **Mindtree Limited**

V. Balaji
Partner
Membership Number: 203685

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

Place: Bengaluru
Date : April 18, 2016

Place: Bengaluru
Date : April 18, 2016

MINDTREE LIMITED BANGALORE

MINDTREE LIMITED BENGALURU

Mindtree Limited
Cash flow statement

	Rs in million	
	For the year ended March 31,	
	2016	2015
Cash flow from operating activities		
Profit before tax	7,735	6,877
Adjustments for :		
Depreciation and amortisation expense	1,309	1,017
Expense on employee stock based compensation	90	168
Finance costs	3	1
Interest/ dividend income	(400)	(294)
Profit on sale of fixed assets	(30)	(6)
Profit on sale of investments	(131)	(286)
Exchange difference on derivatives	(31)	(21)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(97)	9
Operating profit before working capital changes	8,448	7,465
Changes in trade receivables	(2,027)	(794)
Changes in loans and advances and other assets	(1,098)	(33)
Changes in liabilities and provisions	657	879
Net cash provided by operating activities before taxes	5,980	7,517
Income taxes paid	(1,929)	(1,540)
Net cash provided by operating activities	4,051	5,977
Cash flow from investing activities		
Purchase of fixed assets	(1,570)	(1,995)
Proceeds from sale of fixed assets	269	8
Investment in subsidiaries	(6,659)	(600)
Interest/ dividend received from investments	479	219
Purchase of investments	(10,062)	(9,982)
Sale/ maturities of investments	13,385	10,252
Net cash used in investing activities	(4,158)	(2,098)
Cash flow from financing activities		
Issue of share capital (net of issue expenses paid)	24	67
Finance costs	(3)	(1)
Repayment of borrowings	(5)	(4)
Proceeds from short-term loans	400	-
Dividends paid (including distribution tax)	(2,151)	(1,438)
Net cash used in financing activities	(1,735)	(1,376)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	97	(9)
Net (decrease)/ increase in cash and cash equivalents	(1,745)	2,494
Cash and cash equivalents at the beginning of the year	3,669	1,175
Cash and cash equivalents at the end of the year (Refer note 3.5.3)	1,924	3,669

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number: 008072S

For and on behalf of the Board of Directors of **Mindtree Limited**

V. Balaji
Partner
Membership Number: 203685

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CEO & Managing Director

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS
BANGALORE

Place: Bengaluru
Date : April 18, 2016

Place: Bengaluru
Date : April 18, 2016

MINDTREE LIMITED BANGALORE

MINDTREE LIMITED BENGALURU

1. Background

Mindtree Limited ('Mindtree' or 'the Company') is an international Information Technology consulting and implementation company that delivers business solutions through global software development. The Company is structured into five verticals – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Technology, Media and Services (TMS), Travel and Hospitality (TH) and Others. The Company offers services in the areas of agile, analytics and information management, application development and maintenance, business process management, business technology consulting, cloud, digital business's, independent testing, infrastructure management services, mobility, product engineering and SAP services.

The Company is head quartered in Bengaluru and has offices in India, United States of America, United Kingdom, Japan, Singapore, Malaysia, Australia, Germany, Switzerland, Sweden, UAE, Netherlands, Canada, Belgium, France and Ireland.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP, interalia comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act'), the provisions of the Act (to the extent notified and applicable) and guidelines issued by the Securities and Exchange Board of India (SEBI).

2.2 Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in future periods.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BANGALORE

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2.3 Fixed assets and depreciation

2.3.1 Fixed assets are carried at cost of acquisition (including directly attributable costs such as freight, installation, etc.) or construction less accumulated depreciation. Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

2.3.2 Acquired intangible assets are capitalised at the acquisition price. Internally generated intangible assets are recorded at cost that can be measured reliably during the development phase and when it is probable that future economic benefits that are attributable to the assets will flow to the Company.

2.3.3 Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.3.4 Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under capital advances. The cost of the fixed asset not ready for its intended use on such date, is disclosed under capital work-in-progress.

2.3.5 Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Company. Depreciation for assets purchased/ sold during a period is proportionately charged. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The Company estimates the useful lives for fixed assets as follows:

Asset classification	Useful life
Buildings	5-30 years
Computer systems	2-3 years
Computer software	2 years
Test equipment	3 years
Furniture and fixtures	5 years
Electrical installations	3 years
Office equipment	4 years
Motor vehicles	4 years
Plant and machinery	4 years
Intellectual property	5 years

The Company believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BANGALORE

MINDTREE LIMITED BENGALURU

2.3.6 The cost of leasehold land is amortised over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortised over the lease term or useful life, whichever is lower.

2.4 Investments

2.4.1 Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

2.4.2 Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is carried out separately in respect of each investment.

2.4.3 Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise of cash-in-hand and balance in bank in current accounts and deposit accounts that are highly liquid and are readily convertible to known amounts of cash.

2.6 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.7 Employee benefits

2.7.1 Gratuity is a defined benefit scheme and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Company has an employees' gratuity fund managed by ICICI Prudential Life Insurance Company, SBI Life Insurance Company and Life Insurance Corporation of India. Actuarial gains and losses are charged to the statement of profit and loss.

2.7.2 Compensated absences are a long-term employee benefit and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Company accrues for the expected cost of short-term compensated absences in the period in which the employee renders services.

2.7.3 Contributions payable to the social security plans, which are a defined contribution scheme, are charged to the statement of profit and loss in the period in which the employee renders services.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

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2.8 Revenue recognition

2.8.1 The Company derives its revenues primarily from software services. Revenue from software development on time-and-material basis is recognised as the related services are rendered. Revenue from fixed price contracts is recognised using the proportionate completion method, which is determined by relating the actual project cost of work performed to date to the estimated total project cost for each contract. Unbilled revenue represents cost and earnings in excess of billings while unearned revenue represents the billing in excess of cost and earnings. Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

Maintenance revenue is recognised ratably over the period of the maintenance contract.

2.8.2 Provision for discounts is recognised on an accrual basis in accordance with contractual terms of agreements with customers. Revenues are stated net of volume discount.

2.8.3 Dividend income is recognised when the right to receive payment is established.

2.8.4 Interest income is recognised using the time proportion method, based on the transactional interest rates.

2.9 Foreign exchange transactions

2.9.1 The Company is exposed to foreign currency transactions including foreign currency revenues, receivables and borrowings. With a view to minimize the volatility arising from fluctuations in currency rates, the Company enters into foreign exchange forward contracts and other derivative instruments.

2.9.2 Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the statement of profit and loss for the period.

2.9.3 Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BANGALORE

MINDTREE LIMITED BENGALURU

2.9.4 In respect of integral operations, monetary assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. Non-monetary items are translated at the historical rate. The items in the statement of profit and loss are translated at the rates prevailing on the dates of the respective transactions. The differences arising out of the translation are recognised in the statement of profit and loss.

2.9.5 Forward exchange contracts and other similar instruments that are not in respect of forecasted transactions are accounted for using the guidance in Accounting Standard ('AS') 11, 'The effects of changes in foreign exchange rates'. For such forward exchange contracts and other similar instruments covered by AS 11, based on the nature and purpose of the contract, either the contracts are recorded based on the forward rate/ fair value at the reporting date, or based on the spot exchange rate on the reporting date. For contracts recorded at the spot exchange rates, the premium or discount at the inception is amortized as income or expense over the life of the contract.

2.9.6 For forward exchange contracts and other derivatives that are not covered by AS 11 and that relate to a firm commitment or highly probable forecasted transactions, the Company has adopted Accounting Standard ('AS') 30, 'Financial Instruments: Recognition and Measurement' to the extent that the adoption did not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements. In accordance with AS 30, such derivative financial instruments, which qualify for cash flow hedge accounting and where the Company has met all the conditions of cash flow hedge accounting, are fair valued at balance sheet date and the resultant exchange loss/ gain is debited/ credited to the hedge reserve until the transaction is completed. Other derivative instruments are recorded at fair value at the reporting date and the resultant exchange loss/ gain is debited/ credited to statement of profit and loss.

2.10 Warranties

Warranty costs (i.e. post contract support services) are estimated by the management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the period of recognition of revenue.

2.11 Provision and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

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Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2.12 Taxation

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Company. Deferred tax charge or credit are recognised for the future tax consequences attributable to timing difference that result between the profit offered for income taxes and the profit as per the financial statements. Deferred tax in respect of timing difference which originate during the tax holiday period but reverse after the tax holiday period is recognised in the period in which the timing difference originate. For this purpose the timing differences which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain to be realised.

Minimum alternate tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in the balance sheet if there is a convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant assets can be measured reliably. MAT credit entitlement can be carried forward and utilized for a period of ten years from the period in which such credit is availed.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

2.13 Earnings per share

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary item. The number of equity shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the period. The number of equity shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BANGALORE

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2.14 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised. In respect of goodwill, impairment loss will be reversed only when it is caused by specific external events and their effects have been reversed by subsequent external events.

2.15 Employee stock based compensation

The Company measures the compensation cost relating to stock options, restricted shares and phantom stock options using the intrinsic value method. The compensation cost is amortised over the vesting/ service period.

2.16 Government grants

Grants from the government are recognised when there is reasonable assurance that:

(i) the Company will comply with the conditions attached to them; and
(ii) the grant will be received.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a nominal value.

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3. Notes to the accounts

3.1 Shareholders' funds

3.1.1 Share capital

a)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised		
800,000,000 (March 31, 2015: 800,000,000) equity shares of Rs 10/- each	8,000	8,000
Issued, subscribed and paid-up capital		
167,786,176 (March 31, 2015: 83,732,372) equity shares of Rs 10/- each fully paid	1,678	837
Total	**1,678**	**837**

b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No of shares	Rs	No of shares	Rs
Number of shares outstanding at the beginning of the year	83,732,372	837	41,689,731	417
Add: Shares issued on exercise of stock options and restricted shares	160,716	2	276,980	2
Add: Bonus shares issued *	83,893,088	839	41,765,661	418
Number of shares outstanding at the end of the year	167,786,176	1,678	83,732,372	837

*Refer note 3.1.1 (e).

c) The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each.

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

The Company declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

The Board of Directors at its meeting held on July 16, 2015, October 15, 2015 and January 18, 2016 had declared an interim dividend of 30% (Rs 3 per equity share of par value Rs 10/- each) for the quarter ended June 30, 2015, 40% (Rs 4 per equity share of par value Rs 10/- each) for the quarter ended September 30, 2015 and 40%

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(Rs 4 per equity share of par value Rs 10/- each) for the quarter ended December 31, 2015 respectively.

During the year, the Company has issued bonus shares in the ratio of 1:1 after approval of shareholders through postal ballot.

The Board of Directors at its meeting held on March 23, 2016, have declared an interim dividend of 20% (Rs 2 per equity share (after bonus issue) of par value of Rs 10/- each) for the quarter ended March 31, 2016. Further, the Board of Directors at its meeting held on April 18, 2016 have recommended a final dividend of 30% (Rs 3 per equity share (after bonus issue) of par value Rs 10/- each) for the year ended March 31, 2016.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Equity shareholder holding more than 5 percent of equity shares along with the number of equity shares held at the beginning and at the end of the year is as given below:

Sr. No.	Name of the shareholder	As at March 31, 2016*		As at March 31, 2015	
		Number of shares	%	Number of shares	%
1	Coffee Day Enterprises Limited	17,461,768	10.4%	8,730,884	10.4%
2	Nalanda India Fund Limited	15,796,356	9.4%	7,898,178	9.4%
3	Coffee Day Trading Limited	10,594,244	6.3%	5,297,122	6.3%

*Post bonus issue

e) In the period of five years immediately preceding March 31, 2016:

a. The Company has allotted 83,893,088 and 41,765,661 fully paid up equity shares during the quarter ended March 31, 2016 and June 30, 2014 respectively, pursuant to 1:1 bonus share issue approved by shareholders. Consequently, options/ units granted under the various employee share based plans are adjusted for bonus share issue.

b. The Company has not bought back any equity shares.

c. The Company has not allotted any equity shares as fully paid up without payment being received in cash.

f) **Employee stock based compensation**

The Company instituted the Employees Stock Option Plan ('ESOP') in fiscal 2000, which was approved by the Board of Directors ('the Board'). The Company has various stock option programs, a restricted stock purchase plan and a phantom stock option plan.

Program 1 [ESOP 1999]

This plan was terminated on September 30, 2001 and there are no options outstanding as at the reporting date.

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Program 2 [ESOP 2001]

Options under this program have been granted to employees at an exercise price of Rs 50 per option (Rs 25 per option post bonus issue). All stock options have a four-year vesting term and vest and become fully exercisable at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant. Each option is entitled to 1 equity share of Rs 10 each. This program extends to employees who have joined on or after October 1, 2001 or have been issued employment offer letters on or after August 8, 2001 or options granted to existing employees with grant date on or after October 1, 2001. This plan was terminated on April 30, 2006. The contractual life of each option is 11 years after the date of grant.

Particulars	**Year ended March 31,**	
	2016	**2015**
Outstanding options, beginning of the year	32,976*	54,777*
Granted during the year	-	-
Exercised during the year	10,894	29,401
Lapsed during the year	3,722	2,304
Forfeited during the year	-	-
Outstanding options, end of the year	**18,360**	**23,072**
Options vested and exercisable, end of the year	18,360	23,072

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 3 [ESOP 2006 (a)]

This plan was terminated on October 25, 2006 and there are no options outstanding as at the reporting dates.

Program 4 [ESOP 2006 (b)]

Options under this program are granted to employees at an exercise price periodically determined by the Nomination and Remuneration Committee. All stock options have a four-year vesting term and vest and become fully exercisable at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant. Each option is entitled to 1 equity share of Rs 10 each. This program extends to employees to whom the options are granted on or after October 25, 2006. The contractual life of each option is 5 years after the date of grant.

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Particulars	**Year ended March 31,**	
	2016	**2015**
Outstanding options, beginning of the year	74,000	213,750*
Granted during the year	-	-
Exercised during the year	74,000	92,000
Lapsed during the year	-	-
Forfeited during the year	-	47,750
Outstanding options, end of the year	-	**74,000**
Options vested and exercisable, end of the year	-	74,000

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 5 [ESOP 2008A]

Options under this program are granted to employees of erstwhile Aztecsoft Limited as per swap ratio of 2:11 as specified in the merger scheme. Each option is entitled to 1 equity share of Rs 10 each.

Particulars	**Year ended March 31,**	
	2016	**2015**
Outstanding options, beginning of the year	159,244*	168,295*
Granted during the year	-	-
Exercised during the year	6,908	51,293
Lapsed during the year	-	33,926
Forfeited during the year	-	-
Outstanding options, end of the year	**1,52,336**	**83,076**
Options vested and exercisable, end of the year	1,52,336	83,076

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Directors' Stock Option Plan, 2006 ('DSOP 2006')

Options under this program have been granted to independent directors at an exercise price periodically determined by the Nomination and Remuneration Committee. All stock options vest and become fully exercisable equally over three year vesting term at the end of 1, 2 and 3 years respectively from the date of the grant. Each option is entitled to 1 equity share of Rs 10 each. The contractual life of each option is 4 years after the date of the grant.

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Particulars	Year ended March 31,	
	2016	2015
Outstanding options, beginning of the year	60,000*	75,000*
Granted during the year	-	-
Exercised during the year	20,000	35,000
Lapsed during the year		-
Forfeited during the year		-
Outstanding options, end of the year	**40,000**	**40,000**
Options vested and exercisable, end of the year	40,000	26,666

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 7 [ESOP 2010A]

In-principle approvals for administering the seventh stock option program i.e. ESOP 2010 (A) has been received by the Company from the BSE and NSE for 1,135,000 equity shares of Rs 10 each. No options have been granted under the program as at March 31, 2016.

Employee Restricted Stock Purchase Plan 2012 ('ERSP 2012')

ERSP 2012 was instituted with effect from July 16, 2012 to issue equity shares of nominal value of Rs 10 each. Shares under this program are granted to employees at an exercise price of not less than Rs 10 per equity share or such higher price as determined by the Nomination and Remuneration Committee. Shares shall vest over such term as determined by the Nomination and Remuneration Committee not exceeding ten years from the date of the grant. All shares will have a minimum lock in period of one year from the date of allotment.

Particulars	Year ended March 31,	
	2016	2015
Outstanding shares, beginning of the year	-	-
Granted during the year	48,914	69,286
Exercised during the year	48,914	69,286
Lapsed during the year	-	-
Forfeited during the year	-	-
Outstanding shares, end of the year	-	-
Shares vested and exercisable, end of the year	-	-

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Other stock based compensation arrangements

The Company has also granted phantom stocks and letter of intent to issue shares under ERSP 2012 plan to certain employees which is subject to certain vesting conditions. Details of the grant/issue as at March 31, 2016 are given below:

Particulars	Phantom stocks plan*
Total no. of units	1,195,000
Vested units	-
Lapsed units	-
Forfeited units	-
Cancelled units	-
Outstanding units as at the end of the year	1,195,000
Contractual life	2 years
Date of grant	21-Oct-15
Price per share/ unit	Grant price of Rs 686

Particulars	ERSP 2012 plan*
Outstanding units/shares, beginning of the year	308,000
Number of units/shares issued under letters of intent	94,250
Vested units/ shares	38,102
Lapsed units/ shares	4,448
Forfeited units/ shares	17,000
Cancelled units/ shares	-
Outstanding units/ shares as at the end of the year	342,700
Contractual life	2 - 4 years
Date of grant**	18-Jul-13, 12-May-15, 21-Oct-15, 27-Oct-15, 25-Feb-16
Price per share/ unit**	Exercise price of Rs 10

*Adjusted for bonus issue. Refer note 3.1.1 (e).
**Based on Letter of Intent

The weighted average fair value of each unit under the above mentioned ERSP 2012 plan, granted during the year was Rs 1,418 (Rs. 705, after bonus issue) using the Black-Scholes model with the following assumptions:

	Pre bonus issue	Post bonus issue
Weighted average grant date share price	Rs 1,435	Rs 717
Weighted average exercise price	Rs 10	Rs 10
Dividend yield %	0.22%	0.31%
Expected life	1-4 years	1-4 years
Risk free interest rate	7.43%	7.43%
Volatility	45.53%	45.53%

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The following table summarizes information about the weighted average exercise price of options/ shares exercised under various programs:

Amount in Rs

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Program 2	25.00	30.25
Program 4	265.07	344.77
Program 5	239.25	201.88
DSOP 2006	309.50	560.00
ERSP 2012	10.00	10.00

The following tables summarize information about the options/ shares outstanding under various programs as at March 31, 2016 and March 31, 2015 respectively:

Particulars	As at March 31, 2016		
	Number of options/ shares*	Weighted average remaining contractual life (in years)	Weighted average exercise price* (in Rs)
Program 2	18,360	0.67	12.50
Program 5	152,336	1.33	106.50
DSOP 2006	40,000	0.04	123.25

*Adjusted for bonus issue. Refer note 3.1.1 (e).

Particulars	As at March 31, 2015		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in Rs)
Program 2	23,072	0.70	25.00
Program 4	74,000	0.32	265.07
Program 5	83,076	2.32	215.18
DSOP 2006	40,000	1.10	278.00

The Company has recorded compensation cost for all grants using the intrinsic value-based method of accounting.

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Had stock based compensation been determined under the fair value approach described in the Guidance Note on, "Accounting for employee share-based payments" issued by ICAI, the Company's net profit and basic and diluted earnings per share would have reduced to the proforma amounts as indicated:

Particulars	**Year ended March 31,**	
	2016	**2015**
Net profit as reported	6,049	5,343
Add: Stock-based employee compensation expense (intrinsic value method)	90	168
Less: Stock-based employee compensation expense (fair value method)	(92)	(173)
Pro forma net profit	6,047	5,338
Basic earnings per share as reported	36.08	31.95
Pro forma basic earnings per share	36.07	31.92
Diluted earnings per share as reported	35.99	31.83
Pro forma diluted earnings per share	35.98	31.80

g) As at March 31, 2015, the Company had received Rs 4 towards allotment of 15,000 equity shares and 276 equity shares at exercise prices of Rs 285 each and Rs 25 each respectively and it was shown under Share application money pending allotment. The Company made the allotment for these 15,276 equity shares during the year ended March 31, 2016.

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3.1.2 Reserves and surplus

Particulars	As at March 31, 2016	As at March 31, 2015
Capital reserve		
Opening balance	87	87
	87	**87**
Securities premium reserve		
Opening balance	1,898	2,208
Additions during the year	63	108
Less: Amount utilised for bonus shares	(839)	(418)
	1,122	**1,898**
General reserve		
Opening balance	1,542	1,542
	1,542	**1,542**
Share option outstanding account		
Opening balance	78	68
Additions during the year	29	10
	107	**78**
Hedge reserve		
Opening balance	-	49
Movement during the year	-	(49)
	-	-
Surplus (Balance in the statement of profit and loss)		
Opening balance	15,666	12,038
Add: Amount transferred from statement of profit and loss	6,049	5,343
Amount available for appropriations	21,715	17,381
Appropriations:		
Interim dividend	(1,258)	(586)
Final dividend	(504)	(838)
Dividend distribution tax (net)	(325)	(291)
	19,628	**15,666**
Total	**22,486**	**19,271**

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3.2 Non-current liabilities

3.2.1 Long-term borrowings

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured)		
Other loans	18	23
Total	**18**	**23**

Long-term borrowings represent the amount received from Council for Scientific and Industrial Research (CSIR) to develop a project under "Development of Intelligent Video Surveillance Server (IVSS) system".

The loan is an unsecured loan carrying a simple interest of 3% p.a on the outstanding amount of loan. Repayment of loan is in 10 equal annual installments from June 2011. Any delay in repayment entails a liability of 12% p.a. compounded monthly for the period of delay.

There is no continuing default in the repayment of the principal loan and interest amounts.

3.2.2 Other long-term liabilities

Particulars	As at March 31, 2016	As at March 31, 2015
Other long-term liabilities*	1,072	334
Total	**1,072**	**334**

*Includes payable for acquisition of businesses Rs. 990 (As at March 31, 2015: Rs. 227)

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3.3 Current liabilities

3.3.1 Short-term borrowings

Particulars	As at March 31, 2016	As at March 31, 2015
(Secured)		
Other loans from banks	400	-
Total	**400**	**-**

Short-term borrowings represent the packing credit loan from bank secured against receivables.

3.3.2 Other current liabilities

Particulars	As at March 31, 2016	As at March 31, 2015
Current maturities of long-term debt*	5	5
Interest accrued but not due on borrowings	1	1
Unearned income	230	225
Unpaid dividends	7	5
Dividend payable	336	-
Creditors for capital goods	185	218
Advances from customers	42	27
Employee related liabilities	1,091	1,462
Book overdraft	395	155
Gratuity payable (net)	138	18
Other liabilities**	1,282	660
Total	**3,712**	**2,776**

*The details of interest rates, repayment and other terms are disclosed under note 3.2.1.
**Includes derivative liability of Rs 1 (As at March 31, 2015: Rs 3) and payable for acquisition of businesses Rs. 714 (As at March 31, 2015: Rs. 269)

As at March 31, 2016, the Company has outstanding forward contracts amounting to USD 30.5 million (As at March 31, 2015: USD 32 million), GBP 1.5 million (As at March 31, 2015: GBP 2.25 million) and Euro 3.25 million (As at March 31, 2015: Euro 4.5 million). These derivative instruments have been entered to hedge highly probable forecasted sales.

The derivative instruments have been fair valued at the balance sheet date and resultant exchange gain Rs 31 for the year ended March 31, 2016 (for the year ended March 31, 2015: Exchange gain of Rs 21) has been recorded in the statement of profit and loss.

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The following table sets out the status of the gratuity plan as required under AS 15-Employee Benefits.

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Change in projected benefit obligations		
Obligations at the beginning of the year	413	365
Service cost	91	81
Interest cost	29	29
Benefits settled	(50)	(55)
Actuarial (gain)/ loss	30	(7)
Obligations at end of the year	**513**	**413**
Change in plan assets		
Plan assets at the beginning of the year, at fair value	395	363
Expected return on plan assets	32	29
Actuarial gain/ (loss)	(6)	5
Contributions	4	53
Benefits settled	(50)	(55)
Plan assets at the end of the year, at fair value	**375**	**395**

Summary of the present value of the obligation, the fair value of the plan assets and experience adjustments

Particulars	**As at March 31, 2016**	**2015**	**2014**	**2013**	**2012**
Fair value of plan assets at the end of the year	375	395	363	313	275
Present value of defined obligations at the end of the year	(513)	(413)	(365)	(324)	(276)
Asset/ (liability) recognised in the balance sheet	**(138)**	**(18)**	**(2)**	**(11)**	**(1)**
Experience adjustment on plan liabilities	30	(7)	(23)	8	25
Experience adjustment on plan assets	(6)	5	-	1	38

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Particulars	For the year ended March 31,	
	2016	2015
Gratuity cost		
Service cost	91	81
Interest cost	29	29
Expected return on plan assets	(32)	(29)
Actuarial (gain)/loss	36	(12)
Net gratuity cost	**124**	**69**
Actual return on plan assets	36	29
Assumptions		
Interest rate	7.70%	7.80%
Expected rate of return on plan assets	8.75%	8.75%
Salary increase	5.00%	6.00%
Attrition rate	14.23%	14.23%
Retirement age	60	60

The Company has invested the plan assets in the insurer managed funds. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of obligation. Expected contribution to the fund for the year ending March 31, 2017 is Rs. 138.

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

3.3.3 Short-term provisions

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for compensated absences	530	352
Provision for taxes, net of advance tax and tax deducted at source	270	227
Provision for discount	663	367
Dividend payable	504	837
Dividend distribution tax payable	103	172
Provision for post contract support services	7	5
Provision for disputed dues*	76	68
Total	**2,153**	**2,028**

*Represents disputed tax dues provided pursuant to unfavourable order received from the tax authorities against which the Company has preferred an appeal with the relevant authority. In respect of the provisions of AS 29, the disclosures required have not been provided in accordance with paragraph 72 of AS 29.

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The disclosure of provisions movement as required under the provisions of AS 29 is as follows:-

Provision for discount

Particulars	For the year ended March 31, 2016	2015
Balance at the beginning of the year	367	270
Provisions made during the year	486	433
Utilisations during the year	(172)	(328)
Released during the year	(18)	(8)
Provision at the end of the year	663	367

Provision for post contract support services

Particulars	For the year ended March 31, 2016	2015
Balance at the beginning of the year	5	4
Provisions made during the year	2	2
Utilisations during the year	-	-
Released during the year	-	(1)
Provision at the end of the year	7	5

Provision for disputed dues

Particulars	For the year ended March 31, 2016	2015
Balance at the beginning of the year	68	62
Provisions made during the year	8	6
Utilisations during the year	-	-
Released during the year	-	-
Provision at the end of the year	76	68

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3.4 Non-current assets

3.4.1 Fixed assets

Assets	Gross block				Accumulated depreciation				Net book value
	As at April 1, 2015	Additions during the year	Deletions during the year	As at March 31, 2016	As at April 1, 2015	For the year	Deletions during the year	As at March 31, 2016	As at March 31, 2016
Tangible assets									
Leasehold land	425	-	13	412	95	12	1	106	306
Buildings	3,621	417	992	3,046	1,105	216	360	961	2,085
Leasehold improvements	1,016	170	-	1,186	554	146	-	700	486
Computer systems	2,037	631	68	2,600	1,400	549	68	1,881	719
Test equipment	217	-	-	217	217	-	-	217	-
Furniture and fixtures	257	139	49	347	166	36	49	153	194
Electrical installations	521	121	32	610	319	111	32	398	212
Office equipment	731	156	78	809	492	113	77	528	281
Motor vehicles	28	-	-	28	5	9	-	14	14
Plant and machinery	8	-	-	8	1	-	-	1	7
Total (A)	8,861	1,634	1,232	9,263	4,354	1,192	587	4,959	4,304
Intangible assets									
Intellectual property	67	-	-	67	65	2	-	67	-
Computer Software	921	90	5	1,006	804	115	5	914	92
Total (B)	988	90	5	1,073	869	117	5	981	92
Total (A+B)	9,849	1,724	1,237	10,336	5,223	1,309	592	5,940	4,396

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3.4.1 Fixed Assets (continued)

Assets	Gross block				Accumulated depreciation				Net book value
	As at April 1, 2014	Additions during the year	Deletions during the year	As at March 31, 2015	As at April 1, 2014	For the year	Deletions during the year	As at March 31, 2015	As at March 31, 2015
Tangible assets									
Leasehold land	425	-	-	425	83	12	-	95	330
Buildings	2,694	928	1	3,621	957	149	1	1,105	2,516
Leasehold improvements	819	197	-	1,016	428	126	-	554	462
Computer systems	1,570	569	102	2,037	1,085	416	101	1,400	637
Test equipment	218	-	1	217	217	1	1	217	-
Furniture and fixtures	191	71	5	257	157	14	5	166	91
Electrical installations	360	167	6	521	256	69	6	319	202
Office equipment	600	155	24	731	436	80	24	492	239
Motor vehicles	2	27	1	28	1	5	1	5	23
Plant and machinery	8	-	-	8	1	-	-	1	7
Total (A)	**6,887**	**2,114**	**140**	**8,861**	**3,621**	**872**	**139**	4,354	4,507
Intangible assets									
Intellectual property	67	-	-	67	52	13	-	65	2
Computer Software	892	94	65	921	737	132	65	804	117
Total (B)	959	94	65	988	789	145	65	869	119
Total (A+B)	7,846	2,208	205	9,849	4,410	1,017	204	5,223	4,626

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3.4.2 Non-current investments

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Investment in non-convertible bonds (quoted)	50	-
Trade investments (unquoted)		
- Investment in equity instruments	4,813	16
- Investment in preference shares	7	7
- Investment in Limited Liability Company	4,183	1,091
Less: Provision for diminution in value of investments	(1)	(1)
Total	**9,052**	**1,113**
Aggregate amount of quoted investments	50	-
Aggregate market value of quoted investments	50	-
Aggregate amount of unquoted investments	9,003	1,114

Details of investment in non-convertible bonds are as given below:

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
50 secured redeemable non-convertible bonds of Rs 1 million in the nature of promissory notes in PNB Housing Finance Limited	50	-
Total	**50**	**-**

Details of investment in equity instruments are as given below:

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Investment in equity instruments of wholly owned subsidiaries		
Mindtree Software (Shanghai) Co., Ltd ('MSSCL')	14	14
1,104,124 (previous year: Nil) fully paid equity shares of £0.001 each in Bluefin Solutions Limited	4,236	-
1,000 (previous year: Nil) fully paid equity shares in Relational Solutions, Inc.	561	-
Investment in equity instruments of other companies		
2,400 (previous year: 2,400) equity shares in Career Community.com Limited	1	1
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited	-	-
950,000 (previous year: 950,000) equity shares of Re.1 each in NuvePro Technologies Private Limited	1	1
Total	**4,813**	**16**

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The Company has acquired 100% of the equity interest in Bluefin Solutions Limited ('Bluefin'), a leading UK based IT solutions provider specializing in SAP HANA solutions, in an all cash transaction for GBP 42.3 million. The consideration includes an upfront payment of GBP 34 million and earn out of GBP 8.3 million payable over the next three years. The transfer of equity interests and control of Bluefin is effective July 16, 2015 and consequently, Bluefin has become a 100% subsidiary of the Company effective that date.

The Company has also acquired 100% of the equity interest in Relational Solutions, Inc a US based IT solutions provider specializing in technology services to the consumer goods industry, in an all cash transaction for USD 8.6 million. The consideration includes an upfront payment of USD 7.1 million and earn out of USD 1.5 million payable over the next two years. The transfer of equity interests and control of Relational Solutions, Inc is effective July 16, 2015 and consequently, Relational Solutions, Inc has become a 100% subsidiary of the Company effective that date.

Details of investment in preference shares are as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
643,790 (previous year: 643,790) 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
Total	**7**	**7**

Details of investment in Limited Liability Company is as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in wholly owned subsidiary -		
Discoverture Solutions L.L.C.	1,091	1,091
Magnet 360, L.L.C.	3,092	-
Total	**4,183**	**1,091**

The Company acquired 100% membership interest in Discoverture Solutions L.L.C. (Discoverture), a US based IT solution provider to the insurance industry, for a consideration of USD 17 million during the year ended March 31, 2015. The consideration includes future payments which are based on achievement of certain specific milestones which have currently been provided for based on best estimate of the Company. The transfer of membership interests and control of Discoverture is effective February 13, 2015 and consequently, Discoverture has become a 100% subsidiary of the Company effective that date.

The Company has also acquired 100% membership interest in Magnet 360, LLC, a US-based platinum salesforce partner specializing in multi-cloud solutions, consulting services and implementation, in an all cash transaction for USD 45.9 million. The consideration includes an upfront payment of USD 37.3 million and earn out of up to USD 8.6 million over the next two years. The transfer of membership interests and control of Magnet 360, LLC is effective January 19, 2016 and consequently, Magnet 360, LLC has become a 100% subsidiary of the Company effective that date.

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3.4.3 Taxes

Particulars	For the year ended March 31, 2016	2015
Tax expense		
Current tax	1,880	1,581
- MAT credit entitlement	(50)	-
	1,830	1,581
Deferred tax	(144)	(47)
Total	**1,686**	**1,534**

The Company has units at Bengaluru, Hyderabad, Chennai and Bhubaneshwar registered as Special Economic Zone (SEZ) units which are entitled to a tax holiday under Section 10AA of the Income Tax Act, 1961.

The Company also has STPI units at Bengaluru and Pune which are registered as a 100 percent Export Oriented Unit, which were earlier entitled to a tax holiday under Section 10B and Section 10A of the Income Tax Act, 1961.

Deferred tax assets (net):
Deferred tax assets included in the balance sheet comprises the following:

Particulars	As at March 31, 2016	As at March 31, 2015
Excess of depreciation as per books over depreciation allowed under Income Tax Act, 1961	250	205
Provision for doubtful trade receivables	22	16
Provision for compensated absence	201	117
Provision for volume discount	73	39
Others	47	72
Total deferred tax assets	**593**	**449**

3.4.4 Long-term loans and advances

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured considered good)		
Capital advances	42	107
Security deposits*	560	546
Advance tax and tax deducted at source, net of provision for taxes	926	834
Service tax credit receivable	138	-
MAT credit entitlement	148	110
Other loans and advances	28	42
Total	**1,842**	**1,639**

* Includes dues from related parties Rs.298 as at March 31, 2016. (As at March 31, 2015 Rs.391) (Refer note 3.15)

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3.4.5 Other non-current assets

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured considered good)		
Other non-current assets	276	17
Total	**276**	**17**

3.5 Current assets

3.5.1 Current investments

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in mutual funds (quoted)	1,751	4,643
Investment in non-convertible bonds (quoted)	100	-
Term deposits (unquoted)	250	700
Total	**2,101**	**5,343**
Aggregate carrying amount of quoted investments	1,851	4,643
Aggregate market value of quoted investments	2,016	4,790
Aggregate amount of unquoted investments	250	700

Details of investment in mutual funds are as given below:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No of units	Amount	*No of units*	Amount
ICICI Prudential Mutual Fund	*17,401,890*	296	*28,722,324*	472
IDFC Mutual Fund	*16,285,532*	192	*37,530,726*	433
UTI Mutual Fund	*3,456,138*	58	*13,456,138*	158
Franklin Templeton Mutual Fund	-	-	*11,695,643*	290
DSP Blackrock Mutual Fund	-	-	*14,790,537*	351
Birla Sun Life Mutual Fund	*14,185,302*	212	*20,007,295*	454
Reliance Mutual Fund	*17,651,564*	303	*23,725,772*	428
Tata Mutual Fund	*21,243,549*	325	*36,229,022*	422
DWS Mutual Fund	-	-	*4,483,697*	45
SBI Mutual Fund	*5,597,950*	87	*13,787,278*	358
HDFC Mutual Fund	*3,635,659*	178	*27,872,023*	424
Axis Mutual Fund	-	-	*100,840*	104
Bank of India AXA Mutual Fund	*10,000,000*	100	*10,000,000*	100
Kotak Mutual Fund	-	-	*5,681,936*	58
JP Morgan India Mutual Fund	-	-	*16,989,901*	189
L & T Mutual Fund	-	-	*98,576*	100
IDBI Mutual Fund	-	-	*254,281*	257
Total		**1,751**		**4,643**

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Details of investment in non-convertible bonds are as given below:

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
50 secured redeemable non-convertible debentures of Rs 1 million in Kotak Mahindra Prime Limited	50	-
50 secured redeemable non-convertible debentures of Rs 1 million in Kotak Mahindra Investments Limited	50	-
Total	**100**	-

Details of investments in term deposit are as given below:

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
HDFC Limited	-	700
IL&FS Limited	100	-
Bajaj Finance Limited	50	-
Kotak Mahindra Investments Limited	50	-
LIC Housing Finance Limited	50	-
Total	**250**	**700**

3.5.2 Trade receivables

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
(Unsecured)		
Receivables overdue for a period exceeding six months		
- considered good	34	62
- considered doubtful	82	72
Other receivables		
- considered good	8,791	6,736
- considered doubtful	20	9
Less: Provision for doubtful receivables	(102)	(81)
Total	**8,825**	**6,798**

3.5.3 Cash and bank balances

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Balances with banks in current and deposit accounts*	1,581	3,664
Cash on hand	-	-
Other bank balances**	343	5
Total	**1,924**	**3,669**

*The deposits maintained by the Company with banks comprises time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

**Other bank balances represent earmarked balances in respect of unpaid dividends and dividend payable.

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3.5.4 Short-term loans and advances

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured considered good)		
Security deposits	36	143
MAT credit entitlement	49	36
Advances recoverable in cash or in kind or for value to be received*	1,411	1,289
Less: Provision for doubtful advances	(20)	(20)
Total	**1,476**	**1,448**

* Includes dues from related parties Rs. Nil as at March 31, 2016. (As at March 31, 2015 Rs.94) (Refer note 3.15)
This also includes amounts pertaining to housing deposits, vehicles, medical emergencies, travel and salary advances given to employees to the extent of Rs 431 as at March 31, 2016. (As at March 31, 2015: Rs 287)

3.5.5 Other current assets

Particulars	As at March 31, 2016	As at March 31, 2015
Unbilled revenue	1,830	981
Other current assets*	218	24
Total	**2,048**	**1,005**

*Includes derivative asset of Rs 53 (As at March 31, 2015: Rs 24).

3.6 Other income

Particulars	For the year ended March 31, 2016	2015
Interest income	165	140
Dividend income from current investments	73	154
Dividend income from subsidiaries	162	-
Net gain on sale of current investments	131	286
Foreign exchange gain	365	177
Other non-operating income	43	74
Total	**939**	**831**

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3.7 Expenses

Employee benefits expense	**For the year ended March 31, 2016**	**2015**
Salaries and wages	24,126	19,215
Contribution to provident and other funds**	1,375	1,050
Expense on employee stock based compensation*	90	168
Staff welfare expenses	175	175
Total	**25,766**	**20,608**

Finance costs	**For the year ended March 31, 2016**	**2015**
Interest expense	3	1
Total	**3**	**1**

Other expenses	**For the year ended March 31, 2016**	**2015**
Travel expenses	2,086	1,732
Communication expenses	615	436
Sub-contractor charges	2,599	2,107
Computer consumables	617	441
Legal and professional charges	478	406
Power and fuel	316	275
Rent (Refer note 3.16)	689	625
Repairs to buildings	52	51
Repairs to machinery	47	35
Insurance	57	48
Rates and taxes	123	93
Other expenses	2,012	1,553
Total	**9,691**	**7,802**

*Refer note 3.1.1 (f)
**includes contribution to defined contribution plans Rs 1,251 (For the year ended March 31, 2015: Rs 981)

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3.8 Contingent liabilities

a) The Company has received an income tax assessment for the financial year 2008-09 wherein demand of Rs 24 has been raised against the Company on account of certain disallowances, adjustments made by the income tax department. A significant portion of this amount arises from the manner of adjustment of brought forward losses in arriving at the taxable profits of the Company and disallowance of portion of profit earned outside India from the STP and SEZ units.

Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demands received.

The Company has received a favourable order from the Commissioner of Income tax (Appeals) for majority of grounds and considering the order passed, there will not be any demand on the Company. On the other grounds which are not favourable, the Company has filed an appeal before the Income Tax Appellate Tribunal ('ITAT').

b) The Company has received income tax assessments for financial years 2006-07 and 2007-08 for the erstwhile subsidiary Mindtree Technologies Private Limited (MTPL) with demands amounting to Rs 11 and Rs 10 on account of certain disallowances/ adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demand received. The Company has not deposited the amount of demand with the department. The department has adjusted pending refunds amounting to Rs 18 against these demands.

c) The Company has received income tax assessments under Section 143(3) of the Income-tax Act 1961 pertaining to erstwhile subsidiary Aztecsoft Limited for the financial years 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 wherein demand of Rs 215, Rs 49, Rs 61, Rs 28, Rs 58, Rs 119, Rs 214 and Rs 63 respectively has been raised against the Company. These demands have arisen mainly on account of transfer pricing adjustments made in the order. The Company has not accepted these orders and has been advised by its legal counsel/ advisors to prefer appeals before appellate authorities and accordingly the Company has filed appeals before the Commissioner of Income Tax (Appeals) and ITAT. The Company has deposited Rs 15 with the department against these demands. The department has adjusted pending refunds amounting to Rs 478 against these demands.

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The Company received a favourable order from the Commissioner of Income Tax (Appeals) for the year 2001-02 where in the Commissioner of Income Tax (Appeals) accepted the Company's contentions and quashed the demand raised. The Income tax department appealed against the above mentioned order with ITAT. ITAT, in an earlier year passed an order setting aside both the orders of the Commissioner of Income Tax (Appeals) as well as the Assessing Officer and remanded the matter back to the Assessing Officer for re-assessment. The Company preferred an appeal with the Hon'ble High Court of Karnataka against the order of the ITAT. The Hon'ble High Court of Karnataka has dismissed the appeal filed against the order of ITAT and upheld the order passed by the ITAT and accordingly the case is pending before Assessing Officer for re-assessment. The Deputy Commissioner of Income tax has completed the reassessment & has issued a Final assessment order with a revised demand amounting to Rs 202 due to transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals).

The Company has received the order from the Commissioner of Income Tax (Appeals) for the year 2004-05 and on the unfavorable grounds, the Company has a filed an appeal with ITAT.

The Company has appealed against the demands received for financial years 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09. Based on favourable order received by the Company for the financial year 2001-02 from the Commissioner of Income Tax (Appeals) and an evaluation of the facts and circumstances, no provision has been made against the above orders in the financial statements.

d) The Company received an assessment order for financial year 2006-07 for the erstwhile subsidiary Mindtree Wireless Private Limited from the Assistant Commissioner of Income-tax ('ACIT') with a demand amounting to Rs 39 on account of certain other disallowances/ transfer pricing adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals) against the demand received.

The Company has received the order from the Commissioner of Income Tax (Appeals) wherein the Commissioner of Income Tax (Appeals) accepted the grounds in part and in respect of unfavorable grounds, the Company has filed an appeal before Income Tax Appellate Tribunal. The final order giving effect by the Assessing Officer is completed and the demand is reduced to Rs 33. The Company has deposited Rs 5 with the department against this demand.

e) The Company has received a final assessment order for financial year 2009-10 from the Deputy Commissioner of Income Tax with a demand amounting to Rs 61 due to non-adjustment of brought forward losses and transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals).

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f) The Company has received a final assessment order for financial year 2012-13 from the Deputy Commissioner of Income Tax with a demand amounting to Rs 15 on account of certain disallowances. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals).

3.9 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2016 is Rs 262 (March 31, 2015: Rs 508).

3.10 Value of imports on CIF basis

Particulars	For the year ended March 31,	
	2016	2015
Capital goods	270	339
Total	**270**	**339**

3.11 Expenditure in foreign currency

Particulars	For the year ended March 31,	
	2016	2015
Branch office expenses	20,635	15,822
Travel expenses	269	244
Professional charges	60	52
Others	295	363
Total	**21,259**	**16,481**

3.12 Earnings in foreign currency

Particulars	For the year ended March 31,	
	2016	2015
Income from software development	42,566	34,452
Dividend income from subsidiaries	162	-
Other income	9	31
Total	**42,737**	**34,483**

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3.13 During the year ended March 31, 2016, the Company has remitted in foreign currency dividend of Rs 38 (year ended March 31, 2015: Rs 29)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Number of shares held		
Final dividend 2014-15	1,870,100	-
First interim dividend 2015-16	1,870,600	-
Second interim dividend 2015-16	1,796,998	-
Third interim dividend 2015-16	1,695,047	
Third interim dividend 2013-14	-	1,119,693
Final and special dividend 2013-14	-	2,150,288
First interim dividend 2014-15	-	1,870,871
Second interim dividend 2014-15	-	1,878,172
Number of shareholders		
Final dividend 2014-15	55	-
First interim dividend 2015-16	55	-
Second interim dividend 2015-16	52	-
Third interim dividend 2015-16	52	
Third interim dividend 2013-14	-	53
Final and special dividend 2013-14	-	51
First interim dividend 2014-15	-	52
Second interim dividend 2014-15	-	56
Amount Remitted (in Rs)		
Final dividend 2014-15	19	-
First interim dividend 2015-16	5	-
Second interim dividend 2015-16	7	-
Third interim dividend 2015-16	7	
Third interim dividend 2013-14	-	6
Final and special dividend 2013-14	-	10
First interim dividend 2014-15	-	6
Second interim dividend 2014-15	-	7

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3.14 Segmental reporting

The Company is structured into five verticals – RCM, BFSI, TMS, TH and Others. The Company considers business segment as the primary segment and geographical segment based on the location of customers as the secondary segment.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

Income and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income.

The assets of the Company are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

Business segments

Statement of profit and loss	**For the year ended March 31,**	
	2016	**2015**
Segment revenue		
RCM	9,346	7,720
BFSI	10,979	8,233
TMS	14,505	11,641
TH	7,164	5,843
Others	1,571	2,037
Total	**43,565**	**35,474**
Segment operating income		
RCM	2,040	1,503
BFSI	1,455	912
TMS	2,681	2,738
TH	1,255	1,136
Others	677	793
Total	**8,108**	**7,082**
Unallocable expenses	(1,309)	(1,035)
Profit for the year before interest, other income and tax	**6,799**	**6,047**
Finance costs	(3)	(1)
Other income	939	831
Net profit before taxes	**7,735**	**6,877**
Income taxes	(1,686)	(1,534)
Net profit after taxes	**6,049**	**5,343**

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Other information	For the year ended March 31,	
	2016	2015
Depreciation and Amortisation (Unallocable)	1,309	1,017
Other significant non-cash expense (Allocable)		
RCM	15	-
BFSI	8	-
TMS	33	-
TH	8	11
Others	-	-

Geographical segments

Revenues	For the year ended March 31,	
	2016	2015
America	29,296	21,921
Europe	9,717	8,964
India	1,411	1,350
Rest of World	3,141	3,239
Total	43,565	35,474

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3.15 Related party transactions

Name of related party	Nature of relationship
Mindtree Software (Shanghai) Co., Ltd ('MSSCL'), Republic of China	Subsidiary
Discoverture Solutions L.L.C.	Subsidiary with effect from February 13, 2015
Discoverture Solutions U.L.C.*	Subsidiary with effect from February 13, 2015
Discoverture Solutions Europe Limited**	Subsidiary with effect from February 13, 2015
Janaagraha Centre for Citizenship & Democracy	Entity with common key managerial person
Mindtree Foundation	Entity with common key managerial person
Bluefin Solutions Limited	Subsidiary with effect from July 16, 2015
Bluefin Solutions Inc.	Subsidiary with effect from July 16, 2015
Bluefin Solutions Sdn Bhd	Subsidiary with effect from July 16, 2015
Blouvin (Pty) Limited	Subsidiary with effect from July 16, 2015
Bluefin Solutions Pte Ltd	Subsidiary with effect from July 16, 2015
Relational Solutions, Inc	Subsidiary with effect from July 16, 2015
Magnet 360, LLC	Subsidiary with effect from January 19, 2016
Reside, LLC	Subsidiary with effect from January 19, 2016
M360 Investments, LLC	Subsidiary with effect from January 19, 2016
Numerical Truth, LLC	Subsidiary with effect from January 19, 2016
Coffee Day Global Limited Tanglin Developments Limited ('TDL') Mysore Amalgamated Coffee Estate Ltd	These entities are part of Coffee Day Group which through various entities and its promoters holds 19.72% equity stake in Mindtree.

*Dissolved with effect from November 19, 2015.
**Application for dissolution filed on March 24, 2016.

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Transactions with the above related parties during the year were:

Name of related party	Nature of transaction	For the year ended March 31, 2016	2015
Mindtree Software (Shanghai) Co., Ltd	Software services received	20	19
Relational Solutions, Inc	Software license fees paid	3	-
Discoverture Solutions L.L.C.	Software services rendered	248	22
	Software services received	92	-
Bluefin Solutions Limited	Software services rendered	4	-
	Software services received	7	-
Mysore Amalgamated Coffee Estate Ltd	Reimbursement of travel expenses	1	-
Mindtree Foundation	Donation paid	36	13
Janaagraha Centre for Citizenship & Democracy	Software services rendered	-	1
	Donation paid	4	4
Coffee Day Global Limited	Procurement of supplies	23	17
	Software services rendered	27	-

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BENGALURU

(Rupees in millions, except share and per share data, unless otherwise stated)

Tanglin Developments Limited	Leasing office buildings and land	375	321
	Advances/ deposits paid		
	- towards electricity deposit/ charges	-	9
	Advance/ deposits received back:		
	- towards electricity deposit/ charges	16	51
	- towards lease rentals	172	156
	Interest on advance towards electricity charges/ deposit		
	- amount recovered	-	7
	- amount accrued	-	4

Balances payable to related parties are as follows:

Name of related party	As at March 31, 2016	As at March 31, 2015
Mindtree Software (Shanghai) Co., Ltd	1	6
Discoverture Solutions L.L.C.	15	-
Bluefin Solutions Limited	4	-
Coffee Day Global Limited	1	-

Balances receivable from related parties are as follows:

Name of related party	Nature of transactions	As at March 31, 2016	As at March 31, 2015
Discoverture Solutions L.L.C.	Trade receivables	98	22
Bluefin Solutions Limited	Trade receivables	4	-
Coffee Day Global Limited	Trade receivables	25	-

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BANGALORE

MINDTREE LIMITED BENGALURU

Tanglin Developments Limited	*Short-term loans and advances*		
	Rental Advance	-	94
	Long-term loans and advances:		
	Advance towards electricity charges	-	16
	Security deposit (including electricity deposit) returnable on termination of lease	298	375

Key Managerial Personnel:

Subroto Bagchi***	Executive Chairman
Krishnakumar Natarajan^	CEO and Managing Director
N.S. Parthasarathy	Executive Director, President and Chief Operating Officer
Rostow Ravanan^	Executive Director, Head – Europe, Service lines and Key Accounts
Dr. Albert Hieronimus	Non-Executive Vice Chairman and Independent Director
Apurva Purohit	Independent Director
Manisha Girotra	Independent Director
Prof. Pankaj Chandra	Independent Director
Ramesh Ramanathan	Independent Director
V.G.Siddhartha	Non-Executive Director
Jagannathan Chakravarthi*	Chief Financial Officer
Vedavalli Sridharan**	Company Secretary

*Appointed with effect from April 1, 2015.
**Appointed with effect from June 22, 2015.
***Effective April 1, 2016, Subroto Bagchi ceased to be the Executive Chairman and will continue as Non-executive director.
^Effective April 1, 2016, Krishnakumar Natarajan has been elevated as Executive Chairman and Rostow Ravanan, as CEO and Managing Director.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BANGALORE

MINDTREE LIMITED BENGALURU

(Rupees in millions, except share and per share data, unless otherwise stated)

Remuneration to key managerial personnel during the year ended March 31, 2016 amounts to Rs 135 (for the year ended March 31, 2015 amounts to Rs 224).

The above remuneration excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

Dividends paid to directors during the year ended March 31, 2016 amounts to Rs 230 (for year ended March 31, 2015 amounts to Rs 173).

3.16 Lease transactions

Lease rental expense under non-cancellable operating lease during the year ended March 31, 2016 amounted to Rs 419 (for the year ended March 31, 2015: Rs 361). Future minimum lease payments under non-cancellable operating lease are as below:

Particulars	As at March 31, 2016	As at March 31, 2015
Payable -- Not later than one year	297	390
Payable -- Later than one year and not later than five years	317	541
Payable -- later than five years	89	106

Additionally, the Company leases office facilities and residential facilities under cancellable operating leases. The rental expense under cancellable operating lease during the year ended March 31, 2016 was Rs 270 (for the year ended March 31, 2015: Rs 264).

3.17 Earnings per equity share

Reconciliation of number of equity shares used in the computation of basic and diluted earnings per share is set out below:

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015*	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	167,649,773	167,649,773	167,238,871	167,238,871
Weighted average number of equity shares resulting from assumed exercise of employee stock options	-	441,916	-	654,350
Weighted average number of equity shares for calculation of earnings per share	167,649,773	168,091,689	167,238,871	167,893,221

* In accordance with Accounting Standard 20 on 'Earnings Per Share', basic and diluted earnings per share is adjusted for bonus issue for previous period presented.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BANGALORE

MINDTREE LIMITED BENGALURU

(Rupees in millions, except share and per share data, unless otherwise stated)

3.18 Auditor's remuneration

Particulars	For the year ended March 31, 2016	2015
Audit	20	15
Taxation matters	1	1
Other services	1	1
Reimbursement of expenses and levies	1	1
Total	23	18

3.19 The Company has a development center at Gainesville, Florida, US. The state of Florida has offered various incentives targeted to the needs of the development center. The nature and the extent of the government grant is given below:

Nature of expenses	For the year ended March 31, 2016	2015
Grant towards workforce training	15	24
Total	**15**	**24**

The Company had availed a non-monetary grant of USD 950,000 for renovation of project facility. This grant is subject to fulfillment of certain conditions such as creation of minimum employment with specified average salary and capital investment at the development center at Gainesville, Florida, US.

S.L

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BENGALURU S.L

MINDTREE LIMITED BANGALORE

(Rupees in millions, except share and per share data, unless otherwise stated)

3.20 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2016 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	For the year ended March 31, 2016	March 31, 2015
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	4	Nil
The amount of interest paid by the buyer under the Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
the amount of interest due and payable for the year (where the principal has been paid but interest under the Act not paid);	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year; and	Nil	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BANGALORE

MINDTREE LIMITED BENGALURU

(Rupees in millions, except share and per share data, unless otherwise stated)

3.21 Total of expenditure incurred on Corporate Social Responsibility activities during the year ended March 31, 2016 is Rs 94 (during the year ended March 31, 2015 is Rs 40).

3.22 The financial statements are presented in Rs in million. Those items which are required to be disclosed and which are not presented in the financial statement due to rounding off to the nearest Rs in million are given as follows:

Balance Sheet items *Amount in Rs*

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Share application money pending allotment	42,300	4,281,900
Provision for foreseeable losses on contracts	277,996	275,752
Cash on hand	15,350	21,148
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited	126,400	126,400

Statement of Profit and Loss items *Amount in Rs*

Particulars	**For the year ended March 31,**	
	2016	**2015**
Adjustment to the carrying amount of investments	(319,056)	3,259,370

3.23 As of the balance sheet date, the Company's net foreign currency exposure that is not hedged by a derivative instrument is given below:

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Receivable	10,347	6,483
Payable	(3,281)	(164)

3.24 The Company has filed an application before the Hon'ble High Court of Karnataka for a composite scheme of amalgamation ("the scheme") of Discoverture Solutions L.L.C. and Relational Solutions Inc., wholly owned subsidiaries of the Company, with the Company with an appointed date of April 1, 2015. Pending the requisite approvals, no effect has been given for the scheme in these financial statements.

3.25 Corresponding figures for the previous year presented have been regrouped, where necessary, to conform to the current year's classification.

As per our report of even date attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No.: 008072S

For and on behalf of the Board of Directors of **Mindtree Limited**

CERTIFIED TRUE COPY

V. Balaji
Partner
Membership No. : 203685

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2016

Place: Bengaluru
Date: April 18, 2016

MINDTREE LIMITED BANGALORE

MINDTREE LIMITED BENGALURU

Annexure - F,

Mindtree Limited

	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2015-16	**2014-15**	**2013-14**
Equity Paid up Capital	1,677,861,760	837,323,720	416,897,310
Reserves and surplus	22,488,862,317	19,272,165,510	15,992,249,657
Carry forward losses	-	-	-
Net Worth	24,166,724,077	20,109,489,230	16,409,146,967
Miscellaneous Expenditure	-	-	-
Secured Loans	-	-	-
Unsecured Loans	18,323,600	22,904,500	27,485,400
Fixed Assets	4,627,347,879	4,980,147,180	3,932,188,429
Income from Operations	43,564,607,208	35,473,829,426	30,315,955,103
Total Income	44,503,140,515	36,305,421,411	30,809,944,811
Total Expenditure	36,768,806,901	29,427,599,212	25,022,887,582
Profit before Tax	7,734,333,614	6,877,822,199	5,787,057,229
Profit after Tax	6,048,805,735	5,343,670,072	4,512,321,721
Cash profit	7,512,490,385	6,091,454,626	5,523,339,960
EPS	36.08	63.90	108.50
Book value	144.03	240.16	393.60

For Mindtree Limited

Company Secretary

MINDTREE LIMITED ★ BENGALURU ★

Annexure - F2

CONFIDENTIAL

Magnet 360, LLC
and Subsidiaries

Consolidated Financial Statements

December 31, 2013 and 2012

MINDTREE LIMITED * BENGALURU

Magnet 360, LLC and Subsidiaries

CONFIDENTIAL

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MINDTREE LIMITED ★ BENGALURU ★

CONFIDENTIAL

Independent Auditor's Report

The Members
Magnet 360, LLC and Subsidiaries
Minneapolis, Minnesota

We have audited the accompanying consolidated financial statements of Magnet 360, LLC and Subsidiaries which comprise the consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of income, equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Magnet 360, LLC and Subsidiaries as of December 31, 2013 and 2012, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Lurie Besikof Lapidus & Company, LLP

Lurie Besikof Lapidus & Company, LLP
Minneapolis, Minnesota

March 14, 2014

Magnet 360, LLC and Subsidiaries

CONFIDENTIAL

Consolidated Balance Sheets

December 31	2013	2012
ASSETS		
Current Assets		
Cash	$ 1,592,580	$ 963,193
Accounts receivable, net of allowance for doubtful accounts of approximately $73,300 and $31,300	4,665,893	4,264,953
Prepaid expenses and other assets	370,552	215,361
Unbilled receivables	218,256	181,770
Current maturities of other receivables	50,778	60,526
Escrow receivable	270,036	-
Total Current Assets	7,168,095	5,685,803
Property and Equipment	614,982	325,260
Investments	-	16,000
Other Receivables - less current maturities	48,100	91,724
Goodwill	4,533,430	4,533,430
Intangible Assets	336,087	655,076
Total Assets	$12,700,694	$11,307,293
LIABILITIES AND EQUITY		
Current Liabilities		
Line of credit	$ -	$ 154,286
Current maturities of long-term debt	-	133,589
Accounts payable and accrued liabilities	620,811	1,094,425
Accounts payable - related parties	64,170	74,474
Due to Gage Group, LLC	2,195,413	1,828,740
Deferred revenue	894,255	948,559
Total Current Liabilities	3,774,649	4,234,073
Long-Term Debt - less current maturities	-	310,127
Total Liabilities	3,774,649	4,544,200
Members' Equity	8,926,045	6,763,093
Total Liabilities and Equity	$12,700,694	$11,307,293

For Mindtree Limited

MINDTREE LIMITED BENGALURU

Company Secretary

See notes to consolidated financial statement

Magnet 360, LLC and Subsidiaries

CONFIDENTIAL

Consolidated Statements of Income

Years Ended December 31	2013	2012
Revenue	**$ 25,475,142**	$ 17,118,715
Direct Costs	**18,787,347**	11,680,274
Gross Profit	**6,687,795**	5,438,441
Operating Expenses	**7,029,874**	6,023,678
Loss from Operations	**(342,079)**	(585,237)
Other Income (Expense)		
Gain on sale of Insite	-	225,000
Gain on acquisition of Reside, Inc.	-	1,531,975
Gain on sale of enStratus	**1,177,001**	-
Other income (expense)	**591**	(1,131)
Debt forgiveness	**(24,650)**	-
Interest expense	**(10,411)**	(30,604)
Total Other Income (Expense)	**1,142,531**	1,725,240
Net Income	**$ 800,452**	$ 1,140,003

See notes to consolidated financial statement

MINDTREE LIMITED ★ BENGALURU ★

Magnet 360, LLC and Subsidiaries

CONFIDENTIAL

Consolidated Statements of Equity

	Unit Subscription Receivable	Members' Equity	Noncontrolling Interests	Total Equity
Balance, December 31, 2011	$ -	$ 2,067,988	$ 80,706	$ 2,148,694
Acquisition of noncontrolling interest	-	58,006	(80,706)	(22,700)
Capital contributions	(227,500)	536,030	-	308,530
Purchase of equity for debt	-	(500,000)	-	(500,000)
Distribution of investments	-	(508,004)	-	(508,004)
Acquisition of Reside, Inc.	-	4,176,070	-	4,176,070
Share-based compensation	-	20,500	-	20,500
Net income	-	1,140,003	-	1,140,003
Balance, December 31, 2012	(227,500)	6,990,593	-	6,763,093
Subscriptions received	**227,500**	**-**	**-**	**227,500**
Capital contributions	**-**	**1,035,000**	**-**	**1,035,000**
Option exercise	**-**	**100,000**	**-**	**100,000**
Net income	**-**	**800,452**	**-**	**800,452**
Balance, December 31, 2013	**$ -**	**$ 8,926,045**	**$ -**	**$ 8,926,045**

See notes to consolidated financial statements.

Magnet 360, LLC and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended December 31	2013	2012
Operating Activities		
Net income	$ 800,452	$ 1,140,003
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation	138,672	100,991
Amortization	318,989	564,996
Gain on acquisition of Reside, Inc.	-	(1,531,975)
Loss on disposal of property and equipment	1,588	33,092
Gain on investments	(1,177,001)	(225,000)
Interest added to note receivable	(915)	-
Debt forgiveness	24,650	-
Share-based compensation	-	20,500
Changes in operating assets and liabilities:		
Accounts receivable	(400,940)	(2,115,482)
Unbilled receivables	(36,486)	(181,770)
Prepaid expenses and other assets	(155,191)	131
Accounts payable and accrued liabilities	(117,245)	1,789,111
Deferred revenue	(54,304)	769,382
Net Cash Provided (Used) by Operating Activities	(657,731)	363,979
Investing Activities		
Purchases of property and equipment	(429,982)	(161,277)
Proceeds from sale of enStratus	1,193,001	-
Escrow receivable	(270,036)	-
Proceeds from sale of Insite	-	675,000
Payments received on notes receivable	29,637	-
Issuance of other receivables	-	(88,783)
Cash acquired from Reside, Inc.	-	37,702
Net Cash Provided by Investing Activities	522,620	462,642
Financing Activities		
Proceeds on line of credit	-	409,286
Payments on line of credit	(154,286)	(505,000)
Payments on long-term debt	(443,716)	(371,089)
Members' contributions and option exercise	1,135,000	308,530
Collections on unit subscription receivables	227,500	-
Distributions	-	(22,700)
Net Cash Provided (Used) by Financing Activities	764,498	(180,973)

See notes to consolidated financial statements

MINDTREE LIMITED BENGALURU

S.L

Magnet 360, LLC and Subsidiaries

Consolidated Statements of Cash Flows (continued)

Years Ended December 31	2013	2012
Net Increase in Cash	**629,387**	645,648
Cash		
Beginning of year	**963,193**	317,545
End of year	**$ 1,592,580**	$ 963,193
Supplementary Disclosures of Cash Flow Information		
Cash paid for interest	**$ 10,611**	$ 28,186
Noncash investing and financing activities:		
Acquisition of Reside for issuance of shares	-	4,176,070
Purchase of equity for debt	-	500,000
Note payable assumed	-	64,148
Distribution of investments	-	508,004

MINDTREE LIMITED ★ BENGALURU ★

See notes to consolidated financial statement

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

1. Nature of Business and Summary of Significant Accounting Policies

Nature of Business

Magnet 360, LLC (Magnet 360) was organized in Minnesota on March 25, 2008. The Company is a marketing and technology services consultancy focused on delivering marketing solutions based on Saleforce.com technology. Marketing services are provided directly by the Company and through its network of expert, industry leading service providers.

Principles of Consolidation/Accounting for Investments in Affiliated Entities

The accompanying consolidated financial statements include the accounts of Magnet 360 and its majority-owned affiliated entities (collectively, the Company). All significant intercompany balances and transactions have been eliminated in consolidation. Noncontrolling interests represented the portion of consolidated entities not owned by the Company.

Investments in less than 20% owned entities over which the Company does not have the ability to exert significant influence over the investees' operating and financing activities are accounted for under the cost method of accounting. Under the cost method, the investment is carried at cost with earnings recognized for dividends received.

Investments are reduced for any loss in value that is other than temporary.

See Note 5 for additional details on the consolidated and investment entities.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that may affect certain reported amounts and disclosures in the consolidated financial statements and accompanying notes. Actual result could differ from those estimates. Significant estimates at December 31, 2013 and 2012 include the allowance for doubtful accounts receivable, carrying value of investments, valuation of goodwill and intangibles, and deferred revenue.

Unit Subscriptions Receivable

The Company records a current asset for the portion of unit subscriptions receivable that were subsequently collected; the remaining balance is shown as a reduction in members' equity.

Revenue Recognition

Revenue is earned by the Company through the delivery of technical consulting services to its clients. Revenue is recognized based on time and materials tracking of the delivery of services team. The Company also provides media services. Revenue on media services is recognized upon delivery to the client.

Deferred Revenue

Deferred revenue consists primarily of services and licensing fees billed in advance.

MINDTREE LIMITED ★ BENGALURU ★

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

1. Nature of Business and Summary of Significant Accounting Policies (continued)

Credit Risk

The Company maintains cash balances which at times may exceed the Federal Deposit Insurance Corporation limit. The Company has not experienced any losses in such accounts, and management believes the Company is not exposed to any significant credit risk on cash.

Accounts Receivable

Management reviews individual accounts as they become past due to determine collectibility. The allowance for doubtful accounts is adjusted periodically based on management's consideration of past due accounts. Individual accounts are charged against the allowance when collection efforts have been exhausted.

Unbilled Receivables

The Company recognizes fee revenue as hours are worked on behalf of its clients. Unbilled receivables include the cost and expected profit on work completed but not billed. Management reviews unbilled receivables monthly to determine collectability.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Property and equipment acquisitions which exceed $500 and have an estimated useful life of one year or more are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of generally three to five years. Leasehold improvements are amortized over the lesser of the useful lives of the assets or the lease term.

Intangible Assets

Registered trademarks, website domains and customer lists are recorded at cost and are amortized over their estimated useful lives. The Company periodically reviews intangible assets for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. There were no impairment charges recorded in 2013 or 2012.

Goodwill

Goodwill is not amortized, but is tested for impairment annually. Management determined there was no impairment in 2013 or 2012.

Marketing

Marketing costs are expensed when incurred. Total marketing expense was $185,764 and $151,602 in 2013 and 2012, respectively.

Income Taxes

Profits and losses at the Company are reported on the income tax returns of the members. Accordingly, no provision for income taxes is recorded by the Company.

MINDTREE LIMITED ★ BENGALURU ★

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

1. Nature of Business and Summary of Significant Accounting Policies (continued)

Income Taxes (continued)

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Company and has concluded that as of December 31, 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the consolidated financial statements. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes the Company is no longer subject to income tax examinations for years prior to 2010.

Reclassification

Certain reclassifications were made to the 2012 financial statements in order to conform to the 2013 presentation. The reclassification did not affect previously reported members' equity, net income or net cash flows.

2. Members' Equity and Stock Subscription Receivable

As of December 31, 2013 and 2012, the Company had Class A voting units and Class B nonvoting units. Although the Class B units will not permit their holders to vote in Company matters, the Member Control Agreement does require the Company to obtain the consent of certain holders of Class B units prior to engaging in certain strategic transactions. The Class B units have priority rights to non-tax related distributions over Class A units until such time as the Class B members shall have received distributions equal to the total capital contributions relating to their Class B units. Distributions to the Class A holders will be made in accordance with the particular series of Class A units held, with the holders of Class A-2 units receiving priority over the holders of Class A-1 units. The different series of Class A units exists solely to prioritize the rights of the holders of such units to receive non-tax related distributions after the return of Class B capital. Certain of the investor agreements contain anti-dilution protection provisions, generally for a period of 6 - 18 months, that require additional units to be issued to the investor in the event units are subsequently offered at a lower price. The following is a summary of units as of December 31, 2013 and 2012:

MINDTREE LIMITED * BENGALURU * S.L

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

2. Members' Equity and Stock Subscription Receivable (continued)

	Class A-1 Units	Class A-2 Units	Class B Units	Total
Balance, December 31, 2011	2,000,000	2,000,000	593,333	4,593,333
Acquisition of:				
MB Services, LLC	-	-	15,443	15,443
Numerical Truth	-	-	86,298	86,298
Reside, Inc.	1,141,047	-	298,977	1,440,024
Purchase of shares for note payable	(172,414)	-	-	(172,414)
Purchased shares - capital raise	-	-	129,164	129,164
Balance, December 31, 2012	2,968,633	2,000,000	1,123,215	6,091,848
Stock option exercise	**-**	**-**	**100,000**	**100,000**
Purchased shares - capital raise	**-**	**-**	**249,398**	**249,398**
Balance, December 31, 2013	**2,968,633**	**2,000,000**	**1,472,613**	**6,441,246**

Additional Investors

In November and December 2012, the Company entered into various stock subscription agreements with investors to purchase 129,164 of Class B units at a cost of $4.15 per unit for a total of $536,030 in proceeds. In accordance with the agreements, a total of $308,530 was paid prior to year end and a stock subscription receivable for $227,500 was recorded for the amounts outstanding. The amounts were collected in December 2013.

In February 2013, the Company issued an additional 249,398 Class B units at $4.15 for total cash payments of $1,035,000.

3. Other Receivables

Other receivables consisted of the following:

December 31, 2013	Current	Long-Term	Total
Note receivable - employee	$24,650	$48,100	$ 72,750
Note receivable - Bannerworks, LLC	19,353	-	19,353
Note receivable - former employee	6,775	-	6,775
Other Receivables	$50,778	$48,100	$ 98,878

3. Other Receivables (continued)

December 31, 2012	Current	Long-Term	Total
Note receivable - employee	$24,121	$72,364	$ 96,485
Note receivable - Bannerworks, LLC	22,730	19,360	42,090
Note receivable - former employee	13,675	-	13,675
Total	$60,526	$91,724	$ 152,250

In October 2012, Magnet 360 entered into a promissory note agreement with an employee for $96,485 plus interest at .84%. The note was a loan to an employee, the proceeds of which were used to purchase shares of common stock in Reside. Contingent upon employment, the note will be forgiven at 25% of the outstanding principal and interest accrued each year until 100% has been forgiven.

In 2012, Magnet 360's ownership interests in Bannerworks, LLC were redeemed for a $15,000 note receivable (see Note 5).

In November 2011, the Company entered into a separation agreement with a former employee. As part of the agreement, the Company received a $20,000 tuition reimbursement settlement. The employee pays the Company, beginning January 2012, 23 installments of $575 with a final payment of $6,775 due December 2013. The balance of $6,775 was received in January 2014.

4. Property and Equipment

Property and equipment consisted of the following:

December 31	2013	2012
Computers and office equipment	**$ 354,538**	$ 237,767
Software	**17,617**	16,452
Furniture and fixtures	**170,242**	111,183
Leasehold improvements	**331,623**	116,134
Total cost	**874,020**	481,536
Less accumulated depreciation	**259,038**	156,276
Property and Equipment	**$ 614,982**	$ 325,260

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5. Investments

MB Services, LLC

Effective January 1, 2012, MB Services, LLC, an entity that was substantially owned by Magnet 360, assigned to Magnet 360 all of its assets and liabilities and sold all outstanding units to Magnet 360 in exchange for 15,443 Class B units of Magnet 360 valued at $2.81 per unit. Upon the completion of this transaction Magnet 360 became the sole owner in MB Services, LLC (MB Services Reorganization). MB Services, LLC was recapitalized to provide for three classes of units-Class A-1 voting, Class A-2 voting and Class B non voting units and Magnet 360 distributed its ownership interests in MB Services, LLC to Magnet 360's members as of December 31, 2011. The ownership in MB Services, LLC was structured to allow for the owners in Magnet 360 to have the identical ownership and class of units in MB Services, LLC. Effective January 1, 2012, Magnet 360 distributed all of its ownership interests in Kruskopf Coontz Advertising, Inc., ARAnet, Inc., Valtira, LLC and Relationship One, LLC to MB Services, LLC. The distribution was recorded at cost of $508,004, which approximated fair value.

Cost Method Investments

enStratus Network, LLC

In May 2013, Magnet 360 sold its ownership interest and recorded a gain on the sale of $1,177,001, which represented the proceeds in excess of their cost. Magnet received $922,965 in cash and the remaining $270,036 is in an escrow receivable account at year end. The Company expects to collect the receivable in November 2014.

ARAnet, Inc.

In 2012, as part of the MB Services, LLC reorganization, the Company distributed its investment in ARAnet, Inc. to MB Services, LLC.

Bannerworks

On December 30, 2010, Magnet 360 purchased $80,000 in equipment from Bannerworks, LLC (Bannerworks). The Company paid $30,000 on December 30, 2010 and the remaining $50,000 (acquisition payable) was outstanding as of December 31, 2010. In 2011, the equipment and liability were transferred to MB Services. MB Services then transferred the equipment and liability to Bannerworks for a $15,000 investment in Bannerworks (18.8%) and a $15,000 receivable from Bannerworks. The total note receivable from Bannerworks at December 31, 2011, including this $15,000, was $28,467. The note bears interest at 4%. MB Services receives monthly principal and interest of $2,025 beginning January 2012 with the final amount due in March 2013.

As part of the MB Services, LLC reorganization, the note receivable and ownership interests were transferred to Magnet 360. In October 2012, Magnet 360 sold its ownership interest in Bannerworks for a note receivable. In October 2012, this note receivable was consolidated with the existing note receivable for a total of $44,440 due in monthly installments of $2,000, including interest at 4%, beginning November 1, 2012, with a final payment due October 1, 2014.

Insite Software Solutions, Inc.

In December 2012, the Company sold their investment in preferred stock for $675,000 and recorded a gain on the sale of $225,000, which represented the proceeds in excess of their cost.

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5. Investments (continued)

The following is a summary of investments at cost:

Description December 31, 2013 Ownership %	Magnet 360 Kruskopf Coontz Advertising, Inc. 0%	Insite Software Solutions, Inc. 0%	ARAnet, Inc. 0%	Valtira, LLC 0%	enStratus Network, LLC 0%	MB Services, LLC Bannerworks, LLC 0%	Total
Cost, December 31, 2011	$ 132,000	$ 450,000	$ 237,500	$ 5,425	$ 16,000	$ 15,000	$ 855,925
Sale of investment	-	(450,000)	-	-	-	-	(450,000)
Converted to a note receivable	-	-	-	-	-	(15,000)	(15,000)
Distribution	(132,000)	-	(237,500)	(5,425)	-	-	(374,925)
Cost, December 31, 2012	-	-	-	-	16,000	-	16,000
Sale of investment	-	-	-	-	**(16,000)**	-	**(16,000)**
Cost, December 31, 2013	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Investments at December 31, 2012 were not evaluated for impairment because (a) it is not practicable to estimate their fair values due to insufficient information being available and (b) management did not identify any events or changes in circumstances that might have a significant adverse effect on the fair value of the investment.

Consolidated Investments

M360 Investments, LLC and Numerical Truth

On December 1, 2010, Magnet 360 contributed $90,300 to form M360 Investments, LLC (M360 Investments), which is a wholly owned subsidiary of Magnet 360. M360 Investments then purchased 56.25% of Numerical Truth, LLC (Numerical Truth) for a total of $90,000. In 2011, an additional investor contributed $20,000 to Numerical Truth and Magnet 360 invested $3,500 in M360 Investments, who then invested $3,500 in Numerical Truth. At December 31, 2011, Magnet 360 owned 51% of Numerical Truth.

On January 1, 2012, the remaining owners of Numerical Truth sold all outstanding units in Numerical Truth to Magnet 360 in exchange for a total of 86,298 Class B units of Magnet 360 valued at $2.81 per unit and $22,700 in cash. Upon receipt of the outstanding shares of Numerical Truth, Magnet 360 transferred all the units to its wholly owned subsidiary, M360 Investments. Upon receipt of the units, M360 Investments owns 100% of Numerical Truth.

Reside, Inc.

Effective January 1, 2012, Magnet 360 acquired all of the outstanding shares, on a dilutive basis, in Reside that it did not own for 1,440,024 Magnet 360 units valued at $2.90 each ($4,176,070). Magnet 360 acquired Reside to further its business relationship in alignment with the Companies' business model to provide technical consultancy services focused on delivering marketing solutions based on Salesforce.com technology. The fair value of Reside was as follows:

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5. Investments (continued)

Description	Amount
Cash	$ 37,702
Receivables	816,464
Other current assets	91,957
Property and equipment	77,018
Customer relationships	984,000
Goodwill	4,533,430
Total assets acquired	6,540,571
Accounts payable and other current liabilities	189,722
Line of credit	250,000
Long-term debt	114,805
Total liabilities assumed	554,527
Net Assets Acquired	**$ 5,986,044**

As required by ASC 805, *Accounting for Business Combinations*, when a company has a pre-existing ownership in another company and an acquisition is completed where control is obtained of the acquired company, the buyer must first measure the acquisition-date fair value of its previously held equity interest in the acquired company and recognize either (1) a gain for the excess of the fair value of the previously held interest over its carrying value or (2) a loss for the excess of carrying value over fair value. As a result of this acquisition, the Company recorded a $1,531,975 gain for the year ended December 31, 2012, for the excess fair value over its carrying cost of Reside.

The fair values recorded are Level 3 inputs determined by a third party valuation based on various market and income analyses. Significant assumptions used include a 23.9% cost of equity and 4.0% terminal growth value.

The purchase involved various transactions with the owners of Reside. The first transaction was an exchange of 2,001,877 shares of common stock in Reside for the issuance of 1,141,047 Class A-1 units of Magnet 360 valued at $2.90 per unit. Magnet 360 granted to an owner, and the owner exercised on October 31, 2012, an option to require Magnet 360 to purchase from the owner a total of 172,414 Magnet 360 units in exchange for a $500,000 promissory note (see Note 8).

Magnet 360 entered into an agreement to purchase all 400,000 outstanding preferred shares of Reside in exchange for 229,000 Class B units of Magnet 360 valued at $2.90 per unit. The previous owner was granted anti-dilution protection through the issuance of additional Class B units as defined in the agreement as well as a redemption right causing Magnet 360 to redeem the Class B units at the defined redemption price. The redemption request can be made at any time after January 1, 2017 and is payable in five equal annual installments.

Magnet 360 issued a promissory note in the amount of $96,485, the proceeds of which were used by the individual to exercise the option to purchase 122,113 shares of Reside. Magnet 360 then purchased these 122,113 shares of Reside common stock in exchange for 69,977 Class B units of Magnet 360 valued at $2.90 per unit.

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5. Investments (continued)

Other Investments

Relationship One

In January 2010, the Company acquired a 25% ownership interest in Relationship One, LLC (Relationship One) for $125,000. Effective January 1, 2012, the Company distributed its investment in Relationship One to MB Services, LLC. The distribution was recorded at the carrying value of $133,079, which approximated fair value.

6. Intangible Assets

Other intangible assets are stated at their cost less accumulated amortization computed on the straight-line basis except for certain customer lists that are amortized on an accelerated method and consist of the following:

December 31, 2013	Estimated Useful Life	Cost	Accumulated Amortization	Net
Trademark	5 years	$ 16,085	$ 16,085	$ -
Website domain	5 years	11,693	11,693	-
Customer lists	3 - 5 years	1,316,700	980,613	336,087
Total		$ 1,344,478	$ 1,008,391	$ 336,087

December 31, 2012	Estimated Useful Life	Cost	Accumulated Amortization	Net
Trademark	5 years	$ 16,085	$ 12,872	$ 3,213
Website domain	5 years	11,693	9,354	2,339
Customer lists	3 - 5 years	1,316,700	667,176	649,524
Total		$ 1,344,478	$ 689,402	$ 655,076

Future amortization of intangible assets is estimated to be as follows:

Year	Amount
2014	$ 312,540
2015	23,547
Total	$ 336,087

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7. Bank Line of Credit

The Company had a $750,000 bank line of credit that was paid off in January 2013. Interest was payable monthly at prime plus 1.75% with a minimum rate of 5.25%. Borrowings could not exceed a predetermined percentage of eligible accounts receivable, were collateralized by substantially all Company assets, and were subject to certain financial requirements. In addition, three of the Company's members had personally guaranteed the line of credit.

In September 2013, the Company changed banks and obtained a $1,500,000 line of credit, subject to a borrowing base. The line matures in September 2014, has no personal guarantees required from the Company's members, and bears monthly interest at the greater of prime plus 0.75% (the prime rate at December 31, 2013 was 3.25%) or 4.50%. Borrowings are collateralized by substantially all Company assets, and are subject to certain financial requirements. The line of credit was not drawn on in 2013.

8. Long-Term Debt

Long-term debt consisted of the following:

December 31	2013	2012
Term note payable in monthly installments of $4,741, with interest at 6.25%, paid in full in September 2013.	$ -	$ 155,089
Note payable - member payable in monthly installments totaling $1,606 through August 2015, with interest at 5.125%, subordinated to term note, paid in full in November 2013.	-	47,856
Note payable - related party payable in monthly installments ranging from $5,000 to $15,000, with interest at 0.93%, subordinated to term note, paid in full in November 2013.	-	240,771
Total	-	443,716
Less current maturities	-	133,589
Long-Term Debt, less current maturities	$ -	$ 310,127

In May 2011, the Company entered into a $200,000 multiple advancing term loan agreement bearing interest at 6.25%. On December 5, 2011, the loan agreement was drawn upon in the amount of $200,000. Effective December 15, 2011, the loan was converted into a term loan bearing interest at 6.25%, an interest only payment was due through December 31, 2011 with monthly principal and interest payments of $4,741 beginning January 31, 2012 through December 31, 2015. The agreement contained restrictive financial covenants as to levels of tangible net worth, and other nonfinancial covenants, and was collateralized by substantially all Company assets. This loan was paid in full in September 2013.

Effective January 1, 2012, the Company assumed a note payable between a member and Reside with an outstanding balance of $64,148. The note was due in monthly installments of $1,606 including interest at 5.125%. The note was subordinated to the term note; the Company was permitted to make the scheduled principal and interest payments; however, no prepayments could be made on the note until the term note was paid in full. This note was paid in full in November 2013.

In October 2012, the Company entered into a related party $500,000 note payable with interest at 0.93%. The note was a result of the related party exercising a put option (see Note 5) and was subordinated to the term note. The Company was permitted to make the scheduled principal and interest payments; however, no prepayments could be made on the note until the term note was paid in full. The note had monthly payments due of $5,000 per month for the first twelve months, $10,000 for the next twelve months, and $15,000 for each month thereafter until paid in full. This note was paid in full in November 2013.

8. Long-Term Debt (continued)

Interest expense paid to related parties was $3,829 and $3,951 for the years ended December 31, 2013 and 2012, respectively.

9. Retirement Plan

The Company sponsors a 401(k) profit sharing plan for employees who are 18 years of age and have met certain other eligibility requirements. The Plan allows an employee to contribute up to the limitation established by the Internal Revenue Service. The Company may make discretionary matching and other voluntary contributions to the Plan, as determined annually. The Company made matching contributions of $146,027 and $78,492 for the years ended December 31, 2013 and 2012, respectively.

10. Share-Based Compensation

In July 2009, the Company granted an employee options to purchase 200,000 Class B units, for ten years, at $2.50 per unit. The options vest over three years or immediately upon an 80% or more change in ownership of the Company. In 2012, the 200,000 options became fully vested. Total compensation expense recognized in 2012 was approximately $20,500.

In May 2013, the Company granted certain executive officers of the Company options to purchase a total of 200,000 Class B units for 10 years at $4.15 per unit. The options vest immediately prior to, but conditioned upon, the occurrence of any merger, consolidation or sale of all or substantially all of the assets or membership interests of the Company. The vested portion of options is exercisable only upon a change in control, as defined. No unit option compensation expense was recorded due to uncertainty that these events would occur.

11. Employee Option Plan

On November 23, 2010, the Company adopted the Magnet 360 Employee Option Plan. The Plan has reserved 9,120,000 employee units for issuance pursuant to the Plan. In 2013 and 2012, the Board approved the grant of options up to 3,940,000 and 3,000,000, respectively, at an exercise price of $.30 per unit. As of December 31, 2013, there are 1,365,750 units available for issuance. The term of each option shall not exceed ten years from the date of the grant. The options vest over three years, or immediately upon a change in control, as defined. The options are forfeited upon termination of employment.

During 2013, the Company issued 2,000,000 options at an exercise price of $.30 per unit to a consultant. Upon an exit event, as defined, the Company is required to pay the consultant a contingent bonus of the lesser of $600,000 or the current value of these options. In the event the consulting service agreement with the Company is terminated for any reason, the consultant has agreed to provide services to the Company under a retainer agreement.

The vested portion of options is exercisable only upon a change in control, as defined. No unit option compensation expense was recorded due to uncertainty that a change in control would occur.

MINDTREE LIMITED * BENGALURU * S.L

11. Employee Option Plan (continued)

Unit option changes were as follows:

Description	Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)
Outstanding, December 31, 2012	3,802,500	$ 0.30	8.89
Granted	4,108,250	0.30	-
Forfeited, including 31,123 vested units	(156,500)	0.30	-
Outstanding, December 31, 2013	7,754,250	0.30	8.76
Vested at December 31, 2013	3,206,716	$ 0.30	8.09

Nonvested unit option changes during 2013 were as follows:

Description	Options
Nonvested - December 31, 2012	2,398,968
Granted	4,108,250
Forfeited	(125,377)
Vested	(1,834,307)
Nonvested - December 31, 2013	4,547,534

12. Operating Leases

In January 2011, the Company entered into a sublease agreement with a nonrelated party through December 2015. In 2011, monthly rent was set at approximately $12,500 and includes the Company's share of property taxes and common area expenses based on the office space. In August 2012, the Company increased the space leased, increasing the monthly rent to $19,300 per month. Effective December 1, 2013, the sublease agreement was amended due to increase in the office space leased and extended through November 2018. The renewed lease requires monthly base payments of $39,408, increasing 2.5% annually. Total rent expense was $287,386 and $184,049 in 2013 and 2012, respectively.

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Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

12. Operating Leases (continued)

Future minimum rents under this lease agreement are as follows:

Year	Total
2014	$ 474,000
2015	486,000
2016	498,000
2017	510,000
2018	478,000
Total	$ 2,446,000

Effective May 2011, the Company entered into a lease agreement with a nonrelated party for office space in New York on a month-to-month basis for use of phones, common space, and certain office equipment. In 2012, rent was $3,000 per month. In 2013, monthly rent was $2,400 for January through November. In December 2013, monthly rent increased to $4,500 for additional space rented. Total rent expense was $30,900 and $33,080 in 2013 and 2012, respectively.

Effective February 2011, Relationship One and Numerical Truth began subleasing from the Company on a month-to-month basis, each at $890 per month which includes their share of office space, common space, use of phones, certain office equipment, and shared services. In January 2012, Relationship One was distributed to MB Services, LLC and Numerical Truth was acquired by Magnet 360. Rental income from Relationship One for 2012 was $11,705.

Effective October 2013, the Company entered into a lease agreement with a nonrelated party for office space in Chicago on a month-to-month basis at $1,050 per month plus fees for use of phones, common space, and certain office equipment. Total rent expense was $4,020 in 2013.

13. Related Party Transactions

Service Agreement

The Company has an agreement with Gage Marketing Group, LLC to pay them 50% of its gross channel marketing revenue for licensing, client support and professional services and 97.5% for certain media and listed services. Total amounts paid to Gage Marketing Group, LLC under this agreement were $10,970,843 and $3,442,414 for the years ended December 31, 2013 and 2012, respectively.

Employment Agreements

The Company has various employment agreements with several members of management. The agreements include profit sharing and/or bonus arrangements, liquidation event bonuses, and other provisions.

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Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

14. Concentrations

The following summarizes customers representing 10% or more of the Company's consolidated revenue and accounts receivable as of and for the years ended December 31, 2013 and 2012:

	% of Revenue		% of Accounts Receivable	
December 31	**2013**	**2012**	**2013**	**2012**
Customer				
1	**47 %**	14 %	**49 %**	35 %
2	*	18 %	*	*
3	*	*	*	10 %

* less than 10%

15. Subsequent Events

Management has evaluated subsequent events through March 14, 2014, the date at which the consolidated financial statements were available to be issued.

During the period of January 1, 2014 through March 14, 2014, the Company issued an additional 270,000 units under the employee option plan at an exercise price of $.30 per unit. In addition, 83,000 units were forfeited during this period.

ANNEXURE E2

CONFIDENTIAL

Magnet 360, LLC
and Subsidiaries

Consolidated Financial Statements

December 31, 2014 and 2013

For Mindtree Limited

Company Secretary

MIND TREE LIMITED * BENGALURU *

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Magnet 360, LLC and Subsidiaries

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CONFIDENTIAL

Lurie Besikof Lapidus
& Company, LLP

Independent Auditor's Report

The Members
Magnet 360, LLC and Subsidiaries
Minneapolis, Minnesota

We have audited the accompanying consolidated financial statements of Magnet 360, LLC and Subsidiaries which comprise the consolidated balance sheets as of December 31, 2014 and 2013, and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Magnet 360, LLC and Subsidiaries as of December 31, 2014 and 2013, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

phone 612.377.4404
fax 612.377.1325
address 2501 Wayzata Boulevard
Minneapolis, MN 55405
website www.lblco.com

Lurie Besikof Lapidus & Company, LLP

Lurie Besikof Lapidus & Company, LLP
Minneapolis, Minnesota

March 13, 2015

Magnet 360, LLC and Subsidiaries

Consolidated Balance Sheets

December 31	2014	2013
ASSETS		
Current Assets		
Cash	$ 22,743	$ 1,592,580
Accounts receivable, net of allowance for doubtful accounts of approximately $25,000 and $73,300	5,703,577	4,665,893
Prepaid expenses and other assets	728,077	370,552
Unbilled receivables	216,292	218,256
Current maturities of other receivables	24,650	50,778
Escrow receivable	-	270,036
Total Current Assets	6,695,339	7,168,095
Property and Equipment	797,396	614,982
Other Receivables - less current maturities	288,556	48,100
Goodwill	6,955,863	4,533,430
Intangible Assets	686,980	336,087
Total Assets	$15,424,134	$12,700,694
LIABILITIES AND EQUITY		
Current Liabilities		
Line of credit	$ 600,000	$ -
Accounts payable and accrued liabilities	831,398	620,811
Accounts payable - related parties	30,471	64,170
Due to Gage Group, LLC	19,334	2,195,413
Deferred revenue	2,186,439	894,255
Total Current Liabilities	3,667,642	3,774,649
Members' Equity	11,756,492	8,926,045
Total Liabilities and Equity	$15,424,134	$12,700,694

See notes to consolidated financial statements.

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Magnet 360, LLC and Subsidiaries

Consolidated Statements of Operations

Years Ended December 31	2014	2013
Revenue	**$26,599,676**	$25,475,142
Direct Costs	**16,745,298**	18,787,347
Gross Profit	**9,854,378**	6,687,795
Operating Expenses	**10,105,589**	7,029,874
Loss from Operations	**(251,211)**	(342,079)
Other Income (Expense)		
Gain on sale of enStratus	**-**	1,177,001
Other income (expense)	**(148)**	591
Debt forgiveness	**(24,650)**	(24,650)
Interest expense	**(11,182)**	(10,411)
Total Other Income (Expense)	**(35,980)**	1,142,531
Net Income (Loss)	**$ (287,191)**	$ 800,452

See notes to consolidated financial statements.

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Magnet 360, LLC and Subsidiaries

Consolidated Statements of Members' Equity

	Unit Subscription	Capital	Members' Equity
Balance, December 31, 2012	$ (227,500)	$ 6,990,593	$ 6,763,093
Subscriptions received	227,500	-	227,500
Capital contributions	-	1,035,000	1,035,000
Option exercise	-	100,000	100,000
Net income	-	800,452	800,452
Balance, December 31, 2013	-	8,926,045	8,926,045
Acquisition of ADC	**-**	**1,617,638**	**1,617,638**
Acquisition of Irgonomics	**-**	**1,500,000**	**1,500,000**
Net loss	**-**	**(287,191)**	**(287,191)**
Balance, December 31, 2014	**$ -**	**$11,756,492**	**$11,756,492**

MINDTREE LIMITED ★ BENGALURU ★

See notes to consolidated financial statements.

Magnet 360, LLC and Subsidiaries

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Consolidated Statements of Cash Flows

Years Ended December 31	2014	2013
Operating Activities		
Net income (loss)	$ (287,191)	$ 800,452
Adjustments to reconcile net income (loss) to net cash used by operating activities:		
Depreciation	242,009	138,672
Amortization	749,107	318,989
Loss on disposal of property and equipment	1,671	1,588
Gain on investments	-	(1,177,001)
Interest added to notes receivable	(1,106)	(915)
Debt forgiveness	24,650	24,650
Changes in operating assets and liabilities:		
Accounts receivable	(340,076)	(400,940)
Unbilled receivables	1,964	(36,486)
Prepaid expenses and other assets	(287,928)	(155,191)
Accounts payable and accrued liabilities	(434,538)	(473,614)
Accounts payable - related parties	(33,699)	(10,304)
Due to - Gage Group, LLC	(2,176,079)	366,673
Deferred revenue	1,292,184	(54,304)
Net Cash Used by Operating Activities	(1,249,032)	(657,731)
Investing Activities		
Purchases of property and equipment	(426,094)	(429,982)
Proceeds from sale of enStratus	-	1,193,001
Escrow receivable	270,036	(270,036)
Payments received on notes receivable	26,128	29,637
Acquisition of Irgonomics and ADC, net of cash acquired	(526,875)	-
Net Cash Provided (Used) by Investing Activities	(656,805)	522,620
Financing Activities		
Proceeds on line of credit	1,300,000	-
Payments on line of credit	(700,000)	(154,286)
Issuance of note receivable - ADC	(264,000)	-
Payments on long-term debt	-	(443,716)
Members' contributions and option exercise	-	1,135,000
Collections on unit subscription receivables	-	227,500
Net Cash Provided by Financing Activities	336,000	764,498
Net Increase (Decrease) in Cash	(1,569,837)	629,387
Cash		
Beginning of year	1,592,580	963,193
End of year	$ 22,743	$ 1,592,580

See notes to consolidated financial statements.

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

1. Nature of Business and Summary of Significant Accounting Policies

Nature of Business

Magnet 360, LLC (Magnet 360) was organized in Minnesota on March 25, 2008. The Company is a marketing and technology services consultancy focused on delivering marketing solutions based on Saleforce.com technology.

Principles of Consolidation/Accounting for Investments in Affiliated Entities

The accompanying consolidated financial statements include the accounts of Magnet 360 and its wholly owned affiliates Reside, Inc. and M360 Investments (including its wholly owned subsidiary Numerical Truth) (collectively, the Company). All significant intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that may affect certain reported amounts and disclosures in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Significant estimates include the allowance for doubtful accounts receivable, purchase price allocation, useful lives and carrying value of goodwill and intangible assets, and value of units issued for acquisitions.

Revenue Recognition

Revenue is earned by the Company through the delivery of technical consulting services to its clients. Revenue is recognized based on time and materials provided to clients. The Company also provides media services. Revenue on media services is recognized upon delivery to the client.

Deferred Revenue

Deferred revenue consists primarily of services and licensing fees billed in advance.

Credit Risk

The Company maintains cash balances which at times may exceed the Federal Deposit Insurance Corporation limit. The Company has not experienced any losses in such accounts, and management believes the Company is not exposed to any significant credit risk on cash.

Accounts Receivable

Management reviews individual accounts as they become past due to determine collectibility. The allowance for doubtful accounts is adjusted periodically based on management's consideration of past due accounts. Individual accounts are charged against the allowance when collection efforts have been exhausted.

Unbilled Receivables

The Company recognizes fee revenue as hours are worked on behalf of its clients. Unbilled receivables include the cost and expected profit on work completed but not billed. Management reviews unbilled receivables monthly to determine collectability.

MINDTREE LIMITED BENGALURU

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

1. Nature of Business and Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Property and equipment acquisitions which exceed $500 and have an estimated useful life of one year or more are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of generally three to five years. Leasehold improvements are amortized over the lesser of the useful lives of the assets or the lease term.

Intangible Assets

Registered trademarks, website domains and customer lists are recorded at cost and are amortized over their estimated useful lives. The Company periodically reviews intangible assets for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. There were no impairment charges recorded in 2014 or 2013.

Goodwill

Goodwill is not amortized, but is tested for impairment annually. Management determined there was no impairment in 2014 or 2013.

Marketing

Marketing costs are expensed when incurred. Total marketing expense was $212,718 and $185,764 in 2014 and 2013, respectively.

Income Taxes

Profits and losses at the Company are reported on the income tax returns of the members. Accordingly, no provision for income taxes is recorded by the Company.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Company and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the consolidated financial statements. The Company is subject to routine audits by taxing jurisdictions. Currently the 2012 tax year is being examined by the Internal Revenue Service. Management believes the Company is no longer subject to income tax examinations for years prior to 2011.

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

2. Acquisitions

American Data Company (ADC)

In April 2014, the Company acquired certain assets and liabilities of American Data Company (ADC) for $1,927,638. The purchase included the issuance of 294,116 Class B units valued at $5.50 per unit ($1,617,638) and $310,000 cash.

Under the purchase agreement, the Company has held back 61,528 units as security for representations made by ADC and any final working capital adjustment. The holdback period is for 18 months following the closing. In addition, 48,000 units are pledged for the $264,000 note receivable (see Note 3). The previous owner was granted anti-dilution protection through the issuance of additional Class B units as defined in the agreement.

The fair value of ADC was as follows:

Description	Amount
Cash	$ 70,919
Receivables	372,608
Prepaid expenses and other current assets	69,597
Employment agreement	380,000
Customer relationships	230,000
Goodwill	1,449,639
Total assets acquired	2,572,763
Accounts payable and other current liabilities assumed	(645,125)
Net Assets Acquired	$1,927,638

Irgonomics

In January 2014, the Company acquired certain assets of Irgonomics for $1,787,974. The purchase price included the issuance of 272,728 Class B units valued at $5.50 per unit ($1,500,000) and $287,794 cash.

Under the purchase agreement, the Company has held back 132,728 units as security for representations made by Irgonomics and any final working capital adjustment. The holdback period is for 18 months following the closing.

The fair value of Irgonomics was as follows:

Description	Amount
Receivables	$ 325,000
Employment agreement	360,000
Customer relationships	130,000
Goodwill	972,794
Total Assets Acquired	$1,787,794

2. Acquisitions (continued)

The above acquisitions were made for the purpose of business expansion.

3. Members' Equity and Stock Subscription Receivable

As of December 31, 2014 and 2013, the Company had Class A voting units and Class B nonvoting units. Although the Class B units will not permit their holders to vote in Company matters, the Member Control Agreement does require the Company to obtain the consent of certain holders of Class B units prior to engaging in certain strategic transactions. The Class B units have priority rights to non-tax related distributions over Class A units until such time as the Class B members shall have received distributions equal to the total capital contributions relating to their Class B units. Distributions to the Class A holders will be made in accordance with the particular series of Class A units held, with the holders of Class A-2 units receiving priority over the holders of Class A-1 units. The different series of Class A units exists solely to prioritize the rights of the holders of such units to receive non-tax related distributions after the return of Class B capital. Certain of the investor agreements contain anti-dilution protection provisions, generally for a period of 6 - 18 months, that require additional units to be issued to the investor in the event units are subsequently offered at a lower price. The following is a summary of units as of December 31, 2014 and 2013:

	Class A-1 Units	Class A-2 Units	Class B Units	Total
Balance, December 31, 2012	2,968,633	2,000,000	1,123,215	6,091,848
Stock option exercise	-	-	100,000	100,000
Purchased shares - capital raise	-	-	249,398	249,398
Balance, December 31, 2013	2,968,633	2,000,000	1,472,613	6,441,246
Acquisition of ADC	-	-	**294,116**	**294,116**
Acquisition of Irgonomics	-	-	**272,728**	**272,728**
Balance, December 31, 2014	**2,968,633**	**2,000,000**	**2,039,457**	**7,008,090**

Additional Investors

In November and December 2012, the Company entered into various stock subscription agreements with investors to purchase 129,164 of Class B units at a cost of $4.15 per unit for a total of $536,030 in proceeds. In accordance with the agreements, a total of $308,530 was paid prior to December 31, 2012, and a stock subscription receivable for $227,500 was recorded as of that date for the amounts outstanding. The amounts were collected in December 2013.

In February 2013, the Company issued an additional 249,398 Class B units at $4.15 for total cash payments of $1,035,000.

In April 2014, the Company issued an additional 294,116 Class B units at $5.50 as part of the acquisition of ADC.

In January 2014, the Company issued an additional 272,728 Class B units at $5.50 as part of the acquisition of Irgonomics.

MINDTREE LIMITED * BENGALURU *

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4. Other Receivables

Other receivables consisted of the following:

December 31, 2014	Current	Long-Term	Total
Note receivable - employee	$ 24,650	$ 24,029	$ 48,679
Note receivable - ADC	-	264,527	264,527
Other Receivables	$ 24,650	$ 288,556	$ 313,206

December 31, 2013	Current	Long-Term	Total
Note receivable - employee	$24,650	$48,100	$ 72,750
Note receivable - Bannerworks, LLC	19,353	-	19,353
Note receivable - former employee	6,775	-	6,775
Other Receivables	$50,778	$48,100	$ 98,878

In October 2012, Magnet 360 entered into a promissory note agreement with an employee for $96,485 plus interest at .84%. The note was a loan to an employee, the proceeds of which were used to purchase shares of common stock in Reside. Contingent upon employment, the note will be forgiven at 25% of the outstanding principal and interest accrued each year until 100% has been forgiven.

<u>Note Receivable - ADC</u>

In April 2014, Magnet 360 entered into a promissory note agreement, as amended, with ADC for $264,000 plus interest at 0.28%. Principal and interest are due on the earlier of a change in control, as defined, or April 15, 2017. If a change in control does not occur prior to April 15, 2017 ADC may extend the maturity date to April 15, 2022 and the interest rate will be changed to the lowest applicable federal rate then in effect. The loan is secured by 48,000 pledged units at a unit price of $5.50. Magnet 360 will be permitted to redeem the pledged units in connection with a change in control and ADC will be permitted to put the pledged units back to Magnet 360 to repay the loan at any time prior to maturity at a per unit price of $5.50. If the call or put is not exercised, the note and accrued interest are payable to Magnet 360 upon the maturity date.

5. Property and Equipment

Property and equipment consisted of the following:

December 31	2014	2013
Computers and office equipment	$ 513,076	$ 354,538
Software	135,594	17,617
Furniture and fixtures	278,434	170,242
Leasehold improvements	368,875	331,623
Total cost	1,295,979	874,020
Less accumulated depreciation	498,583	259,038
Property and Equipment	$ 797,396	$ 614,982

6. Investments

Cost Method Investments

enStratus Network, LLC

In May 2013, Magnet 360 sold its ownership interest and recorded a gain on the sale of $1,177,001, which represented the proceeds in excess of their cost. Magnet received $922,965 in cash and the remaining $270,036 is in an escrow receivable account at December 31, 2013. The balance of $270,036 plus interest was received in December 2014.

7. Intangible Assets

Other intangible assets are stated at their cost less accumulated amortization computed on the straight-line basis except for certain customer lists that are amortized on an accelerated method and consist of the following:

December 31, 2014	Estimated Useful Life	Cost	Accumulated Amortization	Net
Trademark	5 years	$ 16,085	$ 16,085	$ -
Website domain	5 years	11,693	11,693	-
Customer lists/relationships	3 - 5 years	1,676,699	1,495,719	180,980
Employment agreements	2 - 3 years	740,000	234,000	506,000
Total		$2,444,477	$ 1,757,497	$ 686,980

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7. **Intangible Assets (continued)**

December 31, 2013	Estimated Useful Life	Cost	Accumulated Amortization	Net
Trademark	5 years	$ 16,085	$ 16,085	$ -
Website domain	5 years	11,693	11,693	-
Customer lists/relationships	3 - 5 years	1,316,700	980,613	336,087
Total		$ 1,344,478	$ 1,008,391	$ 336,087

Future amortization of intangible assets is estimated to be as follows:

Year	Amount
2015	$ 383,397
2016	294,000
2017	9,583
Total	$ 686,980

8. **Bank Line of Credit**

In September 2013, the Company obtained a $1,500,000 line of credit, subject to a borrowing base, maturing September 2015. The line of credit bears monthly interest at the greater of prime (3.25% at December 31, 2014 and 2013) plus 0.75% or 4.50%. Borrowings are collateralized by substantially all Company assets, and are subject to certain financial requirements. At December 31, 2014, the balance outstanding on the line of credit was $600,000.

The Company had a $750,000 bank line of credit that was paid off in January 2013. Interest was payable monthly at prime plus 1.75% with a minimum rate of 5.25%.

9. **Long-Term Debt**

In May 2011, the Company entered into a $200,000 multiple advancing term loan agreement bearing interest at 6.25%. On December 5, 2011, the loan agreement was drawn upon in the amount of $200,000. Effective December 15, 2011, the loan was converted into a term loan bearing interest at 6.25%, an interest only payment was due through December 31, 2011 with monthly principal and interest payments of $4,741 beginning January 31, 2012 through December 31, 2015. The agreement contained restrictive financial covenants as to levels of tangible net worth, and other nonfinancial covenants, and was collateralized by substantially all Company assets. This loan was paid in full in September 2013.

9. Long-Term Debt (continued)

Effective January 1, 2012, the Company assumed a note payable between a member and Reside with an outstanding balance of $64,148. The note was due in monthly installments of $1,606 including interest at 5.125%. The note was subordinated to the term note; the Company was permitted to make the scheduled principal and interest payments; however, no prepayments could be made on the note until the term note was paid in full. This note was paid in full in November 2013.

In October 2012, the Company entered into a related party $500,000 note payable with interest at 0.93%. The note had monthly payments due of $5,000 per month for the first twelve months, $10,000 for the next twelve months, and $15,000 for each month thereafter until paid in full. This note was paid in full in November 2013.

Interest expense paid to related parties was $3,829 for the year ended December 31, 2013.

10. Retirement Plan

The Company sponsors a 401(k) profit sharing plan for employees who are 18 years of age and have met certain other eligibility requirements. The Plan allows an employee to contribute up to the limitation established by the Internal Revenue Service. The Company may make discretionary matching and other voluntary contributions to the Plan, as determined annually. The Company made matching contributions of $189,098 and $146,027 for the years ended December 31, 2014 and 2013, respectively.

11. Share-Based Compensation

In May 2013, the Company granted certain executive officers of the Company options to purchase a total of 200,000 Class B units for 10 years at $4.15 per unit. The options vest immediately prior to, but conditioned upon, the occurrence of any merger, consolidation or sale of all or substantially all of the assets or membership interests of the Company. The vested portion of options is exercisable only upon a change in control, as defined. No unit option compensation expense was recorded due to uncertainty that these events would occur.

12. Employee Option Plan

On November 23, 2010, the Company adopted the Magnet 360 Employee Option Plan. The Plan has reserved 9,120,000 employee units for issuance pursuant to the Plan. The Board has approved the grant of options up to 3,940,000 at an exercise price of $.30 per unit. As of December 31, 2014, there are 1,968,750 units available for issuance. The term of each option shall not exceed ten years from the date of the grant. The options vest over three years, or immediately upon a change in control, as defined. The options are forfeited upon termination of employment.

During 2013, the Company issued 2,000,000 options at an exercise price of $.30 per unit to a consultant. Upon an exit event, as defined, the Company is required to pay the consultant a contingent bonus of the lesser of $600,000 or the current value of these options. In the event the consulting service agreement with the Company is terminated for any reason, the consultant has agreed to provide services to the Company under a retainer agreement. These options were forfeited in 2014 due to the Irgonomics acquisition.

The vested portion of options is exercisable only upon a change in control, as defined. No unit option compensation expense was recorded due to uncertainty that a change in control would occur.

MINDTREE LIMITED * BENGALURU *

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Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

12. Employee Option Plan (continued)

Unit option changes were as follows:

Description	Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)
Outstanding, December 31, 2013	7,754,250	$ 0.30	8.76
Granted	2,112,500	0.30	-
Forfeited, including 435,289 vested units	(2,715,500)	0.30	-
Outstanding, December 31, 2014	7,151,250	0.30	7.98
Vested at December 31, 2014	4,579,343	$ 0.30	7.35

Nonvested unit option changes during 2014 were as follows:

Description	Options
Nonvested - December 31, 2013	4,547,534
Granted	2,112,500
Forfeited	(2,280,211)
Vested	(1,807,916)
Nonvested - December 31, 2014	2,571,907

13. Operating Leases

In January 2011, the Company entered into a sublease agreement with a nonrelated party through December 2015. Effective December 1, 2013, the sublease agreement was amended due to increase in the office space leased and extended through November 2018. The renewed lease requires monthly base payments of $39,408, increasing 2.5% annually. Total rent expense was $499,156 and $287,386 in 2014 and 2013, respectively.

Future minimum rents under this lease agreement are as follows:

Year	Total
2015	$ 600,000
2016	635,000
2017	545,000
2018	479,000
Total	$2,259,000

MINDTREE LIMITED ★ BENGALURU ★

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

13. Operating Leases (continued)

Effective May 2011, the Company entered into a lease agreement with a nonrelated party for office space in New York on a month-to-month basis for use of phones, common space, and certain office equipment. In 2014, monthly rent was $4,500 for January through July. In August 2014, monthly rent increased to $10,250 for additional space rented. Total rent expense was $102,183 and $30,900 in 2014 and 2013, respectively.

Effective October 2013, the Company entered into a lease agreement with a nonrelated party for office space in Chicago on a month-to-month basis at $1,050 per month plus fees for use of phones, common space, and certain office equipment. In 2014, monthly rent was $1,750 plus fees for January - August. In September 2014, monthly rent increased to $4,410 for additional space rented. Total rent expense was $34,085 and $4,020 in 2014 and 2013, respectively.

Effective April 2014, in connection with the ADC acquisition, the Company entered into a lease agreement with a non-related party for office space in Los Angeles through March 2017. The agreement requires monthly base payments of $8,463, increasing annually. Total rent expense was $83,187 in 2014.

14. Related Party Transactions

Service Agreement

The Company has an agreement with Gage Marketing Group, LLC to pay them 50% of its gross channel marketing revenue for licensing, client support and professional services and 97.5% for certain media and listed services. Total amounts paid to Gage Marketing Group, LLC under this agreement were $8,199,645 and $10,970,843 for the years ended December 31, 2014 and 2013, respectively.

Employment Agreements

The Company has various employment agreements with several members of management. The agreements include profit sharing and/or bonus arrangements, liquidation event bonuses, and other provisions.

15. Concentrations

One customer accounted for 24% and 47% of the Company's consolidated revenue as of December 31, 2014 and 2013, respectively.

The same customer accounted for 49% of accounts receivable for the year ended December 31, 2013.

16. Supplementary Disclosures of Cash Flow Information

Additional cash flow information consisted of the following:

Year Ended December 31	2014	2013
Cash paid for interest	$ 11,182	$ 10,611
Noncash investing and financing activities:		
Units issued as a result of acquisitions	3,117,638	-

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

17. Subsequent Events

Management has evaluated subsequent events through March 13, 2015, the date at which the consolidated financial statements were available to be issued.

During the period January 1, 2015 through March 13, 2015, the Company issued an additional 452,000 units under the employee option plan at an exercise price of $.30 per unit. In addition, 158,500 units were forfeited during this period.

MINDTREE LIMITED ★ BENGALURU ★

ANNEXURE E2

Magnet 360, LLC
and Subsidiaries

Consolidated Financial Statements

December 31, 2015 and 2014

For Mindtree Limited

Company Secretary

MINDTREE LIMITED ★ BENGALURU ★

Magnet 360, LLC and Subsidiaries

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Independent Auditor's Report

The Members
Magnet 360, LLC and Subsidiaries
Minneapolis, Minnesota

We have audited the accompanying consolidated financial statements of Magnet 360, LLC and Subsidiaries which comprise the consolidated balance sheets as of December 31, 2015 and 2014, and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Magnet 360, LLC and Subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Lurie, LLP
Lurie, LLP
Minneapolis, Minnesota

April 8, 2016

Magnet 360, LLC and Subsidiaries

Consolidated Balance Sheets

December 31	2015	2014
ASSETS		
Current Assets		
Cash	$ 83,607	$ 22,743
Accounts receivable, net of allowance for doubtful accounts of approximately $47,000 and $25,000	4,603,683	5,703,577
Prepaid expenses and other assets	398,799	728,077
Member contributions receivable - transaction costs	3,608,157	-
Unbilled receivables	690,908	216,292
Current maturities of other receivables	348,911	24,650
Total Current Assets	9,734,065	6,695,339
Property and Equipment	708,032	797,396
Other Receivables - less current maturities	-	288,556
Goodwill	6,955,863	6,955,863
Intangible Assets	-	686,980
Total Assets	$ 17,397,960	$ 15,424,134
LIABILITIES AND EQUITY		
Current Liabilities		
Line of credit	$ -	$ 600,000
Accounts payable and accrued liabilities	992,945	831,398
Accrued transaction costs - current portion	3,689,232	-
Accounts payable - related parties	-	30,471
Due to Gage Group, LLC	11,462	19,334
Deferred revenue	1,372,480	2,186,439
Total Current Liabilities	6,066,119	3,667,642
Accrued Transaction Costs, net of current portion	1,126,162	-
Total Liabilities	7,192,281	3,667,642
Members' Equity	10,205,679	11,756,492
Total Liabilities and Equity	$ 17,397,960	$ 15,424,134

See notes to consolidated financial statements.

Magnet 360, LLC and Subsidiaries

Consolidated Statements of Operations

Years Ended December 31	2015	2014
Revenue	$ 25,078,815	$ 26,599,676
Direct Costs	13,197,102	16,745,298
Gross Profit	11,881,713	9,854,378
Operating Expenses	12,015,759	10,105,589
Loss from Operations	(134,046)	(251,211)
Other Expense		
Other expense	(22,011)	(148)
Debt forgiveness	(49,055)	(24,650)
Interest expense	(1,067)	(11,182)
Transaction costs	(4,926,059)	-
Total Other Expense	(4,998,192)	(35,980)
Net Loss	$ (5,132,238)	$ (287,191)

MINDTREE LIMITED ★ BENGALURU ★

See notes to consolidated financial statements.

Magnet 360, LLC and Subsidiaries

Consolidated Statements of Members' Equity

	Members' Equity
Balance, December 31, 2013	$ 8,926,045
Acquisition of ADC	1,617,638
Acquisition of Irgonomics	1,500,000
Net loss	(287,191)
Balance, December 31, 2014	11,756,492
Redemption of units	**(15,000)**
Member contributions - transaction costs	**3,608,157**
Member distributions	**(11,732)**
Net loss	**(5,132,238)**
Balance, December 31, 2015	**$ 10,205,679**

MINDTREE LIMITED ★ BENGALURU ★

See notes to consolidated financial statements.

Magnet 360, LLC and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended December 31	2015	2014
Operating Activities		
Net loss	$ (5,132,238)	$ (287,191)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:		
Depreciation	301,044	242,009
Amortization	383,400	749,107
Impairment of intangible assets	303,580	-
Transaction costs	4,734,319	-
Loss on disposal of property and equipment	23,605	1,671
Interest added to notes receivable	(1,592)	(1,106)
Debt forgiveness	49,055	24,650
Changes in operating assets and liabilities:		
Accounts receivable	1,099,894	(340,076)
Unbilled receivables	(474,613)	1,964
Prepaid expenses and other assets	329,278	(287,928)
Accounts payable and accrued liabilities	242,619	(434,538)
Accounts payable - related parties	(30,471)	(33,699)
Due to - Gage Group, LLC	(7,872)	(2,176,079)
Deferred revenue	(813,959)	1,292,184
Net Cash Provided (Used) by Operating Activities	1,006,049	(1,249,032)
Investing Activities		
Purchases of property and equipment	(236,435)	(426,094)
Proceeds from sale of property and equipment	1,150	-
Escrow receivable	-	270,036
Payments received on notes receivable	-	26,128
Acquisition of Irgonomics and ADC, net of cash acquired	-	(526,875)
Net Cash Used by Investing Activities	(235,285)	(656,805)
Financing Activities		
Proceeds on line of credit	800,000	1,300,000
Payments on line of credit	(1,400,000)	(700,000)
Issuance of notes receivable	(83,168)	(264,000)
Member distributions	(11,732)	-
Redemption of units	(15,000)	-
Net Cash Provided (Used) by Financing Activities	(709,900)	336,000
Net Increase (Decrease) in Cash	60,864	(1,569,837)
Cash		
Beginning of year	22,743	1,592,580
End of year	$ 83,607	$ 22,743

See notes to consolidated financial statements.

MINDTREE LIMITED ★ BENGALURU ★

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

1. Nature of Business and Summary of Significant Accounting Policies

Nature of Business

Magnet 360, LLC (Magnet 360) was organized in Minnesota on March 25, 2008. The Company is a marketing and technology services consultancy focused on delivering marketing solutions based on Saleforce.com technology.

Principles of Consolidation/Accounting for Investments in Affiliated Entities

The accompanying consolidated financial statements include the accounts of Magnet 360 and its wholly owned affiliates Reside, Inc. and M360 Investments (including its wholly owned subsidiary Numerical Truth) (collectively, the Company). All significant intercompany balances and transactions have been eliminated in consolidation.

Unit Purchase Transaction

In January 2016, the Members of the Company entered into an agreement to sell all Company units in a purchase transaction. Upon the closing of the transaction, the Company became wholly owned by the purchaser. As this transaction constitutes a change of control as defined by the employee option purchase plan (Note 10) and certain employment agreements (Note 12) the Company recorded approximately $4.7 million of employee related expense for the year ended December 31, 2015 and a contribution receivable from the selling members for the funding of employee related expenses of approximately $3.6 million at December 31, 2015. In addition, the selling members assumed approximately $1.8 million of transaction costs which therefore were not recorded by the Company.

The following is a summary of transaction costs for the year ended December 31, 2015:

Description	Amount
Transaction fees and other	$ 191,740
Employee option plan - closing*	1,851,572
Change in control compensation and severance - closing*	1,756,585
Employee option plan - earnout	1,126,162
Total	$ 4,926,059

* Funded by member contribution.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that may affect certain reported amounts and disclosures in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Significant estimates include the allowance for doubtful accounts receivable, purchase price allocations, useful lives and carrying value of goodwill and intangible assets, the value of units issued for acquisitions, and the contingent Employee Option Plan obligation. The estimates could differ significantly under different assumptions or conditions, and it is at least reasonably possible that the estimates used will change within the near term.

MINDTREE LIMITED * BENGALURU *

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

1. Nature of Business and Summary of Significant Accounting Policies (continued)

Revenue Recognition

Revenue is earned by the Company through the delivery of technical consulting services to its clients. Revenue is recognized based on time and materials provided to clients. The Company also provides media services. Revenue on media services is recognized upon delivery to the client.

Deferred Revenue

Deferred revenue consists primarily of services and licensing fees billed in advance.

Credit Risk

The Company maintains cash balances which at times may exceed the Federal Deposit Insurance Corporation limit. The Company has not experienced any losses in such accounts, and management believes the Company is not exposed to any significant credit risk on cash.

Accounts Receivable

Management reviews individual accounts as they become past due to determine collectability. The allowance for doubtful accounts is adjusted periodically based on management's consideration of past due accounts. Individual accounts are charged against the allowance when collection efforts have been exhausted.

Unbilled Receivables

The Company recognizes fee revenue as hours are worked on behalf of its clients. Unbilled receivables include the cost and expected profit on work completed but not billed. Management reviews unbilled receivables monthly to determine collectability.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Property and equipment acquisitions which exceed $500 and have an estimated useful life of one year or more are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of generally three to five years. Leasehold improvements are amortized over the lesser of the useful lives of the assets or the lease term.

Intangible Assets

Intangible assets are recorded at cost and are amortized over their estimated useful lives. The Company periodically reviews intangible assets for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Goodwill

Goodwill is not amortized, but is tested for impairment annually. Management determined there was no impairment in 2015 or 2014.

1. Nature of Business and Summary of Significant Accounting Policies (continued)

Deferred Rent

Certain leases contain escalating rent terms. The Company recognized rent expense on a straight-line basis. Deferred rent represents the difference between straight-line rent and contractual payments.

Marketing

Marketing costs are expensed when incurred. Total marketing expense was $257,759 and $212,718 in 2015 and 2014, respectively.

Income Taxes

Profits and losses at the Company are reported on the income tax returns of the members. Accordingly, no provision for income taxes is recorded by the Company.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Company and has concluded that as of December 31, 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the consolidated financial statements. The Company is subject to routine audits by taxing jurisdictions. The Internal Revenue Service conducted an examination of the Company's federal income tax return for tax year 2012 without any adjustment to the tax return. Management believes the Company is no longer subject to income tax examinations for years prior to 2012.

2. Acquisitions

American Data Company (ADC)

In April 2014, the Company acquired certain assets and liabilities of American Data Company (ADC) for $1,927,638. The purchase included the issuance of 294,116 Class B units valued at $5.50 per unit ($1,617,638) and $310,000 cash.

Under the purchase agreement, the Company has held back 61,528 units as security for representations made by ADC and any final working capital adjustment. The holdback period is for 18 months following the closing. In addition, 48,000 units are pledged for the $264,000 note receivable (see Note 3). The previous owner was granted anti-dilution protection through the issuance of additional Class B units as defined in the agreement.

MINDTREE LIMITED * BENGALURU *

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

2. Acquisitions (continued)

The fair value of ADC was as follows:

Description	Amount
Cash	$ 70,919
Receivables	372,608
Prepaid expenses and other current assets	69,597
Employment agreement	380,000
Customer relationships	230,000
Goodwill	1,449,639
Total assets acquired	2,572,763
Accounts payable and other current liabilities assumed	(645,125)
Net Assets Acquired	$ 1,927,638

Irgonomics

In January 2014, the Company acquired certain assets of Irgonomics for $1,787,974. The purchase price included the issuance of 272,728 Class B units valued at $5.50 per unit ($1,500,000) and $287,794 cash.

Under the purchase agreement, the Company has held back 132,728 units as security for representations made by Irgonomics and any final working capital adjustment. The holdback period is for 18 months following the closing.

The fair value of Irgonomics was as follows:

Description	Amount
Receivables	$ 325,000
Employment agreement	360,000
Customer relationships	130,000
Goodwill	972,794
Total Assets Acquired	$ 1,787,794

The above acquisitions were made for the purpose of business expansion.

MINDTREE LIMITED ★ BENGALURU ★

S.L

Magnet 360, LLC and Subsidiaries

3. Members' Equity and Stock Subscription Receivable

As of December 31, 2015 and 2014, the Company had Class A voting units and Class B nonvoting units. Although the Class B units will not permit their holders to vote in Company matters, the Member Control Agreement does require the Company to obtain the consent of certain holders of Class B units prior to engaging in certain strategic transactions. The Class B units have priority rights to non-tax related distributions over Class A units until such time as the Class B members shall have received distributions equal to the total capital contributions relating to their Class B units. Distributions to the Class A holders will be made in accordance with the particular series of Class A units held, with the holders of Class A-2 units receiving priority over the holders of Class A-1 units. The different series of Class A units exists solely to prioritize the rights of the holders of such units to receive non-tax related distributions after the return of Class B capital. Certain of the investor agreements contain anti-dilution protection provisions, generally for a period of 6 - 18 months, that require additional units to be issued to the investor in the event units are subsequently offered at a lower price. The following is a summary of units as of December 31, 2015 and 2014:

	Class A-1 Units	Class A-2 Units	Class B Units	Total
Balance, December 31, 2013	2,968,633	2,000,000	1,472,613	6,441,246
Acquisition of ADC	-	-	294,116	294,116
Acquisition of Irgonomics	-	-	272,728	272,728
Balance, December 31, 2014	2,968,633	2,000,000	2,039,457	7,008,090
Redemption of units	-	-	(5,338)	(5,338)
Balance, December 31, 2015	2,968,633	2,000,000	2,034,119	7,002,752

Additional Investors

In April 2014, the Company issued an additional 294,116 Class B units at $5.50 as part of the acquisition of ADC.

In January 2014, the Company issued an additional 272,728 Class B units at $5.50 as part of the acquisition of Irgonomics.

4. Other Receivables

Other receivables consisted of the following:

December 31, 2015	Current	Long-Term	Total
Note receivable - employees	$ 83,645	$ -	$ 83,645
Note receivable - ADC	265,266	-	265,266
Other Receivables	$ 348,911	$ -	$ 348,911

MINDTREE LIMITED * BENGALURU *

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

4. Other Receivables (continued)

December 31, 2014	Current	Long-Term	Total
Note receivable - employee	$ 24,650	$ 24,029	$ 48,679
Note receivable - ADC	-	264,527	264,527
Other Receivables	$ 24,650	$ 288,556	$ 313,206

In April 2015, Magnet 360 entered into a promissory note with an executive employee and shareholder for $71,850 plus interest at 0.85%. Principal and interest were due on the earlier of a change in control, as defined, or April 15, 2018. In January 2016, upon the change of control the employee repaid the note and accrued interest.

In December 2015, Magnet 360 entered into a promissory note with an executive employee and shareholder for $11,318 plus interest at 0.95%. Principal and interest were due on the earlier of a change in control, as defined, or April 15, 2017. The loan was secured by 2,058 pledged units at a unit price of $5.50. As permitted, Magnet 360 redeemed the pledged units in connection with the change in control in January 2016, and the employee pledged the units back to Magnet 360 to repay the loan at a per unit price of $5.50.

In October 2012, Magnet 360 entered into a promissory note agreement with an employee for $96,485 plus interest at .84%. The note was a loan to an employee, the proceeds of which were used to purchase shares of common stock in Reside. Contingent upon employment, the note was to be forgiven at 25% of the outstanding principal and interest accrued each year until 100% has been forgiven. In 2015, the Company forgave the remaining balance on the note of $49,055.

Note Receivable - ADC

In April 2014, Magnet 360 entered into a promissory note agreement, as amended, with ADC for $264,000 plus interest at 0.28%. Principal and interest were due on the earlier of a change in control, as defined, or April 15, 2017. The loan was secured by 48,000 pledged units at a unit price of $5.50. As permitted, Magnet 360 redeemed the pledged units in connection with the change in control in January 2016, and ADC pledged the units back to Magnet 360 to repay the loan at a per unit price of $5.50.

5. Property and Equipment

Property and equipment consisted of the following:

December 31	2015	2014
Computers and office equipment	**$ 648,694**	$ 513,076
Software	**136,754**	135,594
Furniture and fixtures	**317,118**	278,434
Leasehold improvements	**388,022**	368,875
Total cost	**1,490,588**	1,295,979
Less accumulated depreciation	**782,556**	498,583
Property and Equipment	**$ 708,032**	$ 797,396

6. Investments

enStratus Network, LLC

In May 2013, Magnet 360 sold its ownership interest and recorded a gain on the sale of $1,177,001, which represented the proceeds in excess of their cost. Magnet received $922,965 in cash and the remaining $270,036 is in an escrow receivable account at December 31, 2013. The balance of $270,036 plus interest was received in December 2014.

7. Intangible Assets

Other intangible assets are stated at their cost less accumulated amortization computed on the straight-line basis except for certain customer lists that are amortized on an accelerated method and consist of the following:

December 31, 2015	Estimated Useful Life	Cost	Accumulated Amortization	Net
Trademark	5 years	$ 16,085	$ 16,085	$ -
Website domain	5 years	11,693	11,693	-
Customer lists/relationships	3 - 5 years	1,676,699	1,676,699	-
Employment agreements	2 - 3 years	740,000	740,000	-
Total		$ 2,444,477	$ 2,444,477	$ -

December 31, 2014	Estimated Useful Life	Cost	Accumulated Amortization	Net
Trademark	5 years	$ 16,085	$ 16,085	$ -
Website domain	5 years	11,693	11,693	-
Customer lists/relationships	3 - 5 years	1,676,699	1,495,719	180,980
Employment agreements	2 - 3 years	740,000	234,000	506,000
Total		$2,444,477	$ 1,757,497	$ 686,980

In 2015 management determined that the intangible assets were impaired and recorded an impairment loss of $303,580.

8. Bank Line of Credit

In September 2013, the Company obtained a $1,500,000 line of credit, subject to a borrowing base, maturing September 2015. The line of credit was extended to September 2016. The line of credit bears monthly interest at the greater of prime (3.50% and 3.25% at December 31, 2015 and 2014) plus 0.75% with a minimum rate of 4.50%. Borrowings are collateralized by substantially all Company assets, and are subject to certain financial requirements. The balance outstanding on the line of credit was $0 and $600,000 at December 31, 2015 and 2014, respectively.

MINDTREE LIMITED ★ BENGALURU ★

Magnet 360, LLC and Subsidiaries

Notes to Consolidated Financial Statements

9. Retirement Plan

The Company sponsors a 401(k) profit sharing plan for employees who are 18 years of age and have met certain other eligibility requirements. The Plan allows an employee to contribute up to the limitation established by the Internal Revenue Service. The Company may make discretionary matching and other voluntary contributions to the Plan, as determined annually. The Company made matching contributions of approximately $247,800 and $189,000 for the years ended December 31, 2015 and 2014, respectively.

10. Employee Option Plan

On November 23, 2010, the Company adopted the Magnet 360 Employee Option Plan. The Plan has reserved 9,120,000 employee units for issuance pursuant to the Plan. The Board has approved the grant of options up to 3,940,000 at an exercise price of $.30 per unit. As of December 31, 2015, there are 1,119,250 units available for issuance. The term of each option shall not exceed ten years from the date of the grant. The options vest over three years, or immediately upon a change in control, as defined. The options are forfeited ninety days after termination of employment.

During 2013, the Company issued 2,000,000 options at an exercise price of $.30 per unit to a consultant. Upon an exit event, as defined, the Company is required to pay the consultant a contingent bonus of the lesser of $600,000 or the current value of these options. In the event the consulting service agreement with the Company is terminated for any reason, the consultant has agreed to provide services to the Company under a retainer agreement. These options were forfeited in 2014 due to the Irgonomics acquisition.

In 2015, the Company determined that employee options granted from 2010 through 2014 were issued with a strike price higher than the fair market value of the units subject to the option at the date of grant. In order to correct this, the Company committed to provide supplemental cash payments to the affected employees upon exercise of the options. The total cost of the change in exercise price was approximately $1.3 million and was paid upon exercise of the options as a result of the change in control.

The vested portion of options is exercisable only upon a change in control, as defined. The majority of the options, approximately 7,872,000 at December 31, 2015, provide that employees receive compensation from the Company for their prorated share from the change of control transaction as if they held the units from exercise; however, under the terms of the agreement, employees do not actually receive units or obtain any other member rights. Prior to December 31, 2015, the Company had not recorded compensation expense related to the employee unit option plan due to uncertainty that a change in control would occur. As a result of the Unit Purchase Transaction, completed in January 2016, this uncertainty no longer remained. The Company recorded employee option plan expense of $2,977,734 for the year ended December 31, 2015 for the estimated amount to be paid to employees. Of this amount, $1,851,572 was paid to employees upon closing in January 2016. The balance of $1,216,162 is to be paid in 2017 and 2018, and was estimated assuming all relative performance measures will be met based on an earnout formula specified in the Unit Purchase Transaction. The Company's selling members agreed that their proceeds from the Unit Purchase Transaction would be reduced to pay the portion attributable to the employee stock option plan and certain other change in control expenses at closing; the Company recorded a member contribution receivable at December 31, 2015 for such amount.

MINDTREE LIMITED BENGALURU S.L.

10. Employee Option Plan (continued)

Unit option changes were as follows:

Description	Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)
Outstanding, December 31, 2014	7,151,250	$ 0.30	7.98
Granted	1,415,000	0.30	-
Forfeited, including 160,615 vested units	(565,500)	0.30	-
Outstanding, December 31, 2015	8,000,750	0.30	7.45
Vested at December 31, 2015	5,829,664	$ 0.30	6.74

Nonvested unit option changes during 2015 were as follows:

Description	Options
Nonvested - December 31, 2014	2,571,907
Granted	1,415,000
Forfeited	(404,885)
Vested	(1,410,936)
Nonvested - December 31, 2015	2,171,086

11. Operating Leases

In January 2011, the Company entered into a sublease agreement with a nonrelated party through December 2015. Effective December 1, 2013, the sublease agreement was amended due to increase in the office space leased and extended through November 2018. The renewed lease requires monthly base payments of $39,408, increasing 2.5% annually. Total rent expense was $497,136 and $499,156 in 2015 and 2014, respectively.

Effective April 2014, in connection with the ADC acquisition, the Company entered into a lease agreement with a non-related party for office space in Los Angeles through March 2017. The agreement requires monthly base payments of $8,463, increasing annually. Total rent expense was $99,733 and $83,187 in 2015 and 2014, respectively.

The Company has recorded a deferred rent liability in relation to these leases of approximately $36,700 and $25,300 as of December 31, 2015 and 2014, respectively.

MINDTREE LIMITED * BENGALURU *

11. Operating Leases (continued)

Future minimum rents under these lease agreements are as follows:

Year	Total
2016	$ 635,000
2017	545,000
2018	479,000
Total	$ 1,659,000

Effective May 2011, the Company entered into a lease agreement with a nonrelated party for office space in New York on a month-to-month basis for use of phones, common space, and certain office equipment. In 2014, monthly rent was $4,500 for January through July. In August 2014, monthly rent increased to $10,250 for additional space rented. Total rent expense was $123,000 and $102,183 in 2015 and 2014, respectively.

Effective October 2013, the Company entered into a lease agreement with a nonrelated party for office space in Chicago on a month-to-month basis at $1,050 per month plus fees for use of phones, common space, and certain office equipment. In 2014, monthly rent was $1,750 plus fees for January - August. In September 2014, monthly rent increased to $4,410 for additional space rented. In 2015, the monthly rent increased to $8,945 for additional space rented. Total rent expense was $76,700 and $34,085 in 2015 and 2014, respectively.

In September 2015, the Company entered into a lease agreement for an apartment in Los Angeles for $6,500 per month plus utilities, expiring in September 2016.

12. Related Party Transactions

Service Agreement

The Company has an agreement with Gage Marketing Group, LLC to pay them 50% of its gross channel marketing revenue for licensing, client support and professional services and 97.5% for certain media and listed services. Total amounts paid to Gage Marketing Group, LLC under this agreement were $264,043 and $8,199,645 for the years ended December 31, 2015 and 2014, respectively.

Employment Agreements

The Company has various employment agreements with several members of management. The agreements include profit sharing and/or bonus arrangements, liquidation event bonuses, and other provisions. As a result of the Unit Purchase Transaction completed in January 2016, the Company recorded an accrual as of December 31, 2015 for approximately $750,000 in severance and $71,000 in benefits related to these agreements.

13. Concentrations

One customer accounted for 12% of the Company's consolidated accounts receivable balance at December 31, 2015.

One customer accounted for 24% of the Company's consolidated revenue as of December 31, 2014.

14. Supplementary Disclosures of Cash Flow Information

Additional cash flow information consisted of the following:

Year Ended December 31	2015	2014
Cash paid for interest	$ **1,067**	$ 11,182
Noncash investing and financing activities:		
Units issued as a result of acquisitions	-	3,117,638
Transaction costs funded by member contributions	**3,608,157**	-

15. Subsequent Events

Management has evaluated subsequent events through April 8, 2016, the date at which the consolidated financial statements were available to be issued.

For Mindtree Limited

Company Secretary

MINDTREE LIMITED BENGALURU

ANNEXURE B2

Magnet 360, LLC
Consolidated balance sheet

	Note	As at March 31, 2016
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	3.1.1	968,861,718
Reserves and surplus	3.1.2	(326,706,902)
		642,154,816
Current liabilities		
Short-term borrowings	3.2.1	14,907,375
Trade payables		
Payable to micro and small enterprises (Refer note 3.10)		-
Others		24,371,697
Other current liabilities	3.2.2	243,394,229
		282,673,301
		924,828,117
ASSETS		
Non-current assets		
Goodwill on consolidation		460,860,681
Fixed assets		
Tangible assets	3.3.1	39,436,733
Intangible assets	3.3.1	3,315,572
Capital work-in-progress		-
		503,612,986
Current assets		
Trade receivables	3.4.1	321,061,764
Cash and bank balances	3.4.2	19,144,777
Short-term loans and advances	3.4.3	45,489,153
Other current assets	3.4.4	35,519,437
		421,215,131
		924,828,117
Significant accounting policies and notes to the accounts	2 & 3	-

The notes referred to above form an integral part of the consolidated financial statements

CERTIFIED TRUE COPY
For Mindtree Limited
Company Secretary

For Magnet 360, LLC

Parthasarathy N S
Director

Radha R
Director

Place: Bengaluru
Date : April 18, 2016

MINDTREE LIMITED ★ BENGALURU ★

Magnet 360, LLC
Consolidated statement of profit and loss

Particulars	Note	For the period 'January 19, 2015 to March 31, 2016
Revenue from operations		428,005,830
Other income	3.5	8,233
Total revenues		**428,014,063**
Expense:		
Employee benefits expense	3.6	343,053,994
Finance costs	3.6	7,442
Depreciation and amortisation expense	3.3.1	5,072,996
Other expenses	3.6	95,747,891
Total expenses		443,882,323
Profit before tax		(15,868,260)
Tax expense:		
Current tax		139,695
Deferred tax		-
Profit for the period		(16,007,955)
Significant accounting policies and notes to the accounts	2 & 3	

The notes referred to above form an integral part of the consolidated financial statements

For Magnet 360, LLC

Parthasarathy N S
Director

Radha R
Director

Place: Bengaluru
Date : April 18, 2016

CERTIFIED TRUE COPY
For Mindtree Limited
Company Secretary

MINDTREE LIMITED ★ BENGALURU ★

Magnet 360, LLC
Consolidated cash flow statement

	For the period 'January 19, 2015 to 31-Mar-16
Cash flow from operating activities	
Profit before tax	(16,007,955)
Adjustments for :	
Depreciation and amortisation expense	5,209,742
Finance costs	7,442
Loss on sale of fixed assets	27,068
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(602,081)
Operating profit before working capital changes	(11,365,784)
Changes in trade receivables	(16,503,717)
Changes in loans and advances and other assets	3,237,547
Changes in liabilities and provisions	(219,456,523)
Net cash provided by operating activities before taxes	(244,088,478)
Income taxes paid	-
Net cash provided by operating activities	**(244,088,478)**
Cash flow from investing activities	
Purchase of fixed assets	(1,057,010)
Proceeds from sale of fixed assets	54,329
Investment in subsidiaries	238,697,644
Net cash used in investing activities	**237,694,963**
Cash flow from financing activities	
Finance costs	(7,442)
Proceeds from short-term loans	14,907,375
Net cash used in financing activities	**14,899,933**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	602,081
Net (decrease)/ increase in cash and cash equivalents	9,108,499
Opening cash balance in Magnet 360 L.L.C	10,036,278
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year (Refer note 3.4.2)	**19,144,777**

The notes referred to above form an integral part of the consolidated financial statements

For Magnet 360, LLC

Parthasarathy N S
Director

Radha R
Director

Place: Bengaluru
Date : April 18, 2016

MINDTREE LIMITED BENGALURU

Magnet 360, LLC
Significant accounting policies and notes to the accounts
For the three months period ended March 31, 2016

1. Background

Magnet 360 (the "Company"), an Minnesota based Company, was founded in 2008. Mindtree Limited acquired the 100% holding of this entity from the promoters of the Company. The Company offers marketing and technology services consultancy focused on delivering marketing solutions based on Saleforce.com technology. The Company has three fully owned subsidiaries, Reside LLC, M360 Investments, LLC and Numerical Truth, LLC (The Company and its subsidiaries together called "the Group").

2. Significant accounting policies

2.1 Basis of preparation of consolidated financial statements

These consolidated financial statements are prepared solely for the purpose of consolidation with Mindtree Limited and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis and for the period January 19, 2016 (nearest practicable date to the date of acquisition) to March 31, 2016.

2.2 Principles of consolidation

The financial statements of Magnet 360 LLC and its wholly owned and controlled subsidiary has been combined on a line-by-line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating all inter-company balances/ transactions and the resultant unrealized gain/loss from the date the parent company acquired control of those subsidiaries.

The consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances.

2.3 Use of estimates

The preparation of consolidated financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in future periods.

MINDTREE LIMITED ★ BENGALURU ★

2.4 Fixed assets and depreciation

2.4.1 Fixed assets are carried at cost of acquisition (including directly attributable costs such as freight, installation, etc.) or construction less accumulated depreciation. Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

2.4.2 Acquired intangible assets are capitalised at the acquisition price. Internally generated intangible assets are recorded at cost that can be measured reliably during the development phase and when it is probable that future economic benefits that are attributable to the assets will flow to the Group.

2.4.3 Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.4.4 Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under capital advances. The cost of the fixed asset not ready for its intended use on such date, is disclosed under capital work-in-progress.

2.4.5 Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Assets classification	Useful life
Computer systems	3 years
Computer software	3 years
Furniture and fixtures	7 years
Office equipment	5 years

The Group believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary.

2.4.6 The cost of leasehold land is amortised over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortised over the lease term or useful life, whichever is lower.

2.5 Investments

2.5.1 Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

2.5.2 Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is carried out separately in respect of each investment.

2.5.3 Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment.

2.6 Cash and cash equivalents

Cash and cash equivalents in the consolidated cash flow statement comprises cash-in-hand and balance in bank in current accounts and deposit accounts that are highly liquid and are readily convertible to known amount of cash.

MINDTREE LIMITED * BENGALURU *

S.L

2.7 Consolidated cash flow statement

Cash flows are reported using the indirect method, whereby consolidated net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the group are segregated.

2.8 Employee benefits

2.8.1 Contributions payable to the Providend and other plans, which are a defined contribution scheme, are charged to the statement of profit and loss in the period in which the employee renders services.

2.9 Revenue recognition

2.9.1 Revenue is earned by the Company through the delivery of technical consulting services to its clients. Revenue from technical consulting services on time-and-material basis is recognised as the related services are rendered. Revenue from media services is recognized upon delivery to the client.

2.9.2 Provision for discounts is recognised on an accrual basis in accordance with contractual terms of agreements with customers. Revenues are stated net of volume discount.

2.9.3 Dividend income is recognised when the right to receive payment is established.

2.9.4 Interest income is recognised using the time proportion method, based on the transactional interest rates.

2.10 Foreign exchange transactions

2.10.1 Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the consolidated statement of profit and loss for the period.

2.10.2 Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the consolidated statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

2.10.3 In respect of integral operations, monetary assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. Non-monetary items are translated at the historical rate. The items in the consolidated statement of profit and loss are translated at the rates prevailing on the dates of the respective transactions. The differences arising out of the translation are recognised in the consolidated statement of profit and loss.

2.10.4 In respect of non-integral operations, assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the consolidated statement of profit and loss are translated at the average exchange rate during the period. The differences arising out of the translation are transferred to foreign currency translation reserve.

MINDTREE LIMITED * BENGALURU *

2.11 Warranties

Warranty costs (i.e. post contract support services) are estimated by the management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the period of recognition of revenue.

2.12 Provision and contingent liabilities

The Group creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2.13 Taxation

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Group. Deferred tax charge or credit are recognised for the future tax consequences attributable to timing difference that result between the profit offered for income taxes and the profit as per the financial statements. Deferred tax in respect of timing difference which originate during the tax holiday period but reverse after the tax holiday period is recognised in the period in which the timing difference originate. For this purpose the timing differences which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain to be realised.

The entities within the Group offset, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

MINDTREE LIMITED * BENGALURU *

2.14 Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the consolidated statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised. In respect of goodwill, impairment loss will be reversed only when it is caused by specific external events and their effects have been reversed by subsequent external events.

2.15 Goodwill

Goodwill arising on consolidation/ acquisition of assets is not amortised. It is tested for impairment on a periodic basis and written off to the extent of impairment, if any.

Magnet 360, LLC
Significant accounting policies and notes to the accounts
For the three months period ended March 31, 2016

3.3 Non-current assets

3.3.1 Fixed assets

Assets	Gross block					Accumulated depreciation					Net book value
	As at January 19, 2016	Additions during the year	Translation adjustment	Deletions during the year	As at March 31, 2016	As at January 19, 2016	For the year	Translation adjustment	Deletions during the year	As at March 31, 2016	As at March 31, 2016
Tangible assets											
Leasehold improvements	25,669,617	55,083	38,803	-	25,763,503	13,113,678	1,240,555	(1,157)	-	14,353,076	11,410,427
Computer systems	38,074,292	694,215	39,442	108,277	38,699,670	24,153,777	2,115,136	(164)	26,881	26,241,868	12,457,802
Furniture and fixtures	20,978,983	180,846	27,630	-	21,187,459	7,617,115	752,279	(1,891)	-	8,367,503	12,819,956
Office equipment	4,840,062	-	7,317	-	4,847,379	1,852,809	247,679	(1,661)	-	2,098,827	2,748,552
Total (A)	89,562,953	930,141	113,193	108,277	90,498,011	46,737,379	4,355,649	(4,872)	26,881	51,061,275	39,436,736
Intangible assets											
Computer Software	9,046,947	-	13,676	-	9,060,623	5,032,712	717,347	(5,005)	-	5,745,054	3,315,569
Total (B)	9,046,947	-	13,676	-	9,060,623	5,032,712	717,347	(5,005)	-	5,745,054	3,315,569
Total (A+B)	98,609,900	930,141	126,869	108,277	99,558,634	51,770,091	5,072,996	(9,878)	26,881	56,806,328	42,752,305

MINDTREE LIMITED ★ BENGALURU ★

Magnet 360, LLC
Significant accounting policies and notes to the accounts
For the three months period ended March 31, 2016

3.7 Segment Reporting

The Company is engaged in providing the marketing and technology services and is considered to constitute a single segment in the context of primary segment reporting as prescribed by Accounting Standard 17 - "Segment Reporting".

The secondary segment is identified to geographical locations. The Company provides services in following geography only.

Particulars	For the period January 19, 2016 to March 31, 2016
America	428,005,830

3.8 Related party transactions

Name of related party	Nature of relationship
Mindtree Limited	Holding Company
Mindtree Software (Shanghai) Co., Ltd.	Fellow subsidiary
Discoverture Solutions L.L.C.	Fellow subsidiary with effect from February 13, 2015
Discoverture Solutions U.L.C.*	Fellow subsidiary with effect from February 13, 2015
Discoverture Solutions Europe Limited**	Fellow subsidiary with effect from February 13, 2015
Bluefin Solutions Limited	Fellow subsidiary with effect from July 16, 2015
Bluefin Solutions Inc.	Fellow subsidiary with effect from July 16, 2015
Bluefin Solutions Sdn Bhd	Fellow subsidiary with effect from July 16, 2015
Blouvin (Pty) Limited	Fellow subsidiary with effect from July 16, 2015
Bluefin Solutions Pte Ltd	Fellow subsidiary with effect from July 16, 2015
Relational Solutions, Inc	Fellow subsidiary with effect from July 16, 2015

*Dissolved with effect from November 19, 2015.
**Application for dissolution filed on March 24, 2016.

Key Managerial Personnel:

Name	Designation
Matt Meents	CEO
Doug Andersen	Chief operating officer
Gabby Matzdorff	Chief Financial Officer
Bill Galfano	Vice President of Sales - North America
Tina Sherman	Vice President and Chief Growth Officer
Josh Youman	Vice President of talent

MINDTREE LIMITED * BENGALURU *

3.9 Lease transactions

Lease rental expense under non-cancellable operating lease during the three month period ended March 31, 2016 amounted to Rs 26,736,948. Future minimum lease payments under non-cancellable operating lease are as below:

Particulars	As at March 31, 2016
Payable -- Not later than one year	43,751,679
Payable -- Later than one year and not later than five years	58,951,898
Payable -- later than five years	-

3.10 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2016 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	For the period January 19, 2016 to March 31, 2016
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting period;	Nil
The amount of interest paid by the buyer under the Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period;	Nil
The amount of interest due and payable for the three month period (where the principal has been paid but interest under the Act not paid);	Nil
The amount of interest accrued and remaining unpaid at the end of accounting period; and	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil

For Magnet 360, LLC

Parthasarathy N S
Director

Radha R
Director

MINDTREE LIMITED * BENGALURU *

Place: Bengaluru
Date : April 18, 2016

Annexure - F2

Magnet 360 LLC

		(in $)	(in $)	(in $)	(in INR)
		As per last unaudited Financial Year			As per last Audited Financial Year
		Jan 15 to Dec 2015	Jan 14 to Dec 2014	Jan 13 to Dec 2013	Jan 16 to Mar 16
Members Equity	Members Equity	10,205,679	11,756,492	8,926,045	968,861,718
Reserves and surplus	Reserves and surplus	-	-	-	(326,706,902)
Carry forward losses	Carry forward losses	-	-	-	
Net Worth	Net Worth	10,205,679	11,756,492	8,926,045	642,154,816
Miscellaneous Expenditure	Miscellaneous Expenditure	-	-	-	
Secured Loans	Secured Loans	-	-	-	
Unsecured Loans	Unsecured Loans	-	-	-	
Fixed Assets	Fixed Assets	708,032	797,396	614,982	42,752,305
Income from Operations*	Income from Operations	25,078,815	26,599,676	25,475,142	428,005,830
Total Income*	Total Income	25,078,815	26,599,676	26,652,734	428,014,063
Total Expenditure*	Total Expenditure	30,211,053	26,886,867	25,852,282	443,882,323
Profit before Tax*	Profit before Tax	(5,132,238)	(287,191)	800,452	(15,868,260)
Profit after Tax*	Profit after Tax	(5,132,238)	(287,191)	800,452	(16,007,955)
Cash profit*	Cash profit	(4,831,194)	(45,182)	939,124	(10,934,959)
EPS	EPS	NA	NA	NA	NA
Book value	Book value	NA	NA	NA	NA

* The numbers are for the period January 19, 2016 to march 31, 2016. As we had acquired the company in January, 2016

For Mindtree Limited

Company Secretary

MINDTREE LIMITED BENGALURU

ANNEXURE G

Mindtree

Welcome to possible

Registered Office Address: Mindtree Ltd.
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

August 08, 2016

The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

Dear Sirs,

Subject: Application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the proposed Scheme of Amalgamation of Magnet 360, LLC (Transferor Company) with Mindtree Limited (Transferee Company).

In connection with the above application, We undertake and confirm that the Company is in Compliance of the requirements of Regulation 27(2) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A copy of the Compliance Report is attached to as an Annexure 1.

Thanking you,
Yours sincerely,

for **Mindtree Limited**

Vedavalli S
Company Secretary

Mindtree

CORPORATE GOVERNANCE REPORT

Annexure I

1. **Name of Listed Entity:** Mindtree Limited

2. **Quarter ending** : June 30, 2016

Sr	Title (Mr / Ms)	Name of the Director	PAN/ DIN	Category 1 (Chairperson/ Executive/ Non-Executive/ Independent/ Nominee)	Date of appointment in the current term	Date of cessation	Tenure*	No of Directorship in listed entities including this listed entity	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity	Remarks
1	Mr	Krishnakumar N	AAAPK6972D 00147772	Executive Chairman	01-04-2016	30-06-2017		1	0	0	Appointed as Executive Chairman w.e.f April 01, 2016
2	Mr	Parthasarathy N S	ABLPP8001E 00146954	Executive Director	01-01-2014	31-12-2018		1	0	0	-
3	Mr	Rostow Ravanan	ACSPR0729D 00144557	CEO & Managing Director	01-04-2016	31-03-2021		1	1	0	Appointed as CEO and Managing

S.T.

											Director w.e.f April 01, 2016
4	Mr	Subroto Bagchi	ADJPB9499C 00145678	Non - Executive Director	01-04-2016	NA		2	1	0	Ceased to be Executive Chairman w.e.f April 01, 2016.
5	Mr	V G Siddhartha	ABXPS1891D 00063987	Non - Executive Director	20-01-2000	NA		2	3	0	
6	Mr	Ramesh Ramanathan	AHWPR3887M 00163276	Independent Director	22-06- 2015	31-03-2018	2 years 9 months	1	0	1	Original date of appointment was May 2, 2012. Appointed by shareholders on June 22, 2015 to hold office as Independent Director till Mar 31, 2018. This is the first term.
7	Prof	Pankaj Chandra	ABKPC9011A 00988867	Independent Director	22-06- 2015	31-03-2018	2 years 9 months	1	0	0	Original date of appointment was Mar 19, 2012. Appointed by shareholders on June 22, 2015 to hold office as Independent Director till Mar 31, 2018. This is the first term.

8	Ms	Apurva Purohit	AAIPP5125B 00190097	Independent Director	18-07-2014	31-12-2018	4 years 5 months	1	1	0	Board appointment date is Jan 01, 2014. Appointed by shareholders on July 18, 2014 to hold office as Independent Director till Dec 31, 2018. 1st Term.
9	Ms	Manisha Girotra	AAEPG5908M 00774574	Independent Director	18-07-2014	19-05-2019	4 years 10 months	2	0	0	Board appointment date is May 20, 2014. Appointed by shareholders on July 18, 2014 to hold office as Independent Director till May 19, 2019. 1st Term.
10	Dr	Albert Hieronimus	ABIPH5990D 00063759	Independent Director	18-07-2014	31-03-2017	2 years 8 months	2	2	1	Original date of appointment was Oct 24, 2006. Appointed by shareholders on July 18, 2014 to hold office as Independent Director till Mar 31, 2017. This is the first term.

$PAN number of any director would not be displayed on the website of Stock Exchange
&Category of directors means executive/non-executive/independent/Nominee. if a director fits into more than one category write all categories separating them with hyphen
* to be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the listed entity in continuity without any cooling off period.

Note 1: Where a director is a Chairman in a Committee, He is not included as the member of the Committee.

II. **Composition of Committees**

Name of Committee	*Name of Committee members*	**Category (Chairperson/Executive/Nonexecutive/independent/Nominee)$**	**Chairperson/Member**
1. Audit Committee	1.Mr. Ramesh Ramanathan 2. Dr. Albert Hieronimus 3. Ms. Apurva Purohit 4. Mr. V.G. Siddhartha	Independent Director Independent Director Independent Director Non-Executive Director	Chairperson Member Member Member
2. Nomination & Remuneration Committee	1. Ms. Apurva Purohit 2. Dr. Albert Hieronimus 3. Prof. Pankaj Chandra 4. Mr. Subroto Bagchi 5. Krishnakumar N	Independent Director Independent Director Independent Director Non-Executive Director Executive Chairman	Chairperson Member Member Member Member
3. Risk Management Committee	1. Mr. Krishnakumar N 2. Mr. Rostow Ravanan 3. Mr. Parthasarathy N S	Executive Chairman CEO & Managing Director Executive Director	Chairperson Member Member
4. Stakeholders Relationship Committee	1. Dr. Albert Hieronimus 2. Mr. Rostow Ravanan	Independent Director CEO & Managing Director	Chairperson Member

MINDTREE LIMITED ★ BENGALURU

&Category of directors means executive/non-executive/independent/Nominee. if a director fits into more than one category write all categories separating them with hyphen			

III. Meeting of Board of Directors

Date(s) of Meeting (if any) in the previous quarter	*Date(s) of Meeting (if any) in the relevant quarter*	*Maximum gap between any two consecutive (in number of days)*
January 18, 2016	***April 18, 2016***	***90 days***

IV. Meeting of Committees

Date(s) of meeting of the committee in the relevant quarter	*Whether requirement of Quorum met (details)*	*Date(s) of meeting of the committee in the previous quarter*	*Maximum gap between any two consecutive meetings in number of days**
Audit Committee – April 18, 2016	***YES.*** ***Present*** *– All members i.,e 3 Independent Directors and 1 Non-executive Director*	***January 18, 2016***	***90 days***

S.T.

S.T.

* This information has to be mandatorily be given for audit committee, for rest of the committees giving this information is optional

V. Related Party Transactions

Subject	*Compliance status (Yes/No/NA)* refer note below
Whether prior approval of audit committee obtained	*YES*
Whether shareholder approval obtained for material RPT	*NA*
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee	*NA*

Note : All the related party transactions were at arm's length and in the ordinary course of business.

1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated.

2 If status is "No" details of non-compliance may be given here.

VI. Affirmations

1. The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015. - YES
2. The composition of the following committees is in terms of SEBI(Listing obligations and disclosure requirements) Regulations, 2015 - YES
   a. Audit Committee
   b. Nomination & remuneration committee
   c. Stakeholders relationship committee
   d. Risk management committee (applicable to the top 100 listed entities) – Not applicable
3. The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015 – YES

Mindtree

4. The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015 – YES.

5. This report and/ or the report submitted in the previous quarter has been placed before Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here: NONE

Name : Vedavalli S
Designation : Company Secretary & Compliance Officer

For Mindtree Limited

Company Secretary

ANNEXURE H

Mindtree
Welcome to possible

Registered Office Address: Mindtree Ltd
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

ANNEXURE IV

Compliance report with the requirements specified in Part-A of Annexure I of SEBI circular CIR/CFD/CMD/16/2015 dated November 30, 2015

Ref: Application under Regulations 37 of SEBI (LODR) Regulations, 2015

Sub: Scheme of Amalgamation of Magnet 360, LLC (Transferor Company) with Mindtree Limited (Transferee Company)

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

Sr. No.	Requirements as per SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015	Compliance Status (Yes / No)
1	Listed companies shall choose one of the stock exchanges having nation-wide trading terminals as the designated stock exchange for the purpose of coordinating with SEBI.	NSE. YES
	Compliance as per Para I (A) (3) of Annexure I to the Circular	
2	Documents to be submitted:	
2.a 2.b	Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital, etc.	**Annexure A**
2.c	Valuation Report as per Para 1(A)(4) of Annexure-I of SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015	**Annexure B1**
2.d	Report from the Audit Committee recommending the Draft Scheme	**Annexure B2**
2.e	Fairness opinion by merchant banker	**Annexure C**
2.f	Pre and post amalgamation shareholding pattern of unlisted company	**Shareholding of Transferee Company- Annexure D1 Shareholding of Transferor Company- Annexure D2**
2.g	Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company;	**Annexure F2**
2.h	Auditor's Certificate as per Para 1(A)(5) of Annexure-I of SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015	**Annexure O**
2.i	Compliance with requirements of Regulation 17 to 27 of Listing Regulations	**Annexure G**
2.j	Complaints Report as per Annexure III of SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015	This will be submitted within 7 days of expiry of 21 days

MINDTREE LIMITED * BENGALURU *
S.K

Registered Office Address: Mindtree Ltd.
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

	Compliance as per Para I (A) (1) of Annexure I to the Circular	
3	The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under Section 391-394 of the Companies Act, 1956 or under Section 230-234 of the Companies Act, 2013	NA as no shares are allotted
4	At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity.	NA as no shares are allotted
5	The transferee entity will not issue/reissue any shares, not covered under the Draft scheme.	NA as no shares are allotted
6	As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised.	NA as no shares are allotted
7	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period.	NA as no shares are allotted

For Mindtree Limited
Company Secretary

Date: August 08, 2016
Place: Bangalore

~~Managing Director~~/ Company Secretary

MINDTREE LIMITED ★ BENGALURU ★

ANNEXURE 1

Deloitte Haskins & Sells

Chartered Accountants
Deloitte Centre
Anchorage II
100/2 Richmond Road
Bengaluru - 560 025
India

Tel : + 91 (80) 66276000
Fax: + 91 (80) 66276013

Independent Auditor's Certificate

To,
The Board of Directors,
Mindtree Limited
Global Village,
RVCE Post,
Mysore Road,
Bangalore-560059,
Karnataka, India

1. We, Deloitte Haskins & Sells, Chartered Accountants (Firm's Registration No. 008072S), the statutory auditors of Mindtree Limited ("the Company"), have been requested by the Company to certify the attached "Undertaking in relation to non-applicability of requirements prescribed in Paragraph 9 (a) of I.A. of Annexure I of the Securities Exchange Board of India (SEBI) Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 (together, the "SEBI Circular")" ("the undertaking"), which has been prepared by the Company and approved by its Board of Directors, and is duly stamped by us for identification purpose.

2. The Management of the Company is responsible for preparation of the undertaking and the maintenance of proper books of account and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant to preparation of the undertaking that is free from material misstatement and for ensuring compliance with the applicable SEBI Circulars.

3. Our responsibility, for the purpose of certificate, is limited to certifying the particulars contained in the undertaking on the basis of the proposed "Scheme of Amalgamation of Magnet 360 L.L.C. with Mindtree Limited" ("Proposed Scheme"), books of account and other relevant records and documents maintained by the Company and did not include the evaluation of the adherence by the Company with all applicable guidelines. We conducted our verification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purpose and Standard on Auditing issued by Institute of Chartered Accountant of India.

CERTIFIED TRUE COPY

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

For Mindtree Limited

Company Secretary

MINDTREE LIMITED

4. On the basis of our verification of the Proposed Scheme and other relevant records and documents as referred to in paragraph 3 above and according to the information and explanations provided to us by the Management of the Company, we certify that the undertaking provided by the Board of Directors of the Company as referred to in paragraph 1, is in accordance with the books of account, Proposed Scheme and other relevant records and documents maintained by the Company.

5. This Certificate is issued at the request of the Mindtree Limited in connection with the Proposed Scheme for onward submission to the National Stock Exchange of India Limited and BSE Limited. This Certificate should not be used for any other purpose without our prior written consent.

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS
BANGALORE

BENGALURU, 18 July, 2016

Ref: VB/ 133

For DELOITTE HASKINS & SELLS
Chartered Accountants
(ICAI Reg. No. 008072S)

V. BALAJI
Partner
Membership No. 203685

MINDTREE LIMITED
BENGALURU
S.K.

Mindtree
Welcome to possible

Registered Office Address: Mindtree Ltd.
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

Undertaking in relation to non-applicability of requirements prescribed in Paragraph 9 (a) of I. A. of Annexure I of the Securities Exchange Board of India Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015

This is with reference to the Draft Scheme of Arrangement between Magnet 360 L.L.C, a wholly owned subsidiary of Mindtree Limited and Mindtree Limited ("the Company") and their respective shareholders and creditors under section 391 to 394 of the Companies Act, 1956 ("the Draft Scheme"). Capitalized terms appearing herein, unless expressly stated, shall have the meaning prescribed to them in SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 ("the SEBI Circular").

Accordingly, the Company hereby undertakes that the requirement of Paragraph 9(a) of I. A. of Annexure I of the SEBI Circular pertaining to voting by public shareholders through postal ballot and e-voting are not applicable to the Company for the following reasons:

i. Where additional shares have been allotted to Promoter/ Promoter Group , Related parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group , Subsidiary/ (s) of Promoter/ Promoter Group of the listed entity.

   Not applicable, since no shares would be allotted to Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the listed Company, arising out of this merger.

ii. Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group.

   Not applicable, since the Scheme of Arrangement is with wholly owned subsidiary and does not involve any of its Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group.

iii. Where the parent listed Company, has acquired the equity shares of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter/ Promoter Group, Related parties of Promoter / Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/ (s) of Promoter/ Promoter Group of the parent listed Company, and if that subsidiary is being merged with the parent listed Company under the Scheme of arrangement.

   Not applicable, since the share of Magnet 360 L.L.C was acquired by the Company from persons who were not the Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the Company.

   In view of the aforesaid, the requirement stated at paragraph 9 (a) of I.A. of Annexure 1 of the circular is not applicable to the draft scheme.

For Mindtree Limited

Date: 18th July, 2016

MINDTREE LIMITED BANGALORE

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

MINDTREE LIMITED BENGALURU

Mindtree Ltd.
Global Village
RVCE Post, Mysore Road
Bengaluru - 560059

T +91 80 6706 4000
F +91 80 6706 4100
W www.mindtree.com

ANNEXURE I

Mindtree
Welcome to possible

Registered Office Address: Mindtree Ltd.
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

EXTRACT OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON JULY 18, 2016 AT GLOBAL VILLAGE, RVCE POST, MYSORE ROAD, BENGALURU-560059

APPROVAL OF THE SCHEME OF AMALGAMATION OF MAGNET 360 LLC. WITH MINDTREE LIMITED

"RESOLVED THAT, pursuant to the provisions of sections 391 to 394 and all other applicable provisions, if any, of the Companies Act, 1956 and that of the relevant provisions of the Companies Act, 2013, if any, and enabling provisions in the Company's Memorandum and Articles of Association, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015and various circulars issued by SEBI and other Statutory Authorities from time to time and subject to confirmation of the Jurisdictional High Court / National Company Law Tribunal and approval of the Foreign Investment Promotion Board / Reserve Bank of India and other concerned authorities, if any, and all such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Company, the consent of the Board be and is hereby accorded for the amalgamation of Magnet 360, LLC (Transferor Company) with the Company (Transferee Company) vide the Scheme of Amalgamation [hereinafter the "Scheme"] (the draft of which was submitted to this meeting and was initialed by the Chairman of the meeting for the purposes of identification).

"RESOLVED FURTHER THAT there is no requirement for the share entitlement ratio as the transferor company is the wholly owned subsidiary of the transferee company and no shares are allotted to them.

RESOLVED FURTHER THAT the valuation report issued by the Chartered Accountant be and is hereby taken on record.

RESOLVED FURTHER THAT the Fairness report issued by the merchant banker (which was considered by the Audit Committee) and the report of the Audit Committee recommending the Scheme of amalgamation be and are hereby taken on record.

RESOLVED FURTHER THAT the undertaking of the Company with regard to non-applicability of requirements under Paragraph 9 (a) of I (A) of Annexure I of the Securities Exchange Board of India (SEBI) Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 , in respect of the scheme duly certified by the Statutory Auditors of the Company , placed before the Board, be and is hereby approved and taken on record by the Board.

RESOLVED FURTHER THAT in the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

MINDTREE LIMITED * BENGALURU *

S.L

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E-mail: info@mindtree.com

RESOLVED FURTHER THAT National Stock Exchange of India Limited be and is hereby appointed as the Designated Stock Exchange for the purpose of the Scheme.

RESOLVED FURTHER THAT for the purpose of the Scheme of amalgamation of Magnet 360, LLC with the Company, any of the Executive Directors, Mr. Jagannathan Chakravarthi, CFO, Mr. Erwan Carpentier, SVP Legal and General Counsel, Ms. Vedavalli Sridharan, Company Secretary, be and are hereby severally authorized to:

i. *to make such alterations and changes to the aforesaid Scheme of Amalgamation as may be expedient or necessary, particularly for satisfying the requirements or conditions imposed by the Central Government or by the concerned Stock Exchanges or the Court of competent jurisdiction;*

ii. *to evolve, decide upon and bring into effect the Scheme and make and give effect to any modifications, changes, variations, alterations or revision in the Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority or may suo moto decide in its absolute discretion and to do all such acts, deeds, matters and things whatsoever, including settling any question, doubt or difficulty that may arise with regard to or in relation to the scheme as it may in its absolute discretion consider necessary, expedient, fit and proper;*

iii. *file applications/petitions/affidavits/pleadings or other documents as may be required for the scheme in the High Court of Karnataka/ National Company Law Tribunal or other relevant courts including the filings as may be required under the laws of the transferor company;*

iv. *obtain the requisite approval of the Foreign Investment Promotion Board / Reserve Bank of India; if necessary;*

v. *affix the common seal of the Company on any documents as per the Articles of Association;*

vi. *file the said Scheme with the concerned Stock exchanges for approval in terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the appointment of designated stock exchange;*

vii. *To approve various reports as may be required with regard to the filing of the scheme as may be required by the stock exchanges and various government authorities;*

viii. *settle any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;*

ix. *make application to relevant authorities or other persons for their approval as may be required;*

x. *authorize any person(s) to, sign and file applications/petitions to the High Court of Karnataka/ National Company Law Tribunal and that of other competent jurisdiction for directions for holding a meeting of the Members and Creditors and for confirmation of the Scheme, including the appointment of Chairman for such meetings, to sign notices convening such meetings of shareholders, creditors and other concerned persons;*

MINDTREE LIMITED BENGALURU
S.L

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xi. *authorise any person(s) to file all pleadings, reports, and sign and issue public advertisements and notices, for and in connection with the above purpose;*

xii. *give such directors as may be considered necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the scheme or implementation hereof or in any manner whatsoever connected herewith and*

xiii. *do all such act, deeds and things necessary, desirable or expedient in connection with or incidental to giving effect to the purpose of the above resolution;*

xiv. *to appear before the Official Liquidator, Registrar of Companies, Income Tax Department, Regional Director and other statutory and quasi-judicial authorities in connection with matters, connected and incidental thereto;*

xv. *to appoint Mr. N.K. Dilip, Mr. Nanjappa. M.G., Mr. Raghunath Ananthapur, Ms. Rashmi Talukdar, Mr. Bhargava. K.S., Mr. Ankush V.H and/or any other advocates of M/s Tatva Legal, Advocates having their office at B-3, 2nd Floor, Embassy Heights, Annexe Block, Magrath Road, Bangalore 560 025 as advocates to represent the Company before the High Court of Karnataka/ National Company Law Tribunal and other courts in respect of the Scheme and all matters, connected and incidental thereto and all such acts, deeds and things (incidental and ancillary) as may be considered necessary and expedient in relation thereto;*

xvi. *to file necessary forms, papers, returns, documents etc., with the Registrar of Companies, Karnataka within stipulated time as applicable under the provisions of the Companies Act;*

xvii. *To appoint Scruitiniser to conduct the proceedings of Court convened meeting of shareholders/creditors, if any, at a fee as they may deem fit.*

// CERTIFIED TRUE COPY//

For Mindtree Limited

Company Secretary

MINDTREE LIMITED * BENGALURU *

WRITTEN ACTION OF
THE SOLE MEMBER
OF
MAGNET360, LLC

Effective as of 18th July, 2016

THE UNDERSIGNED, Mindtree Limited, a public limited company organized under the laws of the Country of India ("Mindtree"), being the sole member of Magnet360, LLC, a limited liability company organized under the laws of the State of Minnesota (the "Company"), pursuant to Chapter 322C of the Minnesota Statutes, does hereby take and adopt in writing the following preambles and resolutions:

APPROVAL OF MERGER

WHEREAS, Mindtree owns all of the issued and outstanding membership interests of the Company; and

WHEREAS, Mindtree desires the Company to merge with and into Mindtree, with Mindtree continuing as the surviving company in the transaction (the "Merger"), pursuant to the terms of a Scheme of Amalgamation in substantially in the form attached hereto as Exhibit A (the "Agreement");

NOW, THEREFORE, RESOLVED, that the Agreement (including exhibits, schedules, and ancillary agreements contemplated thereby), the Merger and all of the other actions and matters contemplated by the Agreement are hereby approved by Mindtree in all respects;

FURTHER RESOLVED, that the Company's Board of Governors (the "Board") and officers are hereby authorized to execute and deliver, as applicable, the Agreement, with such changes as the officer executing the Agreement shall approve (such approval to be conclusively evidenced by such officer's execution of the same) and, subject to such execution and delivery, to perform the Company's obligations thereunder, including without limitation, executing, delivering, and filing any other documents, agreements, certificates and instruments that the Company's officers, in their discretion, deem necessary or appropriate to complete the Merger and effectuate the transactions and other actions contemplated by the Agreement;

FURTHER RESOLVED, that the Company's Board and officers are hereby authorized, for and on behalf of the Company, to prepare, execute and deliver, acknowledge, file and record any and all such agreements, instruments and documents, to seek necessary approvals and to take or cause to be taken any and all such other actions as such officers shall deem necessary, appropriate or advisable in order to carry out the purpose of each of the foregoing resolutions and the intent thereof, including all things incidental thereto, and that this Written Action may be executed in counterparts; and

FURTHER RESOLVED, that any and all actions heretofore taken by the Company's Board and officers to effectuate or evidence the purpose and intent of the foregoing resolutions are approved, ratified and confirmed in all respects as the acts of the Company.

CERTIFIED TRUE COPY

- ooOoo -

For Mindtree Limited

Company Secretary

MINDTREE LIMITED BANGALORE

IN WITNESS WHEREOF, the undersigned sole member of the Company has executed this Written Action to be effective as of the date first written above.

SOLE MEMBER:

MINDTREE LIMITED
a public limited company organized under the Companies Act, 1956 in the Country of India

By: ______________________
Name: ______________________
Title: ______________________

ROSTOW RAVAN
CEO & Managing Director

ANNEXURE K

Mindtree
Welcome to possible

Registered Office Address: Mindtree Ltd.
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E-mail: info@mindtree.com

ANNEXURE V

Brief particulars of the transferee/resulting and transferor/demerged companies

Particulars	Transferee/ Resulting Company	Transferor/ Demerged Company
Name of the company	Mindtree Limited	Magnet 360, LLC
Date of Incorporation & details of name changes, if any	Aug 05, 1999	March 25, 2008
Registered Office	Global Village, RVCE Post, Mysore Road, Bengaluru- 560 059	5757 Wayzata Boulevard Minneapolis, MN 55416 USA.
Brief particulars of the scheme	This Scheme of Amalgamation provides for the amalgamation of (i) Magnet 360, LLC, having its registered office at (i.e. the "Transferor Company") with Mindtree Limited	
Rationale for the scheme	(i) The amalgamation will enable the Transferee Company to integrate its business operations and provide significant impetus to the growth of the Transferee Company. The consolidation of the activities by way of an amalgamation will lead to synergies of operations and a stronger and wider capital and financial base for future growth/expansion. The combined entity will have a bigger portfolio of services targeted at a wider array of customers, which will strengthen its competitive position in providing IT services /software & technology related services markets This will also enable the Transferee Company to address newer solutions and services to its customers and to transferor's customers and enhance its marketing capabilities. (ii) The amalgamation will result in economy of scales and reduction in overheads, administrative, managerial and other expenditure, operational rationalisation, organisational efficiency, and optimal utilisation of various resources. (iii) The managerial expertise of the Transferor Companies will contribute to the strength of the Transferee Company. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Companies, facilitate resource mobilisation and achieve better cash flows. This would contribute substantially	

	towards enhancement of shareholder's value of the Transferee Company. (iv) Duplication of administrative functions will be eliminated together with the multiple record - keeping resulting in reduced expenditure. (v) This amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Companies and the Transferee Company. (vi) The banks, creditors and institutions, if any, are not affected by the proposed amalgamation as their security is maintained. (vii) There shall be impctus and increase in the area of sales, network of the Transferee Company apart from reduction in costs. (viii) The amalgamation shall result in the combination of manpower of both the companies and a single management structure for the companies. (ix) The combined managerial and technical expertise would enable the Transferee Company to develop a business model that would be competitive and cogent.	
Date of resolution passed by the Board of Director of the company approving the scheme	July 18, 2016	July 18, 2016
Date of meeting of the Audit Committee in which the draft scheme has been approved	July 18, 2016	None
Appointed Date	April 01, 2016	April 01 2016
Name of Exchanges where securities of the company are listed	NSE and BSE	None
Nature of Business	The Transferee Company is involved in the business of software and technology related services, product development services, information management services etc.	The Transferor Company is involved in the business of IT Software and Services

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		related to Salesforce suite of products and platforms
Capital before the scheme	**1.1** The share capital of the Transferee Company as on June 30, 2016 is as under: **Authorised Share Capital** 800,000,000 Equity Shares of Rs. 10 each/- **Issued , Subscribed and Paid up Share Capital** 167,830,816 Equity Shares of Rs. 10 each/-	Transferor Company : None
No. of shares to be issued	NONE	
Cancellation of shares on account of cross holding, if any	NONE	None. The Company does not have a share capital.
Capital after the scheme	There will be no change in the capital of Transferee company	None. The Company does not have a share capital.
Pre and post amalgamation net worth of the Transferor Company	Rs. In million: 24,558 Rs. in million : 24,558	Transferor (Rs. in million): Pre – 117 Post -NIL
Valuation by independent Chartered Accountant - Name of the valuer/valuer firm and Regn no.	RCE & Co, Chartered Accountants.	
Methods of valuation and value per share arrived under each method with weight given to each method, if any.	Not Applicable	Not Applicable
Fair value per shares	Not Applicable	Not Applicable
Exchange ratio	Not Applicable	
Name of Merchant Banker giving fairness opinion	SPA Capital Advisors Limited	

Shareholding pattern of Transferee Company	Pre shareholding as on June 30, 2016		Post-shareholding	
	No. of Shares	% of holding	No. of Shares	% of holding

Mindtree Ltd.
Global Village
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T + 91 80 6706 4000
F + 91 80 6706 4100
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MINDTREE LIMITED * BENGALURU *

Promoter and Promoter Group	23,030,226	13.72	23,030,226	13.72
Public	144,800,590	86.28	144,800,590	86.28
Custodian	0	0	0	0
TOTAL	167,830,816	100.00	167,830,816	100.00
No of shareholders		71,708		71,708
Names of the Promoters of Transferee Company	1.Krishnakumar Natarajan-Promoter 2.Subroto Bagchi-Promoter 3.N S Parthasarathy-Promoter 4. Rostow Ravanan-Promoter 5.LSO Investment Private Limited-Foreign Promoter Company 6.Susmita Bagchi-Promoter Group/PAC 7.Akila Krishnakumar-Promoter Group/PAC 8.Sanjay Kumar Panda- Promoter Group/PAC 9.Seema Ravanan-Promoter Group/PAC			
Names of the Board of Directors of Transferee Company	1.Subroto Bagchi 2.Krishnakumar Natarajan 3.N.S. Parthasarathy 4.Rostow Ravanan 5.Dr. Albert Hieronimus 6.V.G.Siddhartha 7.Prof. Pankaj Chandra 8.Ramesh Ramanathan 9.Apurva Purohit 10.Manisha Girotra 11. Milind Sarwate			
Details regarding change in management control if any	None			
Shareholding pattern of Transferor Company	Pre shareholding NONE		Post shareholding NONE	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	NIL	NIL	NIL	NIL
Public	NIL	NIL	NIL	NIL
Custodian	NIL	NIL	NIL	NIL
TOTAL*(Refer Note 1)	NIL*	NIL	NIL	NIL
No of shareholders		1		

MINDTREE LIMITED * BENGALURU *

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E-mail: info@mindtree.com

Names of the Promoters of Transferor Company	Scott Litman Dan Mallin	
Names of the Board of Directors of Transferor Company	It is a LLC , managed by Board of Governors: N S Parthasarathy R Radha Scott Staples Matthew P. Meents Doug Anderson	
Details regarding change in management control if any	None	

*Note:

1. Mindtree Limited is the sole member of Magnet 360, LLC and owns 100% membership interest on the same.

For Mindtree Limited

Company Secretary

MINDTREE LIMITED ★ BENGALURU ★

ANNEXURE L

Deloitte Haskins & Sells

Chartered Accountants
Deloitte Centre
Anchorage II
100/2 Richmond Road
Bengaluru - 560 025
India

Tel : + 91 (80) 66276000
Fax: + 91 (80) 66276013

INDEPENDENT AUDITOR'S CERTIFICATE

1. We, Deloitte Haskins & Sells, Chartered Accountants (Firm's Registration Number 008072S), the statutory auditors of Mindtree Limited (the "Company"), have for the purpose of issuing this certificate, examined:

   (a) the audited standalone financial statements of the Company for the year ended March 31, 2016;

   (b) the proposed scheme of amalgamation of Magnet 360 L.L.C. with Mindtree Limited;

   (c) the 'Statement of computation of pre and post amalgamation net worth of the Company as at March 31, 2016' (the 'Statement'), prepared by the Company and duly stamped for identification; and

   (d) such other information and documents, which we considered necessary for the purpose of issuing this certificate.

2. The Management of the Company is responsible for the preparation of the Statement and the maintenance of proper books of account and such other relevant records as prescribed by the applicable laws. Our responsibility, for the purpose of this certificate, is limited to certifying the particulars contained in the Statement from the aforesaid audited standalone financial statements and other relevant records and documents as described in paragraph 1 above. We have carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India.

3. Based on our examination conducted as described in paragraph 2 above and according to the information, explanations and representations provided to us by the Management of the Company, we certify that the particulars furnished by the Company in the said Statement, read with and subject to the notes thereon, are in agreement with the aforesaid audited standalone financial statements and other relevant records and documents maintained by the Company.

4. This Certificate is issued at the request of the Mindtree Limited in connection with the Proposed Scheme for onward submission to the National Stock Exchange of India Limited and BSE Limited. This Certificate should not be used for any other purpose without our prior written consent.

CERTIFIED TRUE COPY

For DELOITTE HASKINS & SELLS
Chartered Accountants
(ICAI Reg. No. 008072S)

V. BALAJI
Partner
Membership No. 203685

BENGALURU, 18 July, 2016

Ref: VB/131

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BANGALORE

For Mindtree Limited

Company Secretary

MINDTREE LIMITED BENGALURU

Mindtree Limited

Statement of computation of pre and post amalgamation net worth of the Company as at March 31, 2016

(Rs in millions)

Particulars	Pre-amalgamation	Post-amalgamation
Equity Share Capital	***1,678***	***1,678***
Reserves and Surplus:		
Capital reserve	87	87
Securities premium reserve	1,122	1,122
General reserve	1,542	1,542
Surplus in the statement of profit and loss	20,129	20,129
Total Reserves and Surplus	***22,880***	**22,880**
Net worth (A + B)	24,558	24,558

Notes:

1. "Net Worth" means sum total of paid-up capital and free reserves.

As per section 2(43) of Companies Act, 2013 "Free reserves" free reserves" means such reserves which, as per the latest audited balance sheet of a company, are available for distribution as dividend:

Provided that—

(i) any amount representing unrealised gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or

(ii) any change in carrying amount of an asset or of a liability recognised in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value, shall not be treated as free reserves.

For Mindtree Limited

Authorised Signatory

Place: Bangalore

Date: 18th July, 2016

ANNEXURE M1

Details of Capital Evolution of Mindtree Limited (Transferee Company)

Year	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
1999-2000	200	2	Initial Capital-Promoters		Unlisted
	8,045,000	2	Allotments to certain Promoters		Unlisted
	2,683,537	20.47	Allotment to certain Promoters and others	10,728,737	Unlisted
	10,103,963	33.45	Allotment to LSO Investment (P) Limited, Walden Software Investments Limited, Amalgamated Holdings and VaitarUnlisted Holdings Private Limited	**20,832,700**	Unlisted
2000-01	0	0	NIL	**20,832,700**	Unlisted
2001-02	400,000	2	Allotment to MindTree Benefit Trust	21,232,700	Unlisted
	38,385	2	Exercise of vested stock options	21,271,085	Unlisted
	64,892	2.01	Exercise of vested stock options	21,335,977	Unlisted
	27,210	2	Exercise of vested stock options	21,363,187	Unlisted
	10,810	2	Exercise of vested stock options	**21,373,997**	Unlisted
2002-03	50,624	2	Exercise of vested stock options	21,424,621	Unlisted
	6,250	2	Exercise of vested stock options	21,430,871	Unlisted
	18,272	2	Exercise of vested stock options	21,449,143	Unlisted
	221	50	Exercise of vested stock options	21,449,364	Unlisted
	13,134	2	Exercise of vested stock options	**21,462,498**	Unlisted
2003-04	64,829	2	Exercise of vested stock options	21,527,327	Unlisted
	70	50	Exercise of vested stock options	21,527,397	Unlisted
	20,590	2	Exercise of vested stock options	21,547,987	Unlisted
	53	50	Exercise of vested stock options	21,548,040	Unlisted
	24,057	2	Exercise of vested stock options	21,572,097	Unlisted
	86	50	Exercise of vested stock options	21,572,183	Unlisted

MINDTREE LIMITED BENGALURU

	87,257	2	Exercise of vested stock options	21,659,440	Unlisted
	61	50	Exercise of vested stock options	**21,659,501**	Unlisted
2004-05	64,385	2	Exercise of vested stock options	21,723,886	Unlisted
	1,705	50	Exercise of vested stock options	21,725,591	Unlisted
	150	138.77	Allotment to AIG Offshore Systems Service Inc. pursuant to Convertible Security Agreement dated December 10, 2003	21,725,741	Unlisted
	32,689	2	Exercise of vested stock options	21,758,430	Unlisted
	65,650	2	Exercise of vested stock options	21,824,080	Unlisted
	249	50	Exercise of vested stock options	21,824,329	Unlisted
	5,669	2	Exercise of vested stock options	21,829,998	Unlisted
	824	50	Exercise of vested stock options	21,830,822	Unlisted
2005-06	133,523	2	Exercise of vested stock options	21,964,345	Unlisted
	926	50	Exercise of vested stock options	21,965,271	Unlisted
	19,500	119	Allotment to employees joining us pursuant to business purchase of ASAP	21,984,771	Unlisted
	384,354	163	Allotment pursuant to acquisition of Linc Software Services Private Limited	22,369,125	Unlisted
	28,690	2	Exercise of vested stock options	22,397,815	Unlisted
	2,523	50	Exercise of vested stock options	22,400,338	Unlisted
	6,722,424	99	Conversion of Preference Shares into fully paid-up Equity Shares	29,122,762	Unlisted
	2,194	50	Exercise of vested stock options	29,124,956	Unlisted
	140,698	2	Exercise of vested stock options	29,265,654	Unlisted
	9,326	50	Exercise of vested stock options	29,274,980	Unlisted
	87,555	2	Exercise of vested stock options	29,362,535	Unlisted

MINDTREE LIMITED BENGALURU

2006-07	119,127	2	Exercise of vested stock options	29,481,662	Unlisted
	16,225	50	Exercise of vested stock options	29,497,887	Unlisted
	209,673	2	Exercise of vested stock options	29,707,560	Unlisted
	78,885	50	Exercise of vested stock options	29,786,445	Unlisted
	99,257	2	Exercise of vested stock options	29,885,702	Unlisted
	65,288	50	Exercise of vested stock options	29,950,990	Unlisted
	82,587	2	Exercise of vested stock options	30,033,577	Unlisted
	23,145	50	Exercise of vested stock options	30,056,722	Unlisted
	248,700	2	Exercise of vested stock options	30,305,422	Unlisted
	143,298	50	Exercise of vested stock options	30,448,720	Unlisted
	6,500	2	Allotment to Spastics Society of KarUnlistedtaka and others(10)	30,455,220	Unlisted
	1,240,017	6.71	Allotment to AIG Offshore Systems Service Inc. pursuant to Convertible Security Agreement dated December 10, 2003	31,695,237	Unlisted
	25,356,190	10	Bonus issue in the ratio of 4 : 1	31,695,237	Unlisted
	5,593,300	425	Shares issued under IPO	37,288,537	Listed
	464,040	10	Exercise of vested stock options	37,752,577	Listed
2007-08	54,700	10	Exercise of vested stock options	37,807,277	Listed
	85,046	50	Exercise of vested stock options	37,892,323	Listed
	10,227	250	Exercise of vested stock options	37,902,550	Listed
	3,330	300	DSOP	37,905,880	Listed
	13,373	300	Exercise of vested stock options	37,919,253	Listed
	780	315	Exercise of vested stock options	37,920,033	Listed
	525	350	Exercise of vested stock options	37,920,558	Listed
2008-09	7,250	10	Exercise of vested stock options	37,927,808	Listed
	57,419	50	Exercise of vested stock options	37,985,227	Listed
	5,030	250	Exercise of vested stock options	37,990,257	Listed

MINDTREE LIMITED * BENGALURU *

	6,094	300	Exercise of vested stock options	37,996,351	Listed
	320	315	Exercise of vested stock options	37,996,671	Listed
	15	350	Exercise of vested stock options	37,996,686	Listed
2009-10	17,401	10	Exercise of vested stock options	38,014,087	Listed
	94,487	50	Exercise of vested stock options	38,108,574	Listed
	327	117.15	Exercise of vested stock options	38,108,901	Listed
	1,519	138.88	Exercise of vested stock options	38,110,420	Listed
	11,019	167.75	Exercise of vested stock options	38,121,439	Listed
	255	170.5	Exercise of vested stock options	38,121,694	Listed
	196	182.88	Exercise of vested stock options	38,121,890	Listed
	6,150	242	Exercise of vested stock options	38,128,040	Listed
	60,112	250	Exercise of vested stock options	38,188,152	Listed
	1,819	286	Exercise of vested stock options	38,189,971	Listed
	19,149	300	Exercise of vested stock options	38,209,120	Listed
	95,071	300	Exercise of vested stock options	38,304,191	Listed
	6,580	315	Exercise of vested stock options	38,310,771	Listed
	39,925	335	Exercise of vested stock options	38,350,696	Listed
	22,931	343.48	Exercise of vested stock options	38,373,627	Listed
	2,005	350	Exercise of vested stock options	38,375,632	Listed
	900	355	Exercise of vested stock options	38,376,532	Listed
	1,818	412.5	Exercise of vested stock options	38,378,350	Listed
	2,695	419	Exercise of vested stock options	38,381,045	Listed
	18,180	424	Exercise of vested stock options	38,399,225	Listed
	3,150	460	Exercise of vested stock options	38,402,375	Listed
	764	478.5	Exercise of vested stock options	38,403,139	Listed
	1,111,855	0	2 shares for every 11 shares held in Aztec allotted to aztec shareholders as reduced by sharesheld in trust cancelled	**39,514,994**	

MINDTREE LIMITED * BENGALURU *

S.E.

2010-11	10,800	10	Exercise of vested stock options	39,525,794	Listed
	54,473	50	Exercise of vested stock options	39,580,267	Listed
	196	117.15	Exercise of vested stock options	39,580,463	Listed
	102	138.05	Exercise of vested stock options	39,580,565	Listed
	668	138.88	Exercise of vested stock options	39,581,233	Listed
	669	167.75	Exercise of vested stock options	39,581,902	Listed
	240	182.88	Exercise of vested stock options	39,582,142	Listed
	6,950	242	Exercise of vested stock options	39,589,092	Listed
	94,893	250	Exercise of vested stock options	39,683,985	Listed
	47,521	300	Exercise of vested stock options	39,731,506	Listed
	177,936	300	Exercise of vested stock options	39,909,442	Listed
	9,284	315	Exercise of vested stock options	39,918,726	Listed
	88,000	335	Exercise of vested stock options	40,006,726	Listed
	6,300	340	Exercise of vested stock options	40,013,026	Listed
	9,945	343.48	Exercise of vested stock options	40,022,971	Listed
	1,810	350	Exercise of vested stock options	40,024,781	Listed
	2,100	355	Exercise of vested stock options	40,026,881	Listed
	1,915	419	Exercise of vested stock options	40,028,796	Listed
	1,800	460	Exercise of vested stock options	40,030,596	Listed
	4,591	478.5	Exercise of vested stock options	40,035,187	Listed
2011-12	88	10	Exercise of vested stock options	40,035,275	Listed
	40,124	50	Exercise of vested stock options	40,075,399	Listed
	262	138.05	Exercise of vested stock options	40,075,661	Listed
	29	138.88	Exercise of vested stock options	40,075,690	Listed
	491	167.75	Exercise of vested stock options	40,076,181	Listed
	109	182.88	Exercise of vested stock options	40,076,290	Listed
	6,125	240	Exercise of vested stock options	40,082,415	Listed

MINDTREE LIMITED BENGALURU

	1,750	242	Exercise of vested stock options	40,084,165	Listed
	45,258	250	Exercise of vested stock options	40,129,423	Listed
	19,708	355	Exercise of vested stock options	40,149,131	Listed
	281,578	300	Exercise of vested stock options	40,430,709	Listed
	8,420	315	Exercise of vested stock options	40,439,129	Listed
	102,187	335	Exercise of vested stock options	40,541,316	Listed
	2,510	350	Exercise of vested stock options	40,543,826	Listed
	50	419	Exercise of vested stock options	40,543,876	Listed
	47	192.5	Exercise of vested stock options	40,543,923	Listed
2012-13	25,837	50	Exercise of vested stock options	40,569,760	Listed
	500	10	Exercise of vested stock options	40,570,260	Listed
	26,650	242	Exercise of vested stock options	40,596,910	Listed
	814,160	335	Exercise of vested stock options	41,411,070	Listed
	7,950	520	Exercise of vested stock options	41,419,020	Listed
	6,000	240	Exercise of vested stock options	41,425,020	Listed
	17,700	340	Exercise of vested stock options	41,442,720	Listed
	7,271	478.5	Exercise of vested stock options	41,449,991	Listed
	4,729	343.48	Exercise of vested stock options	41,454,720	Listed
	15,667	355	Exercise of vested stock options	41,470,387	Listed
	73	138.33	Exercise of vested stock options	41,470,460	Listed
	13,000	435	Exercise of vested stock options	41,483,460	Listed
	30,000	238	Exercise of vested stock options	41,513,460	Listed
	7,500	460	Exercise of vested stock options	41,520,960	Listed
	2,364	308	Exercise of vested stock options	41,523,324	Listed
	3,900	525	Exercise of vested stock options	41,527,224	Listed
	7,831	10	ESPS	41,535,055	Listed
2013-14	12,868	50	Exercise of vested stock options	41,547,923	Listed

MINDTREE LIMITED BENGALURU

	1,000	242	Exercise of vested stock options	41,548,923	Listed
	3,600	520	Exercise of vested stock options	41,552,523	Listed
	26,350	525	Exercise of vested stock options	41,578,873	Listed
	10,746	478.5	Exercise of vested stock options	41,589,619	Listed
	7,047	343.48	Exercise of vested stock options	41,596,666	Listed
	1,172	167.75	Exercise of vested stock options	41,597,838	Listed
	255	182.88	Exercise of vested stock options	41,598,093	Listed
	2,900	562	Exercise of vested stock options	41,600,993	Listed
	702	138.88	Exercise of vested stock options	41,601,695	Listed
	160	138.33	Exercise of vested stock options	41,601,855	Listed
	16,250	511	Exercise of vested stock options	41,618,105	Listed
	7,500	444	Exercise of vested stock options	41,625,605	Listed
	379	117.15	Exercise of vested stock options	41,625,984	Listed
	153	138.05	Exercise of vested stock options	41,626,137	Listed
	45,000	560	DSOP	41,671,137	Listed
	18,594	10	ESPS	41,689,731	Listed
2014-15	17,789	50	Exercise of vested stock options	41,707,520	Listed
	28,000	525	Exercise of vested stock options	41,735,520	Listed
	11,351	478.5	Exercise of vested stock options	41,746,871	Listed
	13,536	343.48	Exercise of vested stock options	41,760,407	Listed
	1,636	167.75	Exercise of vested stock options	41,762,043	Listed
	35,000	560	DSOP	41,797,043	Listed
	21,000	444	Exercise of vested stock options	41,818,043	Listed
	13,500	570	Exercise of vested stock options	41,831,543	Listed
	69,286	10	ESPS	41,900,829	Listed
	41,765,661	10	Bonus Issue 1:1	83,666,490	Listed
	11,612	50	Bonus pursuant to exercise of ESOP options	83,678,102	Listed
	22,000	525	Bonus pursuant to exercise of ESOP options	83,700,102	Listed
	11,351	478.5	Bonus pursuant to exercise of ESOP options	83,711,453	Listed

	13,418	343.48	Bonus pursuant to exercise of ESOP options	83,724,871	Listed
	1	167.75	Bonus pursuant to exercise of ESOP options	83,724,872	Listed
	7,500	570	Bonus pursuant to exercise of ESOP options	**83,732,372**	Listed
2015-16	5,447	50	Exercise of vested stock options	83,737,819	Listed
	7,500	570	Exercise of vested stock options	83,745,319	Listed
	29,500	520	Exercise of vested stock options	83,774,819	Listed
	3,454	478.5	Exercise of vested stock options	83,778,273	Listed
	10,000	619	Exercise of vested stock options	83,788,273	Listed
	48,914	10	ESPS	83,837,187	Listed
	5,447	50	Bonus pursuant to exercise of ESOP options	83,842,634	Listed
	7,500	570	Bonus pursuant to exercise of ESOP options	83,850,134	Listed
	29,500	520	Bonus pursuant to exercise of ESOP options	83,879,634	Listed
	3,454	478.5	Bonus pursuant to exercise of ESOP options	83,883,088	Listed
	10,000	619	Bonus pursuant to exercise of ESOP options	83,893,088	Listed
	83,893,088	10	Bonus Issue 1:1	167,786,176	Listed
Upto June 30, 2016	1,160	50	Exercise of vested stock options	167,787,336	Listed
	10,000	493	Exercise of vested stock options	167,797,336	Listed
	3,480	50	Bonus pursuant to exercise of ESOP options	167,800,816	Listed
	30,000	493	Bonus pursuant to exercise of ESOP options	167,830,816	Listed

MINDTREE LIMITED
BENGALURU

For Mindtree Limited

Company Secretary

ANNEXURE M2

Details of Capital Evolution of Magnet 360, LLC (Transferor Company)					
Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
NA	NA	NA	NA	NA	NA

Note: Magnet 360,LLC is a Limited Liability Company with no shares

For Mindtree Limited

Company Secretary

MINDTREE LIMITED BENGALURU

ANNEXURE N

Mindtree
Welcome to possible

Registered Office Address: Mindtree Ltd.
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

ANNEXURE VII

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Dear Sir,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Amalgamation of Magnet 360, LLC with Mindtree Limited

In connection with the above application, we hereby confirm that:

a) The proposed scheme of amalgamation of Magnet 360 LLC with Mindtree Limited to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956 / Companies Act, 2013, the rules, regulations and guidelines made under these Acts, and the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 or the requirements of BSE Limited.

b) In the explanatory statement to be forwarded by the company to the shareholders u/s 393, where applicable, it shall disclose:

   i) the pre and post-arrangement or amalgamation (expected) capital structure and shareholding pattern and
   ii) the "fairness opinion" obtained from an Independent merchant banker on valuation of assets / shares done by the valuer for the company and unlisted company.
   iii) The Complaint report as per Annexure III.
   iv) The observation letter issued by the stock exchange

   The draft scheme of amalgamation together with all documents mentioned in Para I(A)(7)(a) of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, has been disseminated on company's website as per Website link given hereunder: www.mindtree.com/investors

c) The company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.

d) The undertaking certified by the Auditor and duly approved by the Board of Directors of the Company stating the reasons for non-applicability of Para (I)(A)(9)(a) of Annexure I of SEBI

MINDTREE LIMITED BENGALURU
S.K.

Registered Office Address: Mindtree Ltd.
Global Village, RVCE Post, Mysore Road,
Bengaluru-560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
E-mail: info@mindtree.com

Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, (is enclosed as Annexure. The aforesaid Undertaking shall also be disseminated on the website of the Company.

e) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.

f) There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft scheme of amalgamation/ arrangement.

Date: August 08, 2016

~~Managing Director~~/ Company Secretary

MINDTREE LIMITED ★ BENGALURU ★

ANNEXURE D

Deloitte Haskins & Sells

Chartered Accountants
Deloitte Centre
Anchorage II
100/2 Richmond Road
Bengaluru - 560 025
India

Tel : + 91 (80) 66276000
Fax: + 91 (80) 66276013

Independent Auditor's Certificate

To,
The Board of Directors,
Mindtree Limited
Global Village, RVCE Post,
Mysore Road,
Bangalore-560 059,
Karnataka, India

We, Deloitte Haskins & Sells, Chartered Accountants (Firm's Registration No. 008072S), the statutory auditors of Mindtree Limited (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 9 of the Proposed Scheme of Amalgamation of Magnet 360 L.L.C. with Mindtree Limited in terms of the provisions of the Section 391 to 394 of the Companies Act, 1956 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013, and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Proposed Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Proposed Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

For ease of reference, the Proposed Scheme, duly authenticated on behalf of the Company, is annexed to this certificate, and is stamped by us only for the purposes of identification.

This Certificate is issued at the request of the Mindtree Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for onward submission to the National Stock Exchange of India Limited and BSE Limited. This Certificate should not be used for any other purpose without our prior written consent.

CERTIFIED TRUE COPY

For Mindtree Limited

Company Secretary

For DELOITTE HASKINS & SELLS
Chartered Accountants
(ICAI Reg. No. 008072S)

V. BALAJI
Partner
Membership No. 203685

BENGALURU, 18 July, 2016
Ref: VB/ 132

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

MINDTREE LIMITED

Mindtree

Welcome to possible

Cultivating the future

ANNUAL REPORT
2015–16

The Annual Report is printed on 100% recycled paper certified by the UK-based National Association of Paper Merchants (NAPM) and Germany-based Blue Angel.

Expertise-led
Culture-backed
Always ready

Developing talent for today and tomorrow

To stay ready for new growth and challenges, a global company needs to attract, develop and inspire the highest caliber people. At Mindtree, we believe that organizational culture and values are just as important for success as technical skills are, which is why we call our talent development program "C2" (Culture and Competence).

Since the company's founding in 1999, we have recognized our people as our greatest asset by referring to them as Mindtree Minds. We've invested in their future with our new state-of-the-art global learning center, Mindtree Kalinga. This facility introduces new hires to our corporate culture and values with the aim of nurturing the engineers of tomorrow.

The three elements of success

When we designed Kalinga, we asked ourselves what kind of mindset would lead to success. As a result of this self-reflection, we saw that it's not enough to nurture engineering skills. Mindtree Minds must also remember that we are running a business, with the additional goal of helping communities flourish as a result of our actions. We help our talent develop the right mindset by focusing on the **engineering**, **business** and **social aspects of thinking**. We want to help Mindtree Minds become the best at what they do—and make it easy for them to keep learning throughout their careers, so they are always ready for whatever comes next.

Our culture and values for building the future

The Mindtree values of **collaborative spirit**, **unrelenting dedication** and **expert thinking** reflect how we approach the world.

Working with others will become even more important going forward, because a complex digital landscape presents challenges that no individual can address alone. Embracing diversity plays a large part in collaboration, as people of different capabilities and backgrounds must work together toward comprehensive solutions. We must persevere to solve problems for our clients, which means bringing our expert thinking to the forefront.

Growing and perpetuating our vision and values requires a robust culture. Our culture also makes us distinct and helps us attract, retain and cultivate the best people. We strive to give Mindtree Minds the opportunity to grow, develop and give back—to clients, coworkers, partners and the communities we work in. Knowledge is a living resource at Mindtree. Whether they're new or senior, Mindtree Minds are always learning from each other, our partners and other industries.

A blueprint for talent and leadership development

Our culture is bolstered by **leadership and learning programs**, **feedback,** and **recognition opportunities**. Mindtree takes a bottom-up approach to development, so the leadership and learning journey starts during onboarding and progresses through every career stage.

New Mindtree Minds recruited straight from university go to our Kalinga campus in Bhubaneswar, India. At this stage, they focus on nurturing curiosity, igniting courage and fostering responsibility so they can become domain experts and good global citizens. The program at Kalinga combines real-world experience building apps with immersive learning to help develop the engineering, business and social aspects of thinking.

Midcareer and senior Mindtree Minds can give back by sharing their knowledge and time through teaching at Kalinga. The center has no permanent faculty; experienced Mindtree Minds take sabbaticals to lead and learn from new Mindtree Minds while improving their own skills.

Throughout their careers, our people have access to holistic learning to improve their technology, domain, behavioral and managerial skills as needed. We nurture Mindtree Minds with access to leadership learning through a cultural immersion program called leadership homing. They also get guidance via individual assessments. In addition, everyone at the company is eligible to apply for recognition and reward opportunities, such as the Chairman's Awards and the Pillars program.

But leadership and learning programs are not enough on their own. Plans and dreams are only as good as their execution. Our progress is powered by Mindtree Minds, who demonstrate our ideals every day at work.

The program at Kalinga **combines real-world experience** building apps with immersive learning to **help develop the engineering, business** and **social aspects** of thinking.

Mindtree Kalinga

We support all our Mindtree Minds by providing learning and development opportunities that start with immersion programs, such as the one at Kalinga, and span their entire careers. Our flagship corporate learning center in Bhubaneswar, India, opened in March 2015 as the embodiment of Mindtree's commitment to learning.

The program at Kalinga was designed to fill any knowledge gaps between new Mindtree Minds' university curriculums and the skills they need in today's technology marketplace. They learn the engineering tactic of using technology to solve a problem. At the same time, we introduce them to the foundational values of our company: collaborative spirit, unrelenting dedication and expert thinking.

The Mindtree approach

Kalinga's mission is to encourage curiosity, ignite courage and foster responsibility. We instill and encourage these values early because they differentiate us as a company.

We believe that **curiosity** should be nurtured throughout a career. Curiosity inspires Mindtree Minds to seek new knowledge and to question existing processes. New Mindtree Minds are taught **courage** as the ability to stand up for their values, challenge belief systems and even risk failure. Courage also requires the integrity to take **responsibility** for your actions. This kind of accountability includes environmental stewardship: At Kalinga, Mindtree Minds can participate in energy and water conservation, horticulture or social impact programs via Individual Social Responsibility initiatives.

Good stewardship is modeled for our students through the campus itself. Kalinga is one of the world's most sustainably built and maintained residential campuses. Kalinga earned Leadership in Energy and Environment Design (LEED) Platinum certification from the India Green Building Council. All 272,000 square feet of Phase 1 campus structures were built with mud bricks made from soil excavated during construction. Reliance on rainwater and use of passive cooling systems keep facility operations energy- and water-neutral.

A cycle of learning and leadership

Kalinga has the capacity to produce 2,500 graduates annually. These new hires absorb Mindtree's culture and values in a 90-day immersive experience that reflects our unique approach and point of view.

This program is designed to foster deep learning, collaboration and inquisitiveness. It incorporates peer-based, experiential instruction inspired by methods from Harvard University, Massachusetts Institute of Technology, the ancient Nalanda University and experiments at the Khan Academy. It's all designed to address the **physical, digital, intellectual** and **emotional** aspects of becoming an engineer of tomorrow. Even the buildings are Internet of Things (IoT)–enabled and equipped with advanced technology.

Activities at Kalinga include group hackathons to create apps that automate the campus; working on engineering issues for actual Mindtree clients; individual study sessions; and one-on-one mentoring.

To keep the experience based on the real world and to ensure that Mindtree's culture is transmitted effectively, Kalinga has no external faculty members. Seasoned technical leads take turns volunteering to teach and mentor new Mindtree Minds. The cycle of learning and leadership development begins at Kalinga, which can be considered the first step in grooming tomorrow's executives. But it's also a chance for the faculty to update their own technology, domain, behavioral and managerial skills.

The entire Kalinga experience is designed to help our new engineers succeed in the global, hyper connected world of tomorrow.

Learning programs: Communication, culture and development

Mindtree seeks to nurture the best technologists and consultants in the industry—our success depends on these highly skilled people. That's why learning is a vital part of our company. Individual development fuels much of our organizational growth and keeps Mindtree Minds' skills current in a changing technology landscape. The need for learning never ends, so we make opportunities available to our people at every level of the company.

Communication: A business basic

Effective communication is a key leadership competency. Mindtree offers programs that range from honing English language skills to using communication to influence, inspire, and engage clients, peers, and team members.

During their first six years with the company, Mindtree Minds work on learning effective ways to interface with clients, work in a global environment, and improve their English language skills if necessary. Leads, managers, and senior leaders also learn to present their ideas to clients and teams; give feedback to team members; work effectively in multicultural environments; and inspire, influence and engage others.

Individual development fuels much of our organizational growth and **keeps Mindtree Minds' skills current** in a changing technology landscape.

Role-specific learning initiatives

Learning initiatives at Mindtree are part of our Culture and Competence (C2) program, which has four skill categories: **technology**, **domain**, **behavioral,** and **managerial**. The top 5 percent of performers in these categories are eligible to join the Pillars program for individualized learning and mentoring. This program aims to nurture star performers and help build a leadership pipeline.

Learning in all four categories is available throughout the career life cycle. For example:

Orchard is a program for all new hires recruited straight from university. Students in the US are onboarded at Mindtree's Agile Center of Excellence in Gainesville, Florida, before they are sent to Kalinga to join their global colleagues. Students in the rest of the world are onboarded directly to Kalinga. Once there, all Orchard students are assimilated into the Mindtree culture of lifelong learning, which helps support the physical, digital, intellectual, and emotional infrastructures necessary for successful collaboration.

Arboretum is an onboarding, learning and assimilation program for new Mindtree Minds who are lateral hires. Arboretum varies from a few days to a few weeks, depending on the seniority and skill set of the hire.

Ongoing learning is available to all Mindtree Minds. Our learning programs, inspired by rapid changes in the IT and technology industries, are designed to ensure that Mindtree Minds are equipped with the latest industry and technical skills to exceed customer expectations. Our people can access lessons through self-paced virtual programs that enable them to collaborate with peers and experts. The program helps us groom the technical architects and full-stack engineers (proficient in each layer of software development) who can lead us to our next phase of growth. next phase of growth.

Senior leaders learn to build coaching and facilitation skills so they can better understand and communicate the Mindtree context to help their teams succeed. These courses may be accessed anywhere at any time through videos and interactive lessons, and are meant to be applied right away.

Our commitment to ongoing learning is based on our approach to building a better world. The future holds limitless possibilities, and the power to shape it is in our hands.

Our leadership journey

Mindtree is fueling growth and preparing for the future by providing a transformational development path for our leaders. We started this journey by asking how we could best get ready for change while honoring our deep belief that leadership is critical to both the direction of our company and how we serve our clients, our Mindtree Minds and society at large.

We developed our leadership model in partnership with Korn Ferry International, a global talent management firm with experience in many industries. In addition to asking more than 100 of our leaders to provide feedback, we looked at:

- What we expect from our leaders
- How we should benchmark and evaluate performance
- How to ensure that Mindtree Minds have access to learning and leadership opportunities at each stage of their careers

The leadership model in action

Our leadership model helps us identify and nurture the kind of talent we need at all levels across the organization. Mindtree Minds are measured for development and engagement using several factors:

- Aspirations
- Performance as value champions
- Attributes that support the Mindtree leadership model

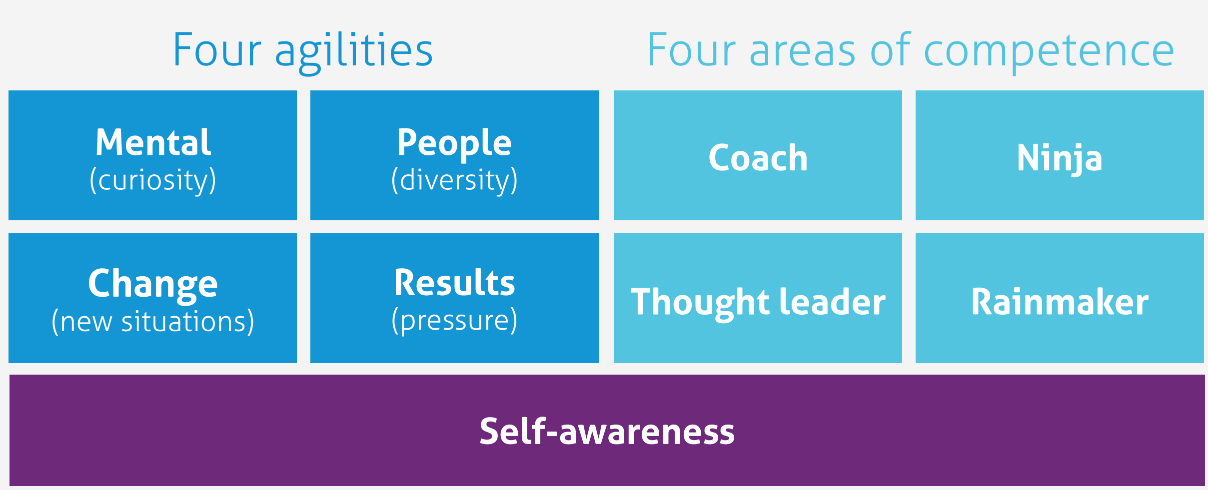
The leadership model has three dimensions:

1. Learning agility, which is a measure of adaptability.

2. Leadership role competence, which concerns four leadership roles:

- **Ninjas**, who build scale, drive operational excellence and provide great value to clients
- **Coaches**, who develop a shared vision and high-performing teams
- **Thought leaders**, who are experts in Mindtree's technology and business domains
- **Rainmakers**, who spot opportunities to bring in business

3. Self-awareness, which is the hallmark of a flexible and successful leader and boosts results for the preceding two dimensions.



Our leadership ecosystem

At Mindtree, we apply the concepts of the leadership model when nurturing those qualities across a real-world leader life cycle:

Leadership onboarding

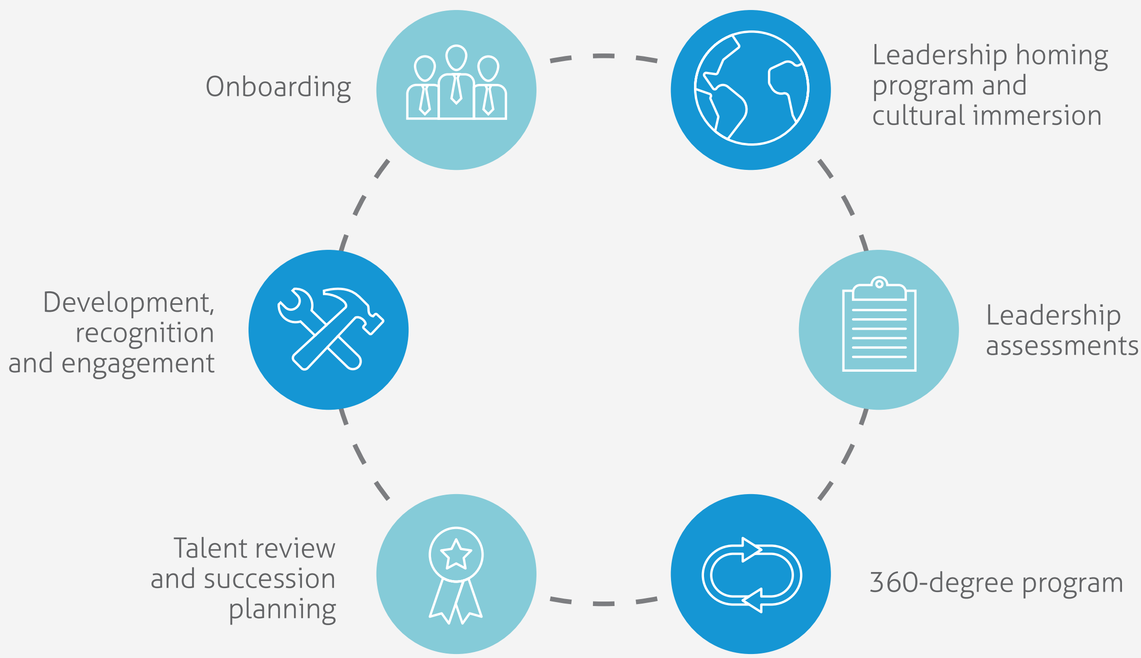
To ensure that we choose the right leaders and set them up for success, Mindtree makes hires based on expertise for a role, competencies from our leadership model and leadership behaviors.

Leadership homing and cultural immersion

Integrating new leaders and transitioning existing ones is a shared responsibility at Mindtree. For example, a leader's new team, manager and peers help provide a personalized onboarding experience to connect with that leader. Individuals can also join the leadership homing program, which was designed to engage Mindtree Minds and reinforce their connection to each other and to the organization. New Mindtree Minds get perspective from core stakeholders, the top management team, and senior leaders on culture, the importance of integrity, and the values and experiences that have shaped the company and will impact its future.

Leadership assessments

Throughout their leadership journey, Mindtree Minds receive developmental feedback ranging from annual performance reviews and 360-degree assessments to leadership evaluations, talent reviews, customer experience surveys and people experience surveys. They get regular feedback not only on their role-specific performance and skills, but also on any knowledge and development gaps. This approach is meant to strengthen self-awareness.



Leadership talent review and succession planning

The talent review process assesses the role, scope and plans of leaders at the vertical-industry, service-line and CxO levels. A panel of executive leadership team members then considers the candidates identified as having high potential to help them chart their careers and plan for future transitions.

Leadership development, recognition and engagement

Mindtree's strong recognition culture offers opportunities through the Chairman's Awards, Spot-on Honor Badges and Pillars program (a high-achiever's club). Chairman's Award winners have the chance to shadow executives, receive mentoring from the leadership team, and get sponsored for internal initiatives and onsite opportunities with clients.

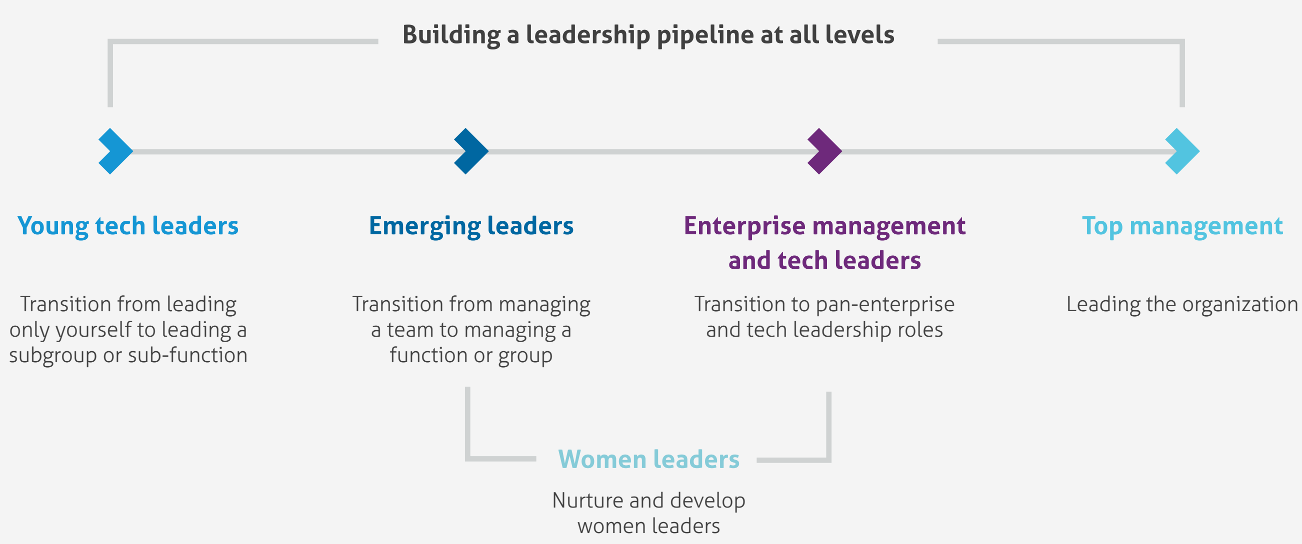
The future of leadership

We recognize that the leadership journey never really ends—it's a commitment to keep learning and improving. Just as the future will always be there, we will always keep trying to improve our process of supporting the Mindtree Minds of tomorrow.

Mindtree's leadership development road map

We identify and nurture top talent with programs that cover all stages of leadership, as shown in the following illustration of the Mindtree leadership development road map. This road map was designed to support Mindtree values and culture through programs for young, emerging, women, enterprise and top leaders.

Leadership development programs



Chairman's Award winners

Mindtree cofounder and outgoing Executive Chairman Subroto Bagchi is heavily involved with this award program, which represents the highest recognition of excellence at the company. Any Mindtree Mind is eligible to apply or be nominated. The 2015 Chairman's Award winners were: Jimcy George - Inspiring Manager of the Year Award – Expert Choice; Karthikeyan Dhayalamani - Risen Above the Tide Award; Muthumeena Elango – Individual Contributor of the Year; Pramod M A - Subject Matter Expert of the Year Award; Sangeetha G - Enabler of the Year Award; Sriram Krishnasaamy - Team Lead of the Year Award – Expert Choice; Sudhansu Shadagi - Social Impact Award – People Choice; Suresh H P - Inspiring Manager of the Year Award – People Choice; and Venkat Nandikolla - Rainmaker of the Year Award. Meet two of the winners:

Muthumeena Elango

Individual Contributor of the Year

Muthumeena joined Mindtree in 2011 in a technical leadership role on the Insurance Data Warehouse team. Mindtree introduced a new process called anchor modeling, and Muthumeena used it to draw comparisons against a client's data models. Using this technique, she found and fixed more than 40 data glitches, resulting in increased efficiency for the client.

Muthumeena is one of the youngest Chairman's Award winners at the company. She credits her impressive achievements with trying to achieve perfection in every task she is assigned. Her advice to her peers is to ensure that you are extremely pleased with your work before presenting it to the client, and to remember that every day is full of opportunities to explore.

Venkat Nandikolla

Rainmaker of the Year

Over the past three years, Venkat has brought in nine accounts with a total expected business volume of USD 33 million annually. He finds the Rainmaker title very satisfying, as he has long aspired to this managerial persona. After receiving the award, he moved into a leadership role and began mentoring team members with an eye toward helping his reports close deals and develop their individual talents. His goal is to see his new team outperform him. Venkat believes that great salespeople:

- Pursue deals that highlight a direct Mindtree strength.
- Have a natural ability to empathize with customers and use their language.
- Take a consultative approach, focusing on outcomes over adhering to specific tactics.
- Make sure to get complete information by approaching multiple client stakeholders to cross-verify information.
- Are not dismayed when a client says no—instead, they look for a way to be better messengers for Mindtree and its services while focusing on finding the right solution for the client.

Agile Center of Excellence

The Mindtree Agile Center of Excellence (CoE) in Gainesville, Florida, is a state-of-the-art facility designed for Agile software development. Mindtree provides exceptional people, deep domain expertise and cutting-edge technology for clients looking for custom development. The CoE is where technology dreams take shape.

Home to one of the state's leading research universities and well known for fostering innovative businesses, Gainesville was the natural place to build our center. The CoE started as a 2012 Mindtree project at the nearby University of Florida Innovation Hub. Our goal was to build a physical gathering place for university students, our clients and our engineers to experience Mindtree culture, systems and values in action while building technology solutions. We have since expanded into our own permanent space to continue this exciting work.

Culture, community and innovation under one roof

With 17,000 Mindtree Minds, we have access to experts in a range of industries and technologies. When drawing from this talent pool, it's easy to assemble just the right team for each project. We are also available to consult with clients during all phases of a project, including brainstorming, design, development, testing, deployment and beyond. We can train a client's IT staff to take over ownership of a new solution, or we can manage it for them.

For clients and Mindtree Minds alike, everything comes together at the Agile CoE:

Culture. We are highly collaborative. Clients can work with us in real time using teleconferencing screens throughout the center, which has an open floor plan to encourage in-person communication as well. Our senior leaders stop by the facility to meet with clients and new Mindtree Minds, checking on the progress of projects and careers.

Community. We put down roots in local communities. Our Gainesville CoE has partnered with the University of Florida and its highly rated engineering program to design a curriculum that produces graduates who are ready to work in today's high-tech world. Mindtree Chairman Subroto Bagchi volunteers at the university and has taught classes there. We hire graduates from the University of Florida and many other schools in the state. Program leaders from the university help welcome Mindtree Minds with speeches and other events.

Innovation. By using Agile development, we can offer shorter delivery cycles so clients get to market faster, increase their return on investment and lower their risks. We bring in Agile coaches to help clients adopt—and adapt to—new methods and technologies that help ensure project success.

Expertise. Much of our ability to innovate comes from our deep domain expertise in vertical industries such as banking and financial services, consumer packaged goods, retail and media. This knowledge enables us to build Agile solutions for web, mobile, data warehousing and UI/UX scenarios. Our approach to Agile is built around the client—we work transparently and flexibly.

A successful partnership

Together, these elements create an ideal place to help dreams become reality. The University of Florida has the expertise, resources and talent to provide businesses (and clients) like ours with a qualified talent pool and access to cutting-edge research. We draw on our expertise in Agile development and the latest IT technologies. Our clients bring their biggest ideas. It all adds up to welcoming—and realizing—endless possibilities.

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Executive Message

Dear Shareholders,

We're proud to report another year of all-around strong performance. Our FY2015–16 annual revenue was USD 715.2 million, with operating profits of USD 126.7 million. Mindtree continues to grow significantly faster than the overall industry. We credit these achievements in large part to our strategic initiatives, such as focusing on key areas—digital solutions and managed services—in a select set of industries, bolstered by efforts to build a highly skilled workforce and a world-class leadership team.

Strengthening our digital solutions and managed services

Since our founding, Mindtree has concentrated on helping our clients grow their businesses through digital transformation. Today, digital solutions drive more than a third of our revenue. In FY2015–16, we enhanced this vision with an expert-led, integrated digital division organized around developing solutions and thought leadership in analytics, omnichannel solutions and personalization. To strengthen our lead in the digital space even further, we made three strategic acquisitions last year:

- UK-based Bluefin Solutions, a market-leading consultancy in SAP HANA
- US-based Relational Solutions, a specialized provider of supply chain optimization and trade promotions analytics for consumer goods and retail execution
- US-based Magnet 360, a Salesforce Platinum consulting partner with strong expertise across the full suite of Salesforce solutions

The combined capabilities of these new additions is helping to solidify our position as digital transformation leaders even further.

Our ability to help clients optimize efficiency while enhancing quality has also been a major growth driver. Our Atlas Managed Services framework, which includes a new offering around Lean IT, provides a rich set of intellectual properties, accelerators and solutions to unleash possibilities for continued operational transformations. And we do all this at scale.

Investing in our people

The foundation of our success has always been the high level of skill of our Mindtree Minds. They are our greatest strength and most valuable asset. To provide cultural and learning immersion for new Mindtree Minds, in 2015 we launched Mindtree Kalinga, a new state-of-the-art corporate learning and development center in Bhubaneswar, Orissa, in India. Each year, this 20-acre center will train roughly 2,500 young engineers recruited from all over the world.

In addition, we continue to see great results from our Agile Center of Excellence and Delivery Center located in Gainesville, Florida, in the US. This center has grown to nearly 300 Mindtree Minds and is recognized as one of the leading hubs for Agile development consulting and execution.

Recognitions and awards

We earned many awards and accolades during FY2015–16, and we are proud of all of them. These three best reflect our core values:

- We won Best Corporate Governance in the technology sector for Asia from the Ethical Boardroom Corporation.
- Our CIO was given the Digital Transformation Czar award in the Digital Transformation category at the CIO 100 Awards organized by International Data Group.
- Mindtree earned a place in *Forbes India*'s inaugural Super 50 list based on consistent shareholder returns, sales growth and return of equity.

Giving back to the community

We celebrated our 16th anniversary in true Mindtree style—with multiple acts of kindness. The Mindtree Foundation organized several initiatives, including blood drives, donations of clothes and toys, and events dedicated to tree planting. All these initiatives were received with enthusiasm and active participation.

Moving forward

In January, we announced important leadership transitions. They are the result of a year-long succession planning process led by Apurva Purohit, Chairperson of the Nomination & Remuneration Committee of the Board of Directors.

Effective April 1, 2016:

- **Subroto Bagchi** will step down as Executive Chairman of Mindtree. He will remain on the Board of Directors and will contribute time and ideas to the company in a non-executive capacity.
- **Krishnakumar Natarajan** has been elevated to Executive Chairman. As our cofounder, CEO and Managing Director, KK has been an exemplary visionary and leader who made Mindtree what it is today. The industry has honored KK with several recognitions, the most recent being Ernst & Young's Entrepreneur of the Year award in the services category for 2015. In his new role as Chairman, KK will spend more time on strategic, medium-term and long-range issues.
- **Rostow Ravanan** has been named CEO & Managing Director. Rostow served as Mindtree's CFO for close to 10 years, and he was honored by the industry a number of times in that role. In April 2015, he stepped down as CFO and took over as Head of Europe Operations, Enterprise Service Lines and Key Accounts Group.

With the hard work and commitment of Mindtree Minds, along with the trust and goodwill of our clients, we have built a strong foundation to launch ourselves to 2020 and beyond.

This year, we renew our pledge to create shareholder value by making the right strategic and organizational decisions. Along with 17,000 Mindtree Minds, we thank you for your support and trust. We look forward to another year replete with new aspirations and the joy of achieving them.

Welcome to **possible**.

Subroto Bagchi
Non-Executive Director

Krishnakumar Natarajan
Executive Chairman

Message from CEO

Dear Shareholders,

I am incredibly excited to share my first communication to you in my new role.

As you would have read from my colleagues and from the financial statements we present here, 2015-16 was a momentous year for us. Your company delivered yet another year of strong growth, powered by our strategic focus on three plans – world class capabilities in digital and managed services, domain knowledge and deeper mining of client relationships. We led the industry on growth again in 2015-16.

Our continued focus on attracting and developing talent played a key part in achieving our results. Your Board of Directors and senior leadership team continue to make this a priority and are actively engaged in this process all through the year. One area within talent management we are particularly focused on is increasing the gender and cultural diversity within Mindtree. I am very pleased to report that we now have 50 women in senior management roles, and 28% across all levels. In addition, we have people from 48 nationalities working in Mindtree at present.

Another example of our focus on talent management is our new Global Learning Center. We need to develop engineers of tomorrow for a hyper-connected world and our response was to build a world-class learning environment called Mindtree Kalinga. Nestled across 20 acres, this pristine campus borders a reserve forest in the progressive city of Bhubaneswar, India. Everything in this facility was imagined to excite all those who pass through the facility. Since the Center became operational in March of 2015, over 1400 new Mindtree Minds have graduated and been deployed in projects across the company. Designed with the mindset 'Engineering, Business and Social' this campus is a learning lab for interdisciplinary teams to solve real world problems. Mindtree Kalinga also has a Software Delivery Center that focuses on building expertise in niche technologies for our insurance offerings, serving global clients. With over $25 million of investments in Mindtree Kalinga, we will turn out world class talent that will wow our clients and shape the future of Mindtree.

We are also investing in strengthening our technology and domain capabilities. For example, within the Consumer Packaged Goods industry, we have strong capabilities in several key business processes such as Trade Promotion Management, Dealer Management Systems and Supply Chain Management. We have similar exciting stories in Hi-tech, Travel, Hospitality, Banking, Financial Services and Insurance. On the technology front, we have highly referenceable, globally relevant capabilities that help enterprises migrate to the Cloud, as well as many other innovative solutions. These have helped us win prestigious awards from partners like Microsoft and SAP. Our strengths in some of the traditional services like Infrastructure Management and Testing are also getting glowing reviews by leading industry analysts, many of whom rank us as leaders or strong challengers in these areas. We aspire for global leadership status in emerging technology areas like Digital, Artificial Intelligence, Agile Programming and Automation. We believe we are well poised to achieve this with the investments we have made.

We intend to fund some of these investments through better execution to unlock efficiencies. Towards that goal, this year we embarked on an enterprise-wide Delivery and Operations Transformation program which applies LEAN principles to software delivery. In addition, we launched an operational efficiency improvement track which looks at improving utilization and reducing costs in various areas. We are executing these initiatives in parallel and in multiple phases. The program will cover all business units and locations in the next 24 months. This ambitious transformation program has the potential to significantly enhance productivity of our people as well as strengthen our competitiveness in the marketplace.

At Mindtree, we have always taken our responsibility to the community seriously. During the year, we participated in programs across many of the regions where we operate. These included empowering rag pickers in many cities across India through technology; supporting education in primary schools and high school students wishing to pursue medical education; helping children with disabilities; and many other socially significant initiatives. We measure the impact of these programs carefully and I am very pleased to report that all these programs met or exceeded our expectations. We also realize that we can be a force multiplier for the various not-for-profit organizations we partner with and hosted them at our office during the year. This generated a lot of ideas and energized the teams to do more to benefit the communities we operate in. We also partnered with some of our large customers on social initiatives of their choice. In addition, we recognize our responsibility to safeguard our planet for future generations. Elsewhere in this annual report, you will find our Business Responsibility Report explaining the ecological initiatives we have embarked on to minimize our carbon footprint, save water, and more.

2016-17 starts on a positive note overall and presents many new possibilities. It will be an interesting year for Mindtree from many angles. Amongst other upcoming milestones, in March 2017, we will mark 10 years since our IPO. As we see today, the business environment does present an unclear picture. Further, economic and political uncertainties affect many countries where we operate. However, we believe these challenges will only help us become stronger. Building on the strong growth momentum we have generated over the last few years, strong financials, and outstanding client relationships, we are confident that we will deliver strong growth with some margin improvements in FY 2016-17.

Finally, on behalf of all Mindtree Minds, I would like to thank you for your steadfast support and encouragement. We are conscious of our role as custodians of the resources you have placed at our disposal as well as your trust. For our business to be relevant over the long term, we need to deliver value to you as well as to the communities we operate in. Sustainable value creation is foremost in our minds in the way we run our business. We commit to you that we will make Mindtree a memorable company through our core values: collaborative spirit, unrelenting dedication, and expert thinking.

I look forward to interacting with many of you at our forthcoming annual meeting of shareholders and at other occasions through the year.

With best regards,

Rostow Ravanan
CEO and Managing Director

Message from CFO

$715.2 Million Revenue

$126.7 Million Operating Profits

22.5% Y on Y Revenue Growth in USD

16,623 Mindtree Minds

348 Active Clients

Dear Shareholders,

Your company continues its efforts to achieve industry-leading growth, as reflected in Mindtree's financial performance for FY 2015–16.

Highlights of FY 2015–16

Our revenue grew to ₹ 46,896 million (USD 715.2 million) in FY 16, up from ₹ 35,619 million (USD 583.8 million) in FY 15, which is 31.7% growth in INR terms and 22.5% in USD terms. Our net profits grew by 12.5% in FY 16 in INR terms and 4.7% in USD terms over the previous year due to volume growth in revenues and aided by favorable currency movements. Our return on capital employed (ROCE) remained strong at 34.9%, and our earnings per share (EPS) grew to ₹ 35.89 in FY 16 from ₹ 31.94 in FY 15.

We rewarded our shareholders through increased dividend payouts in line with increased profits, and we continued our quarterly dividend payment schedule. We also made a bonus issue this year within 18 months of the previous bonus issue. We will continue to work toward creating value for all our stakeholders through strong financial performance.

For the third consecutive year, Mindtree grew faster than the industry. Even though our business was affected by a few project delays in couple of business verticals towards the end of the fiscal year, the fundamentals of our business remain strong, and we are confident of achieving industry-leading growth in the coming years.

We have a strong balance sheet and the liquidity to make the necessary organic and inorganic investments to sustain the growth. During FY 16, in line with our commitment to "make digital real" for our customers, we bolstered our digital business by acquiring Bluefin Solutions, Relational Solutions and Magnet 360. These acquisitions contributed revenue of ₹ 2,740 million (USD 41.2 million) and a net profit of ₹ 148 million (USD 2.2 million) during the fiscal year.

We continue to invest in facilities, IT infrastructure and security with efficient design and compliance with the global standards on sustainability. In FY 15, we invested in Mindtree Kalinga, our global learning and delivery center. This facility is now fully operational and we have started imparting training to Mindtree Minds. Kalinga is just one of the several initiatives designed to develop the potential of young Mindtree Minds and make your company the best possible place to establish and grow a career.

We continue to give back to the society through Mindtree Foundation and various other channels. Various sections of this annual report highlight the projects and activities taken up by Mindtree in our effort to be responsible corporate citizens. We have voluntarily adopted the Global Reporting Initiative (GRI 3.1) framework for our sustainability report, one of the world's highest standards in disclosure to explain our approach of adopting responsible business practices and in line with our objective of making more information available to you.

We remain dedicated to enhancing transparency and disclosure to shareholders through various additional disclosures such as sustainability report, risk report, management discussion and analysis and IFRS financials.

Outlook and priorities for FY 2016–17

In the last few years, our rate of growth has consistently been faster than that of our industry. We expect to continue this momentum for FY 17. Digital is gaining traction and continues to be one of our major growth drivers, with personalization of digital solutions being our key strategic focus for FY 17. We will continue our focus on account mining and strive to exceed our own company growth rate in each of our top 30 accounts. We will also continue to focus on delivery and operational efficiencies to improve our margins.

At Mindtree, people are our core strength. Leadership development and succession planning are critical for the growth of a global enterprise. We are committed to developing Mindtree Minds through providing ample training and growth opportunities and planning for our future leaders in a sustainable way.

Corporate governance

We believe in transparency and maintaining the trust of our stakeholders through strong corporate governance, as demonstrated by the following:

- In FY 2010–11, we published audited quarterly financial statements.
- In FY 2011–12, we published unaudited IFRS financial statements.
- In FY 2015–16, we published audited IFRS financial statements.
- The first audited Ind AS–compliant (a new IFRS equivalent in India) financial statements will be published in FY 2016–17.

We take pride in our standards of corporate governance and will continue to uphold them to maintain your confidence and trust in us.

I would like to personally thank our outstanding Finance, Procurement, Secretarial, People Shared Services, Travel and Immigration teams, which I am proud to lead. Their dedication and mantra of continuous improvement delivers consistently outstanding results for Mindtree and our stakeholders.

I feel honored to have taken over the role of Chief Financial Officer as of April 2015, and I pledge to be an effective partner to our business leaders. I'm grateful to all our investors for your trust. Your support helps Mindtree become a stronger company every day.

Jagannathan Chakravarthi
Chief Financial Officer

Financial performance

₹ in million, except per share data

Statement of profit and loss

Particulars	FY12	FY13	FY14	FY15	FY16
Revenue	19,152	23,618	30,316	35,619	46,896
EBITDA	2,930	4,864	6,100	7,092	8,304
Depreciation and amortisation	695	624	809	1,018	1,332
Other income (net of foreign exchange loss)	385	10	496	835	805
Profit before interest and tax	2,620	4,250	5,787	6,909	7,777
Finance cost	5	10	4	1	3
Profit before tax	2,615	4,240	5,783	6,908	7,774
Tax	430	847	1,275	1,545	1,741
Profit after tax	2,185	3,393	4,508	5,363	6,033

Per share data*

Particulars	FY12	FY13	FY14	FY15	FY16
Earnings per share – basic	13.56	20.70	27.10	32.07	35.99
Earnings per share – diluted	13.14	20.47	26.94	31.94	35.89
Dividend per share	1.00	3.00	6.30	8.50	10.50

Balance sheet

Particulars	FY12	FY13	FY14	FY15	FY16
Fixed assets (including goodwill)	2,676	3,160	3,932	5,909	12,463
Investments	3,082	4,257	5,335	5,351	2,159
Net deferred tax	320	360	402	449	602
Net assets (current and non-current)	3,942	5,614	6,768	8,446	9,170
	10,020	13,391	16,437	20,155	24,394
Share capital	405	415	417	837	1,678
Share application money pending allotment	–	–	–	4	-
Reserves and surplus	9,167	12,722	15,988	19,287	22,278
Loan funds	448	254	32	27	438
	10,020	13,391	16,437	20,155	24,394

Key ratios

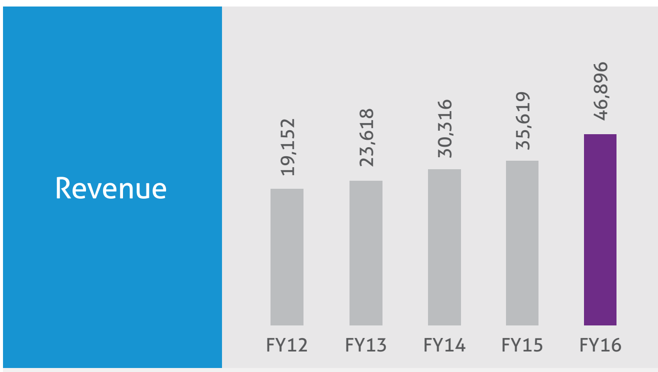
Particulars	FY12	FY13	FY14	FY15	FY16
Revenue growth (YoY) in USD terms	21.7%	8.2%	15.1%	16.4%	22.5%
EBITDA as a % of Revenue	15.3%	20.6%	20.1%	19.9%	17.7%
PAT/ Revenue	11.4%	14.4%	14.9%	15.1%	12.9%
Return on capital employed	29.4%	36.3%	38.8%	37.8%	34.9%
Return on equity	25.2%	29.8%	30.5%	29.4%	27.4%

*Adjusted for bonus issue

Financial trends and value creation

Mindtree has created significant wealth for its shareholders as the Company continues to maintain its growth momentum to become a global information technology solutions organisation. Given below is the the data on the Company's performance for the last five years.

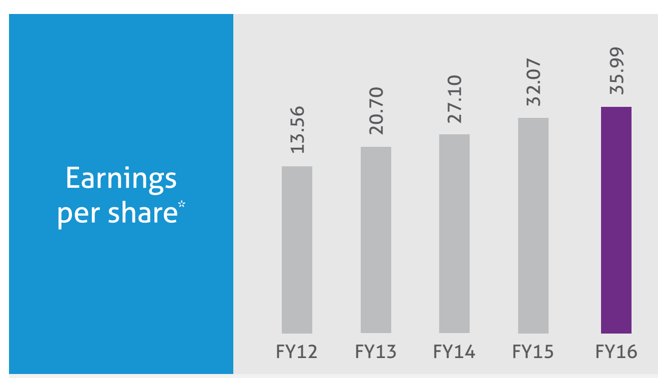
₹ in million, except per share data



Revenue has grown from ₹ 19,152 in FY12 to ₹ 46,896 in FY16, steadily at a CAGR of 25.09% for the last five years.

Earnings before interest, tax, depreciation and amortisation has increased threefold - from ₹ 2,930 in FY12 to ₹ 8,304 in FY16.

Profit after tax has grown close to threefold in the last five years, from ₹ 2,185 in FY12 to ₹ 6,033 in FY16.



Earnings per share has increased close to threefold in the last five years from ₹ 13.56 in FY12 to ₹ 35.99 in FY16.

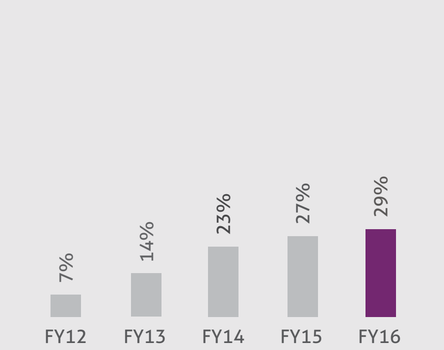
*Adjusted for bonus issue

Financial trends and value creation

continued

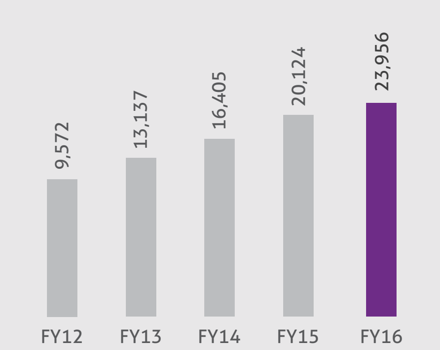
₹ in million, except per share data

Dividend payout ratio



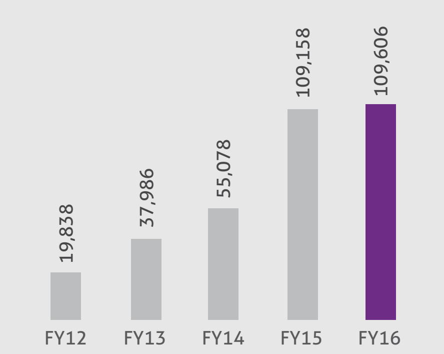
The dividend payout ratio has increased consistently from 7% in FY12 to 29% to FY16.

Net worth



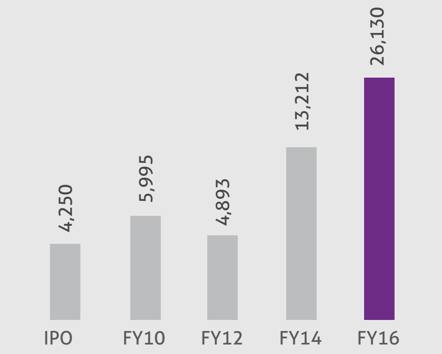
The net worth has shown a steady and constant ascent from ₹ 9,572 to ₹ 23,956 in the last five years.

Market capitalization



Market capitalization has increased from ₹ 19,838 to ₹ 109,606 showing a sixfold increase in the last five years. (Based on NSE closing date as on March 31)

Shareholder wealth creation



Mindtree has created significant wealth for its shareholders. Value of 10 shares invested during our Initial Public Offering (IPO in FY07) has gone up from ₹ 4,250 to ₹ 26,130. (FY10 to FY16 is based on NSE closing rate as on March 31)

Year in review: 2015–16

April

- Mindtree's full-year revenue grows 16.4% in USD terms; final dividend declared.

May

- Mindtree named a Top 10 Outsourcing Service Provider in EMEA by ISG.

July

- Mindtree acquires Bluefin Solutions.
- Mindtree acquires Relational Solutions, Inc.
- Milestone quarter for Mindtree: Revenue crosses USD 150 million; interim dividend recommended.

August

- Mindtree named a Top 10 Outsourcing Service Provider in the US and EMEA by ISG.

September

- Mindtree and MetricStream partner to simplify regulatory compliance for financial firms.
- flydubai selects Mindtree as a strategic technology partner.
- Mindtree selected by Mölnlycke Health Care for SAP Application Management.
- Mindtree launches Global Learning and Software Delivery Center in Bhubaneswar.

October

- Stellar quarter for Mindtree: Strong revenue growth of 16.4% QoQ in dollar terms; interim dividend recommended.

November

- Mindtree named a Top 10 Outsourcing Service Provider in the Americas and EMEA by ISG.
- Mindtree selected for the leadership zone in Zinnov's Global Product Engineering Service Provider Ratings.

December

- Mindtree unveils modern Loss Control Platform for the insurance industry.

January

- Mindtree acquires Magnet 360.
- Mindtree unveils Flooresense platform for the retail industry.

February

- Mindtree signs a services integration capabilities agreement with Sandvik.
- Mindtree publishes a study on personalization and consumer expectations.

March

- Mindtree completes 1:1 issue of bonus shares.

Board of Directors

Left to right (standing)

V G Siddhartha
Non-Executive Director

Ramesh Ramanathan
Independent Director

Subroto Bagchi
Non-Executive Director

Dr. Albert Hieronimus
Vice Chairman and
Independent Director

Left to right (sitting)

Prof. Pankaj Chandra
Independent Director

Apurva Purohit
Independent Director

Krishnakumar Natarajan
Executive Chairman

Rostow Ravanan
CEO and Managing Director

N S Parthasarathy
Executive Director,
President and COO

Manisha Girotra
Independent Director

Board committees

Administrative Committee

Krishnakumar Natarajan..........Chairman
Subroto Bagchi ....Member
N.S. Parthasarathy.....................Member
Rostow Ravanan........................Member

Audit Committee

Ramesh Ramanathan................Chairman
Dr. Albert Hieronimus ....Member
V.G. Siddhartha ....Member
Apurva Purohit...........................Member

Stakeholders' Relationship Committee

Dr. Albert Hieronimus ....Chairman
Rostow Ravanan........................Member

Nomination & Remuneration Committee

Apurva Purohit...........................Chairman
Dr. Albert Hieronimus ....Member
Subroto Bagchi ....Member
Prof. Pankaj Chandra ....Member

Corporate Social Responsibility Committee

Subroto Bagchi ....Chairman
N.S. Parthasarathy.....................Member
Prof. Pankaj Chandra ....Member
Rostow Ravanan........................Member

Risk Management Committee

Krishnakumar Natarajan..........Chairman
Rostow Ravanan........................Member
N.S. Parthasarathy.....................Member

Business Responsibility Report

Mindtree was born to be a global software solutions company with social sensitivity. Ever since its inception in 1999, social cause has been an innate part of our vision. Our vision explicitly mentions 'making societies flourish' as an integral part of our ideology. This inherent DNA of the organization kept intact throughout our growth over 16 years, finds a natural alignment with several global and national frameworks of responsibility such as United Nations Global Compact (UNGC), Global Reporting Initiative (GRI) and National Voluntary Guidelines of the Government of India (NVG).

Mindtree is a UNGC signatory. We have been reporting our sustainability performance based on the GRI framework since 2012-13. Our website carries links to all the sustainability reports since 2012-13 (http://www.mindtree.com/abouts-us/sustainability).

Mindtree's environmental initiatives, directed by our Environmental Health and Safety policy, endorse the precautionary principle of the UN to conserve natural resources. Our organization reports the details of emissions, resource efficiency measures and progress in the Carbon Disclosure Project (CDP) report annually.

Mindtree is a global information technology company which works closely with its clients across the world, to create technological solutions for their growth. We do not manufacture physical products but create and offer IT solutions and services as per the evolving needs of our clients. This renders product policies redundant in our case.

A member of Confederation of Indian Industry (CII), National Association of Software and Services Companies (NASSCOM), The Associated Chambers of Commerce of India (ASSOCHAM) and Bangalore Chambers of Industry and Commerce (BCIC), and recipient of several awards and accolades, Mindtree is recognized as a leader in corporate governance and talent development innovations. Our leaders inspire thought leadership and responsible corporate citizenship over several public platforms.

Mindtree's vision on responsibility embraces the nine principles of NVG along with their key elements. What enables it further is an array of frameworks, charters, policies, codes of conduct, management systems and monitoring tools integrated into our operations.

Business responsibility matters get a direction and inspiration right from the Board level. The Board is in charge of setting the focus, direction and criteria for responsibility initiatives.

The initiatives are also supervised by members of the Board, the Board committees (the CSR Committee and the Risk Committee), the Mindtree Foundation and the sustainability function. The CSR (Corporate Social Responsibility) Committee is chaired by Subroto Bagchi, the Chairman. N.S. Parthasarathy, President, COO, heads the sustainability domain and provides the direction and review on matters of sustainability, including reporting. Abraham Moses, the Head of the Mindtree Foundation leads and drives the CSR Charter through the various CSR projects. The frequency of committee meetings is decided by the chairman and members of the respective committees, with a minimum frequency of once a year. Over the last year, the CSR Committee has met twice. As we closed the year, the Board reviewed the CSR performance, paved the way ahead for the next year and met with our Non Government Organization (NGO) partners.

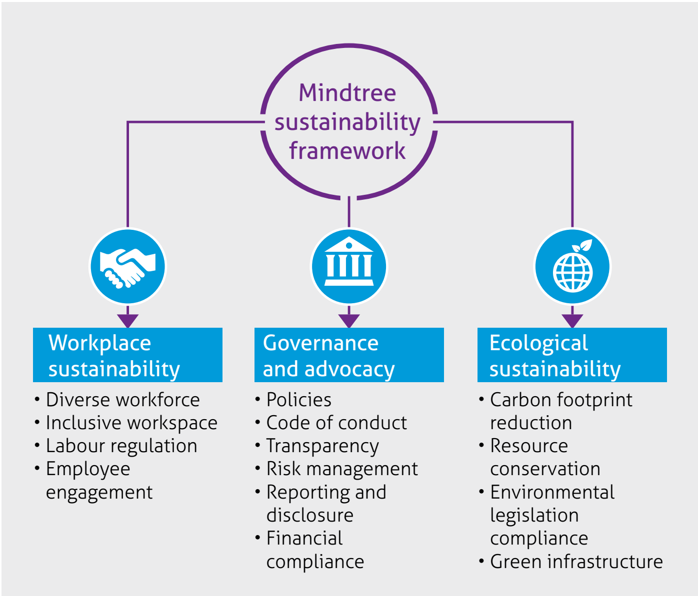
All policies are formulated with the consultation of stakeholders, conform to national/ international norms as relevant, and come into effect with the approval of the Board and the CEO. Policies are either published through a link on the website (e.g. Whistleblower policy, Code of Conduct for Integrity: at http://www.mindtree.com/about-us/sustainability/governance-advocacy) or published through PeopleHub - our internal portal and other numerous channels of communication within the organization.

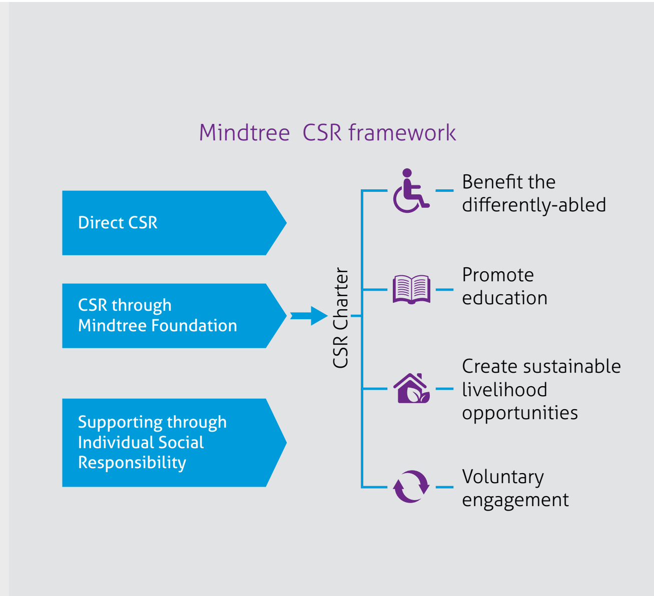
Mindtree has set in place, several mechanisms to track possible deviations from policies, receive and redress grievances over the deviations, through generic engagement platforms as well as specific access points for grievances. Mindtree has been designing mechanisms to further increase people participation in policy-making and to give a greater voice to people's inputs into policy and strategy.

Data related to key parameters of reporting on business responsibility gets audited and externally validated by third party verifier agencies while internal and periodic evaluations monitor the policy implementation. KPMG audits and assures that the information we share in the sustainability report is in accordance with GRI and mapped to NVG principles.

Mindtree views sustainability and CSR as distinct constructs: in its view, sustainability can be strategic and CSR should be non-strategic in its intent.

Our sustainability framework is built on three pillars: Governance & advocacy, Workplace sustainability and Ecological sustainability.





Governance and ethics

Principles which guide us:

- Act in the spirit of law and not just the letter of law.
- Do what is right and not what is convenient.
- Provide complete transparency on our operations.
- Follow openness in our communication to all stakeholders.

The Integrity policy of Mindtree insists on conducting all business activities with honesty, integrity and the highest possible ethical standards while vigorously, enforcing the business practice of not engaging in bribery or corruption, wherever we operate globally. An extensive education program ensures all employees are aware of the zero-tolerance approach the management maintains towards the implementation of the policy.

Our anti-bribery and anti-corruption policy enables prevention, deterrence and detection of fraud, bribery and all other corrupt and unethical business practices, including extortion.

The Whistle Blower Policy offers a scope for disclosure and redress of issues such as related party transactions, siphoning of funds, non-compliance of the law of the land, concealing legal mandatory disclosures, breach of fiduciary responsibilities, financial irregularities, sexual harassment, misuse of intellectual property, breach of integrity and any suspicious activity or event which indicates a potential threat to the security of Mindtree's assets and people.

During the year, we resolved 34 out of the total 35 cases of overall grievances received, with one case kept open.

We respect and endorse the global principles and national laws on human rights. The organization culture has been consciously cultivated to be a humane organization in all spheres of its operations. All our people, including contractual workers, are trained in issues pertaining to human rights.

Human rights forms an integral part of our supplier code of conduct as well. Our NGO partners are anchored in the protection of human rights and we are proud to be associated with them.

Corporate social responsibility

Mindtree's CSR activities are anchored on inclusiveness: the poor, marginalized segments of society are its main beneficiaries. People with disability form 3% of total beneficiaries. Almost half of our beneficiaries are women. Inclusive growth and equitable development are the purpose behind many of our endeavors in creating sustainable livelihoods, skill development, education support and support for people with disability.

Mindtree's CSR follows three modes in CSR: direct projects of Mindtree, projects through the Mindtree Foundation and nurturing individual social responsibility initiatives through volunteering and social entrepreneurship. Under the direction of the CSR committee and the steering committee, the CSR projects gain focus for action through the CSR policy and the charter.

I Got Garbage is a direct CSR project of Mindtree which transforms lives of urban waste pickers apart from addressing the issues of the growing urban waste problem.

Mindtree Foundation plans, monitors, reviews and strengthens 14 CSR projects across education, livelihoods and people with disability in five states of India with the support of 13 NGO-partners.

Channelling ₹ 26,271,304 on its CSR projects in the year 2015-16, the Foundation has benefited 21,769 beneficiaries and has involved 7,236 volunteers from Mindtree.

All our projects are supported by a long term vision with a view to create long lasting impacts. We choose projects which are niche and have a deep impact. Our data monitoring methods and systems are getting stronger to enable us to assess our impacts, the community adoption and the continuity of our efforts more effectively.

Our CSR efforts are now focusing on taluk levels covering the whole spectrum of the defined needs. This, in our experience, creates sustainable social change. Having consolidated our education initiatives at the taluk level (in Kanakapura, Karnataka), in 2015-16 we went ahead to offer full spectrum support to our livelihood initiatives in Bhubaneswar, Odisha and at the taluk level in Korategere, Tumkur district, Karnataka, and for children with disability in Vijayapura, Karnataka and in Tiruvallur district, Tamilnadu.

For further details on CSR, please refer to the annexure 7 of the Directors' Report.

Inclusion

Our inclusion philosophy is reflected in three ways:

- Our CSR efforts embrace marginalized and deprived segments of the society, as explained in the CSR section above.
- Our workplace is driven by a diversity & inclusion charter called EDGES which ensures we stay diverse and inclusive in Ethnicity, Disability, Gender and Sexual orientation.
- We include wide segments of the society as our stakeholders and gather their concerns and issues, to factor them into our policies and strategies.

In 2015-16, we undertook an exclusive consultation with our stakeholders through a third party, and determined a set of key material issues for us. This set of material issues-across social, environmental and economic categories formed the foundation of our sustainability performance in 2015-16. Details of the process, issues and how we address them are shared in our 2015-16 sustainability report.

Workplace sustainability

Born to be an IT organization with a human face, our workplace culture and the values it reflects are paramount to our pride and purpose. We have no 'human resources' function. We thrive on a 'people function'. We are an environment that nurtures both competence and responsibility at the individual level, at the team level and the organizational level.

Our learning and organizational development initiatives cater to all levels of the organization from new entrants to leadership. Our programs are a blend of classroom and virtual sessions allowing for accessibility across locations while maintaining personal touchpoints which are an essential element of coaching and mentoring. Our initiatives are designed to equip people with the skills necessary for their current role, and to groom them for the future.

Policy of equal opportunity and non-discrimination keep our work environment fair and just. No exclusive employee associations are active in our organization. 100% of our eligible people are covered by our performance review systems. All our people across categories receive safety and skill training.

Our diversity charter includes diverse segments within the fold of the organization. Women form 28% of our talent pool. We are targeting 30% by 2016-17 and 32% the year after. Two of our board members are women. Our current efforts are geared towards strengthening gender ratios at middle levels and enabling women leaders to move up the ladder. An interlinked system between talent acquisition, talent development and leadership development are working towards better gender balance.

Forty nine people with disability contribute to our organization's value creation, well supported by our policy of reasonable accommodation for them and our carefully designed physical and technological infrastructure for people with disability.

Our health & safety policy and Healthy Mind Healthy Body - our wellness platform, work constantly towards employee well-being at various levels. All our locations in India are OHSAS certified. Our safety trainings extend to and cover our contractual workers as well.

	Total	Permanent	Contractual
Male	12602	10280	869
Female	4909	4564	345

Ecological sustainability

Ecological sustainability is one of the three pillars of our sustainability framework. We are committed to the precautionary principle towards resource conservation. Green IT and resource efficiency are key components of material issues for us, pushing us beyond compliance levels constantly.

Mitigation strategies for climate change also make smart business sense, and our risk analyses and resultant green initiatives focus on efficiencies across water and energy consumption while trying to increase waste conversion and achieve emission reductions.

Details of improvement in our energy performance, water efficiency, greenhouse gas (GHG) emissions are shared in the Directors Report of this annual report as well as our sustainability report.

Committed to LEED-certified buildings, we are well guided by data monitoring systems which keep our efforts constant and dynamic at all times. We are fully compliant to the norms and methods of measuring and reporting information and externally audited data on emissions, effluents and waste to the regulatory authorities such as Central Pollution Control Board (CPCB), with no legal notice/ show cause pending as of March 31, 2016. We regularly submit our annual Carbon Disclosure Project (CDP) report and publish our detailed performance as a part of our annual sustainability report.

While our environmental management system monitor our efforts and keep them on track, our people come together in various ways to find innovative ways of addressing resource efficiencies. Fresh recruits being trained at our new Global Learning Center, Mindtree Kalinga at Bhubaneswar, have developed apps for resource monitoring and conservation. The Common Bus System pioneered by Mindtree at Global Village tech-park in Bangalore has reduced employee carbon footprint for not only Mindtree but for the whole tech-park, by including employees of other organizations in the plan. Our Pune location has followed suit in 2015-16. Mindtree Minds at Bangalore now have access to a common carpool which allows them to plan their commute together to and from work. Free parking slots and charging spots incentivize the green commuters amongst us.

Renewable energy is our path ahead for the mid-term. We are focusing our efforts on reducing our dependence on fossil fuels by over 50% in the near future. Plans for a solar project at Bangalore and beyond are a work-in progress and we look forward to increasing our clean energy portion of our total energy consumption constantly in the years to come.

Our energy efficiency measures were able to improve our energy per capita by 11.43% in the year. For details on our environmental sustainability initiatives, please refer to our 2015-16 sustainability report-on our website.

	Performance in 2015-16
Energy efficiency	167.6 kWh/ employee/ month
Water management	0.91 KL/ employee/ month
GHG emission	2.44 tons CO_2e/ employee/ annum
Waste management	90% (recycled)

Strategy for economic value creation

Our strategy for growth rests on four strategy pillars: digital transformation, delivery transformation, sales transformation and people focus.

Our people come together by sharing the critical values of expert-thinking, relentless dedication and collaborative spirit in a client-centric work culture that is cultivated to be both humane and highly competent. While going digital is our mantra for helping our clients undergo a digital transformation, service stewardship and enhanced value creation for our clients are key material issues for us.

Leveraging our deep domain expertise in vertical industries, we build Agile solutions for web, mobile, data warehousing and UI/ UX scenarios based on our client-needs. Focusing on key areas—digital solutions and managed services—in a select set of industries, developing a highly competent talent pool and strong leadership have proved a winning strategy for us.

Our workplace sustainability initiatives are designed to enable our people to serve the cause of high client value and client satisfaction. Our client experience survey results are an indicator of our client centricity. The survey has shown high levels of client satisfaction on all the key dimensions of client satisfaction over several years.

All our services are compliant with international and national laws, across the regions of our operation, with no instances of any breaches or penalties or sanctions or incidents of anticompetitive practices.

Note: The Business Responsibility Report is as per SEBI's suggested format-Reg 34(2), Nov. 04, 2015.

Directors' Report

Dear Shareholders,

The Board of Directors ("Board") of Mindtree Limited ("Company" or "Mindtree") with immense pleasure present their Seventeenth report on the business and operations of your Company for the financial year 2015-16. This report is being presented along with the audited financial statements for the year.

Financial Performance

₹ in million

Financial Particulars	Standalone	
	For the year ended March 31,	
	2016	2015
Revenue from operations	43,565	35,474
Other income	939	831
Total Revenues	44,504	36,305
Employee benefits expense	25,766	20,608
Finance costs	3	1
Depreciation and amortization expense	1,309	1,017
Other expenses	9,691	7,802
Total expenses	**36,769**	**29,428**
Profit before tax	7,735	6,877
Tax expense	1,686	1,534
Profit for the year	**6,049**	**5,343**

Global Economic & Business Environment

The details about Global Economic & Business Environment are provided under the section Management Discussion & Analysis of this Annual Report.

Financial Perspective (Standalone) of the year gone by

Revenue for the year is ₹ 43,565 million signifying a growth of 22.8% in Rupee terms. Your Company had 220 active customers as on March 31, 2016 of which 80 accounts had revenues in excess of US$ 1 million, 29 accounts had revenues in excess of US$ 5 million, 15 accounts had revenues in excess of US$ 10 million, 6 accounts had revenues in excess of US$ 25 million, and 2 accounts had revenues in excess of US$ 50 million.

EBITDA margins have marginally dropped from 19.9% in the previous year to 18.6% in the current year. Our effective tax rate is about 21.8% as compared to about 22.3% in the previous year. PAT has increased by 13.2% to ₹ 6,049 million as compared to ₹ 5,343 million in the previous year.

Dividend

Based on the Company's strong and consistent financial performance and considering the profitability and the cash flow of the Company, the Board had declared interim dividends during the financial year 2015-16. The details of interim dividends declared are as below:

Particulars of Dividend	Par Value (in ₹)	Percentage (%)	Dividend Amount per Equity Share (in ₹)	Date of Declaration	Record Date
First Interim Dividend	10.00	30	3.00	July 16, 2015	July 22, 2015
Second Interim Dividend	10.00	40	4.00	October 15, 2015	October 23, 2015
Third Interim Dividend	10.00	40	4.00	January 18, 2016	January 27, 2016
Fourth Interim Dividend (Post Bonus Issue)	10.00	20	2.00	March 23, 2016	April 12, 2016

Your Directors have also recommended for the following final dividend for the financial year ended March 31, 2016 which is payable on obtaining the Shareholders' approval in the Seventeenth Annual General Meeting:

Particulars of Dividend	Par Value (in ₹)	Percentage (%)	Dividend Amount per Equity Share (in ₹)	Date of Recommendation	Book Closure Date
Final Dividend (Post Bonus Issue)	10.00	30	3.00	April 18, 2016	July 12, 2016 to July 19, 2016 (both days inclusive)

The dividend will be paid in compliance with all the applicable regulations. The dividend pay-out amount for the current year inclusive of tax on dividend will be ₹ 2,087 million as compared to ₹ 1,715 million in the previous year.

In view of the improved predictability and stability of the Company's operations, the Board intends to maintain similar or better levels of dividend payout over the next few years. However, the actual dividend payout in each year will be subject to the investment requirements of the annual operating plan for the year and any other strategic priorities identified by the Company.

Changes to Equity Share Capital

Your Company allotted 160,716 equity shares of ₹ 10/- each, to various Mindtree Minds and to Directors on exercise of stock options under various stock option plans/ Mindtree Employee Restricted Stock Purchase Scheme (ESPS) during 2015-16. In addition, the members are aware that the Company had issued and allotted 83,893,088 equity shares of ₹ 10/- each as Bonus Shares. Consequently, the paid-up equity share capital has increased from ₹ 837,323,720 as on March 31, 2015 to ₹ 1,677,861,760 as on March 31, 2016.

Infrastructure

In the beginning of the year, your Company had 19,21,869 sq. ft. of space consisting of 14,860 seats spread across various locations in India apart from Mindtree Kalinga – Training and residential facility for 500 campus minds. Following are the key changes made during the year.

Bengaluru-Mysore Road: Your Company added 110,000 sq. ft. consisting of 1,248 seats.

Bengaluru-Whitefield: Your Company carried out interiors for about 100,000 sq. ft. own facility consisting of 974 seats. This facility also will have LEED Platinum certification.

Chennai: Your Company added 46,500 sq. ft. consisting of 454 seats.

Bhubaneswar: Your Company added about 292 seats in the existing facility. Currently, expansion of existing facility by about 30,000 sq. ft. is in progress. This is likely to be ready for occupation by June 2016. In addition, your company will take up construction of Software Development Block Building measuring about 180,000 sq. ft. shortly. This is likely to be ready for occupation in 2 years' time.

In all, your Company has sufficient capacity to meet its growth needs over short and medium terms. Your Company has prioritized adopting Sustainable best practices in accordance with LEED green building design for creating & maintaining workplace infrastructure projects.

Details of Subsidiary Companies, Joint Ventures and Associate Companies and their financial position

The details of subsidiaries as on March 31, 2016 are as follows:

Sl. No.	Name of Subsidiary	Date of Incorporation/ Acquisition	Country	Business
1	Mindtree Software (Shanghai) Company Limited	January 29, 2013	China	Information Technology Services
2	Discoverture Solutions, LLC	February 13, 2015[1]	USA	Information Technology Services
3	Relational Solutions Inc.	July 16, 2015[1]	USA	Information Technology Services
4	Bluefin Solutions Limited	July 16, 2015[1]	UK	Information Technology Services
5	Magnet 360 LLC	January 19, 2016[1]	USA	Information Technology Services
	Step Down (Subsidiary of Discoverture Solutions, LLC)			
1	Discoverture Solutions ULC[2]	February 13, 2015[1]	Canada	Information Technology Services
2	Discoverture Solutions Europe Limited[3]	February 13, 2015[1]	UK	Information Technology Services
	Step Down (Subsidiary of Bluefin Solutions limited)			
1	Bluefin Solutions Pte Limited	July 16, 2015[1]	Singapore	Information Technology Services
2	Bluefin Solutions Inc.	July 16, 2015[1]	USA	Information Technology Services
3	Bluefin Solutions Sdn Bhd	July 16, 2015[1]	Malaysia	Information Technology Services
4	Blouvin (Pty) Limited	July 16, 2015[1]	South Africa	Information Technology Services
	Step Down (Subsidiary of Magnet 360, LLC)			
1	Reside, LLC	January 19, 2016[1]	USA	Information Technology Services
2	Numerical Truth, LLC	January 19, 2016[1]	USA	Information Technology Services
3	M360 Investments, LLC	January 19, 2016[1]	USA	Information Technology Services

[1] Date of acquisition

[2] Liquidated on November 19, 2015

[3] Application for dissolution filed on March 24, 2016

The statement containing salient features of the financial statement of the above subsidiaries in Form AOC-1 is given in Annexure 1.

People

Making Mindtree a Great Place to Work

The futuristic form of growth is collaborative growth and this can happen only when we put all our hands on the deck and give shape to the way we want to be. At Mindtree we strongly believe that Mindtree Minds should have a lot of say in how they should be engaged. With about 82.54% of Millennials at Mindtree we wouldn't have it in any other way!

Mindtree aspires to become a Great Place to Work where Mindtree Minds trust who they work for, take pride in what they do and enjoy the company of the people they work with. We strongly believe that engaged Mindtree Minds are critical in achieving our business goals and building a sustainable organization.

In our pursuit to transform Mindtree into a Great Place to Work, we are reinforcing our culture of partnering with Mindtree Minds in creating a congenial work environment. In continuation to MiVoice, Mindtree's people experience survey done in collaboration with (Great Place to Work) GPTW, a set of dedicated leaders are anchoring initiatives on the four identified themes (Care for a fellow Mindtree Mind, Bottom-Up Communication, Career Growth & Learning and Visibility and Recognition) from the MiVoice Survey. This year 67.5% of Mindtree Minds have participated in the MiVoice survey to communicate their feedback, thoughts and ideas.

An online platform called 'i belong' is created for Mindtree Minds to volunteer with the MiVoice Action teams. This attempt is to create an opportunity for Mindtree Minds to come forth and be part of the change. We, at Mindtree believe that Mindtree Minds don't just work, but belong!

We believe in investing today to realize our aspirations for Mindtree's future. Hence we have ensured to list transforming Mindtree into a Great Place to Work among our 5 point strategy for 2015-16. Each Mindtree Mind is dedicatedly contributing towards making this happen. Our tag line says it all – **Welcome to possible**. It is definitely more than a slogan and attempts to reflect our approach to every engagement we explore with Mindtree Minds, the extended family of Mindtree, our customers, and our external partners.

Building Leadership Pipeline at all Levels

Exploring and creating different avenues to nurture the leadership skills for our talent pool has been in the ethos of Mindtree since its inception. We have aligned a gamut of leadership programs to suit the different levels of learner groups. We have embarked upon key learning journeys to upskill 50 leaders at an enterprise level, 100 women leaders and 50 leaders at an emerging leadership level.

We have invested to grow our women talent through our focused efforts from 28% to 35% by year 2018, to bring in parity at work in Mindtree. We are focused on identifying and building our leadership pipeline at all levels right from the senior to the young budding potential talent. At Mindtree, a leader at the organization level is one who is agile in learning, self-aware and exhibits strength in one of the four competence areas - Ninja, Coach, Thought Leader and Rainmaker. Learning Agility is a summation of the 4 agilities – mental, results, change and people. While nurturing internal talent is given careful attention, we also ensure to balance our talent pool by recruiting the right talent from the market. This enables to create a fertile ground to grow a good quotient of diverse talent.

Performance Management – Dropping the Bell Curve

As a new age organization, we have attempted to relook at our performance management system. As a next step of progression we have dropped the Bell Curve and let go of the force rating approach. This is a big step for Mindtree wherein the rating assigned will only reflect the individual's performance and not how he or she did in comparison to others. After having used the Bell Curve for a decade, we have decided to drop the Bell Curve and instead adopt a "Performance" Curve. To nurture and encourage 16,000+ Mindtree Minds to exhibit their best performance, we use a system based on the power law distribution method, which is gaining ground globally. Also known as the "long-tail" method, the aim is to identify hyper-high performers, high performers, potential high performers and so on till it reaches the tail end, or low performers. Our attempts to build the leadership pipeline is aligned with identifying the High-potential using individual performance focused approach.

Headcount

The total number of Mindtree Minds as on March 31, 2016 was 16,623 (including subsidiaries) as against 14,202 as on March 31, 2015.

Disclosure as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Mindtree as an organization is committed to provide a healthy environment to all Mindtree Minds and thus does not tolerate any discrimination and/ or harassment in any form. The Company has in place a Prevention of Sexual Harassment (POSH) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Frequent communication of this policy is done in assimilation programs and at regular intervals to Mindtree Minds. Following are some of the awareness programs imparted to train Mindtree Minds and Internal Complaints Committee (ICC).

1. Every Mindtree Mind is supposed to undergo mandatory e-learning module on "Prevention of Sexual Harassment" at workplace.
2. The Internal Complaints Committee is trained by external agency when the committee members are on-boarded to the committee.
3. Policy of "Prevention of Sexual Harassment" at workplace is available on intranet for Mindtree Minds to access as and when required.

Mindtree has setup an Internal Complaints Committee (ICC) both at the head office/ corporate office and at every location where it operates in India. ICC has equal representation of men and women and is chaired by senior lady mind and has an external women representation.

ICC investigates the case and provides its recommendations to the apex authority. The apex authority upon receiving the recommendations from ICC arrives at the conclusion and acts upon such recommendations.

Penal consequences of Sexual Harassment ("SH") and the constitution of the ICC is displayed at conspicuous places. The posters are also displayed in regional languages at all Mindtree offices.

The following is the summary of the complaints received and disposed off during the financial year 2015-16:

In India

a) No. of SH complaints received: 10

b) No. of SH complaints disposed off: 10

Rest of the World

a) No. of SH complaints received: 2

b) No. of SH complaints disposed off: 2

Board Meetings, Board of Directors, Key Managerial Personnel (KMP) & Committees of Directors

Board Meetings

The Board of Directors of the Company met six times during the financial year 2015-16. The details of various Board Meetings are provided in the Corporate Governance Report. The gap intervening between two meetings of the board is as prescribed in the Companies Act, 2013 (hereinafter "**the Act**"), Listing Agreement and SEBI (Listing obligation and Disclosure Requirement) Regulations, 2015 (hereinafter "**LODR Regulations**").

Appointment of Directors and KMP

The following appointments were approved by the Shareholders at the Sixteenth Annual General Meeting:

1. Mr. Subroto Bagchi appointed as Executive Chairman to hold office till May 31, 2017.
2. Prof. Pankaj Chandra and Mr. Ramesh Ramanathan appointed as Independent Directors till March 31, 2018 by altering their terms of office.
3. Mr. Rostow Ravanan was re-appointed as Executive Director to hold office till May 19, 2020.

Mr. Jagannathan Chakravarthi was appointed as CFO with effect from April 01, 2015.

Ms. Vedavalli S was appointed as Company Secretary with effect from June 22, 2015.

Note:

Mr. Rostow Ravanan was appointed as CEO & Managing Director w.e.f April 01, 2016 till March 31, 2021.

Mr. Krishnakumar Natarajan was appointed as Executive Chairman w.e.f April 01, 2016 till June 30, 2017.

Reappointment of Director, retiring by rotation

As per the Articles of Association of the Company, one third of the Directors are liable to retire by rotation at the Annual General Meeting of the Company, every year. Mr. V. G. Siddhartha retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Resignation, Cessations and Changes in Directors and Key Managerial Personnel

There were no resignations/ cessations during the year.

Note:

Mr. Subroto Bagchi ceased to be Executive Chairman of the Company and continues as Non-Executive and Non-Independent Director with effect from April 01, 2016.

Details of Remuneration to Directors

The information relating to remuneration of Directors as required under section 197(12) of the Act, is given in Annexure 3.

Board Committees

The Company had the following Committees of the Board during the year 2015-16:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Administrative Committee;
5. Strategic Initiatives Committee (discontinued w.e.f July 16, 2015)
6. Corporate Social Responsibility Committee; and
7. Risk Management Committee

The composition of each of the above Committees, their respective role and responsibility is as detailed in the Report of Corporate Governance.

The policy framed by the Nomination and Remuneration Committee under the provisions of section 178(3) & (4) of the Act, is as below:

Policy relating to Directors

a. The person to be chosen as a Director shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of Information Technology, sales/ marketing, finance, taxation, law, governance and general management.

b. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

c. The Nomination and Remuneration Committee shall consider the following attributes/ criteria, whilst recommending to the Board the candidature for appointment as Director:

   (i) Qualification, expertise and experience of the Directors in their respective fields;

   (ii) Personal, Professional or business standing; and

   (iii) Diversity of the Board.

d. In case of re-appointment of Non-Executive and Independent Directors, the Board shall take into consideration the performance evaluation of the Director and his/ her engagement level.

Declaration from Independent Directors

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Act, that they meet the criteria of independence as laid down in Section 149(6) of the Act.

Board Evaluation

Pursuant to the applicable provisions of Companies Act 2013, Listing Agreement and LODR Regulations, the Board has carried out an annual evaluation of performance of the Board including that of Independent Directors and functioning of various committees through a third party with experience in carrying out such evaluations.

The findings were shared individually with the Board Members as well as the Chairman. The feedback from the review was that many of the processes followed by Mindtree met global best practice benchmarks as well as some areas where we need to further strengthen our processes. Your Company is in the process of strengthening the same.

Remuneration Policy

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Our compensation philosophy is to align Directors and Mindtree Minds compensation with our business objectives, so that compensation is used as a strategic tool that helps us recruit, motivate and retain highly talented individuals who are committed to our core values. We believe that our compensation programs are integral to achieving our goals. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and performance incentives, commission (variable component) to its Chairman, Managing Director and other Executive Directors. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the Board and Shareholders.

Vigil Mechanism/ Whistle Blower Policy

The Company has established a Whistle Blower Policy for Directors and employees to report their genuine concern. The details of the same is explained in the Corporate Governance Report.

Related Party Transactions

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions were entered into with prior approval of the Audit Committee. There were no material related party transactions that required approval of the Shareholders.

All Related Party transactions entered into during the quarter were placed before the Audit Committee and the Board.

The policy for determining material related party transactions as approved by the Board is uploaded on the Company's website and can be accessed at http://www.mindtree.com/policy-for-determining-material-related-party-transactions.

None of the Directors or Key Managerial Personnel have any pecuniary relationships or transactions vis-à-vis the Company, compensation as disclosed in Annexure 4.

The details of the related party transactions as required under Section 134 (3)(h) read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached in Form AOC-2 as Annexure 5.

Employee Stock Option Plans and Employee Stock Purchase Scheme

Your Company believes in the policy of enabling Mindtree Minds to participate in the ownership of the Company and share its wealth creation, as they are responsible for the management, growth and financial success of your Company.

Your Company currently administers seven stock option programs, viz., ESOP 1999, ESOP 2001, ESOP 2006 (a), ESOP 2006 (b), ESOP 2008A, DSOP 2006, ESOP 2010A, a stock purchase scheme namely, Mindtree Employee Restricted Stock Purchase Plan 2012 (ESPS).

A Reconciliation Statement of the Equity Shares approved in-principle and later allotted and listed till March 31, 2016 is given below:

Particulars	ESOP 1999 (Program-I)	ESOP 2001 (Program-II)	ESOP 2006(a) (Program-III)	ESOP 2006(b) (Program-IV)	DSOP 2006 (Program-VI)	ESOP 2008A (Program-V)	ESOP 2010A (Program-VII)	Mindtree Employee Restricted Stock Purchase Plan 2012 (ESPS)
In-principle approvals received from BSE & NSE (Pre and Post Bonus)	**196,381**	**894,808**	**366,500**	**7,497,150**	**575,000**	**461,192**	**1,135,000**	**2,085,375**
Less: No. of equity shares allotted & listed	188,004	777,324	239,557	1,988,076	220,000	169,339	-	144,625
Less: No. of options lapsed and not intending to be issued	8,377	99,124	126,943	5,509,074	315,000	139,517	1,135,000	-
Balance number of equity shares	-	**18,360**	-	-	**40,000**	**152,336**	-	**1,940,750**

Details of the shares issued under Employee Stock Option Plan (ESOP) and Employee Stock Purchase Scheme (ESPS), as also the information as required under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, and also the information required under the Guidance note of ICAI are set out in the Annexure 2 to this Report. No employee was granted options, during the year, equal to or exceeding 1% of the issued capital.

The details of the same are available in the website: http://www.mindtree.com/about-us/investors

Details of Restricted Stock Units (RSUs) granted to Senior Managerial Personnel and Directors during the financial year 2015-16 (including persons who have received grants amounting to 5% or more of the RSU's granted, if any, during the year) are as under:

Name of the Senior Managerial Personnel	Designation	RSUs Granted
Radha R	Executive Vice-President	5,312
Gaurav Johri	Senior Vice-President	5,312
Veeraraghavan Krishnaswamy Raghunathapuram	Executive Vice-President	5,312
C Rama Mohan	Executive Vice-President	3,541
Madhusudhan K M	Chief Technology Officer	2,125
Suresh Hassan Prakash	Vice-President	2,125
Anil Rao M	Vice-President	1,771
Ramesh Gopalakrishnan	Chief Delivery Officer	2,125
Chinmoy Shrikant Bhagawat	Vice-President	1,771
Ramachandaran Ramakrishnan	Senior Vice-President	2,833
Vikram Kaul	Vice-President	2,125
Paul Norman Gottsegen	Chief Marketing Officer	7,018
Pankaj Khanna	Vice-President	3,794
Sunil Oberoi	Senior Vice-President	3,750
Total		**48,914**

Details of unclaimed shares

The details of unclaimed shares as required under Listing Agreement and LODR Regulations are provided in Annexure 2.

Liquidity

Your Company maintains sufficient cash to meet its operations and strategic objectives. Our cash and investments (net of short term borrowings) have decreased from ₹ 8,852 million as on March 31, 2015 to ₹ 3,625 million as on March 31, 2016 pursuant to acquisitions made during the year. Balance funds have been invested in deposits with banks, highly rated financial institutions and debt schemes of mutual funds.

Awards and Recognitions

During the year under review, your Company received the following awards and recognitions.

1. Mindtree named in the leadership zone in Zinnov's Global Product Engineering Service Provider Ratings for the fourth time in a row.
2. Mindtree has been voted as one of the 50 Happiest Companies in America for 2016.
3. Mr. Krishnakumar Natarajan, CEO & Managing Director, Mindtree has been included among India's Top 100 CEOs in an annual study conducted by Business Today and PwC (Jan 2016).
4. Mr. Krishnakumar Natarajan, CEO & Managing Director Mindtree has been named as the EY Entrepreneur of the Year 2015 Award by EY under the Services category (Jan 2016).
5. Mindtree has won the "Best Corporate Governance – Technology – Asia - 2015" for having exhibited exceptional leadership in the area of governance (Oct 2015).
6. Mindtree was awarded the Digital transformation Czar award under the Digital Transformation category at the CIO 100 Awards organized by the IDG group (Oct 2015).
7. Mindtree has been placed among the top ten BEST Award Winners by the Association for Talent Development for its most innovative talent development initiatives.
8. Mindtree named as the "Most Popular Organization" in the space of Talent Acquisition by the TA Leadership League Awards.
9. Mindtree won the NCPEDP-Mphasis Universal Design Award for 2015 under Category C for companies or organizations that have taken up the cause of Accessibility and Universal Design.
10. Mindtree was recognized as the EPG Emerging Azure partner of the Year in FY15 by Microsoft (July 2015).
11. Mindtree named in Forbes India's first ever Super 50 list based on consistent shareholder returns, sales growth and return of equity (July 2015).
12. Declared the Gold category award winner of the Learning Elite awards 2015 by the Chief Learning Officer Magazine, for its innovative learning and development practices.
13. Earned a special recognition in the Sustained Excellence Category of BML Munjal Awards - 2015, organized by the Hero Group for demonstrating business excellence through its learning and development initiatives.

Litigation

No material litigation was outstanding as on March 31, 2016. Details of litigation on tax matters are disclosed in the financial statements.

Deposits

In terms of the provisions of Sections 73 of the Act read with the relevant Rules of the Act, the Company had no opening or closing balances and also has not accepted any fixed deposits during the year under review and as such, no amount of principal or interest was outstanding as on March 31, 2016.

Corporate Governance

Your Company has been practicing the principles of good corporate governance. A detailed report on corporate governance is available as a separate section in this Annual Report. Certificate of the Statutory Auditors regarding compliance with the conditions stipulated as per Listing Agreement and LODR Regulations, is provided as Annexure-B to the Corporate Governance Report.

Transfer to Investor Education and Protection Fund (IEPF)

Pursuant to Section 205C and other applicable provisions of Companies Act, 1956, dividends that are unpaid/ unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund administered by the Central Government and once unpaid/ unclaimed dividend/ application money for allotment of any securities and due for refund, is transferred to IEPF, no claim shall lie in respect thereof against the Company. To ensure maximum disbursement of unpaid/ unclaimed dividend, the Company sends reminders to the concerned investors, before transfer of dividend to the IEPF.

The Company had transferred unpaid dividend amounts within the statutory period to the IEPF. During the financial year 2015-16, unpaid or unclaimed dividend including unpaid application money which was due for refund of ₹ 274,826 was transferred to the IEPF.

Attention is drawn that the unclaimed/ unpaid dividend for the financial years 2008-09 and 2009-10 is due for transfer to IEPF during September 2016 and December 2016. In view of this, the Members of the Company, who have not yet encashed their dividend warrant(s) or those who have not claimed their dividend amounts, may write to the Company/ Company's Registrar and Share Transfer Agent, Link Intime India Private Limited.

The details of the consolidated unclaimed/ unpaid dividend details as required by the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, for all the unclaimed/ unpaid dividend accounts outstanding (drawn upto the date of Sixteenth Annual General Meeting on June 22, 2015) in terms of the Ministry of Corporate Affairs Notification No. G.S.R 352 (E) dated May 10, 2012 has been uploaded under the Company website: http://www.mindtree.com/about-us/investors/unpaid-dividend-information

Auditors

a) Auditors:

The Audit Committee and the Board have recommended the proposal to ratify the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S), Statutory Auditors of the Company up to the conclusion of the Eighteenth Annual General Meeting and to authorize the Board of Directors or Committee thereof to fix their remuneration.

The Company has received a certificate from the Auditors to the effect that the ratification of appointment, if made, would be in accordance with limits specified by the Companies Act, 2013 and that, they meet the criteria of independence. The proposal of their ratification is included in the notice of ensuing Annual General Meeting.

b) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit has been carried out by G Shanker Prasad, Practising Company Secretary, and his report is annexed as Annexure 8.

Particulars of Employees

Information as required under the provisions of Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure 3 to the Directors' Report. As per the proviso to Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars of employees posted and working outside India not being Directors or their relatives, drawing more than ₹ 6 million per financial year or ₹ 500,000 per month, as the case may be, need not be included in the statement but, such particulars shall be furnished to the Registrar of Companies. Accordingly, the statement included in this report does not contain the particulars of employees who are posted and working outside India. If any Member is interested in obtaining a copy thereof, such Member may write to the company in this regard.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outflow

The particulars as prescribed under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out in Annexure 6. The Company has also taken several constructive steps to conserve energy through its sustainability initiatives as elaborately disclosed separately as part of the Business Responsibility Report as a separate section in this Annual Report.

Directors' Responsibility Statement

Your Company's Directors make the following statement in terms of sub-section (5) of Section 134 of the Companies Act, 2013, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

(i) The financial statements have been prepared in conformity with the applicable Accounting Standards and requirements of the Companies Act, 2013, ("**the Act**") to the extent applicable to company; on the historical cost convention; as a going concern and on the accrual basis. There are no material departures in the adoption of the applicable Accounting Standards.

(ii) The Board of Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

(iii) The Board of Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) The Board of Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(v) The Board of Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(vi) The financial statements have been audited by M/s. Deloitte Haskins & Sells, Chartered Accountants, the Company's Auditors.

(vii) The Audit Committee meets periodically with the Internal Auditors and the Statutory Auditors to review the manner in which the Auditors are discharging their responsibilities and to discuss audit, internal control and financial reporting issues.

(viii) To ensure complete independence, the Statutory Auditors and the Internal Auditors have full and free access to the Members of the Audit Committee to discuss any matter of substance.

Management Discussion and Analysis Report

Management Discussion and Analysis Report as required under Listing Agreement and LODR Regulations, is disclosed separately in the current Annual Report.

Corporate Social Responsibility Initiatives

As part of its Corporate Social Responsibility (CSR) initiatives, your Company has undertaken several projects in accordance with Schedule VII of the Companies Act, 2013. Mindtree implements its CSR initiatives via three channels:

• Directly by Mindtree

• Through MindTree Foundation

• Through individual social responsibility programs undertaken by Mindtree Minds and supported by Mindtree as appropriate.

Further, Mindtree's CSR primarily focuses on programs that

• Benefit the differently abled

• Promote education

• Create sustainable livelihood opportunities

The Annual Report on CSR activities, is annexed herewith as Annexure 7.

Quality Initiatives and Certifications

Your Company continues its journey of delivering value to its clients through investments in quality programs. Your Company has adopted several external benchmarks and certifications. Your Company is certified under various standards to meet clients' requirements and enhancing valuable delivery and following is the summary of certifications held by your Company:

Certificate Name	Issuing Authority	Certification Date	Certificate Expiry Date	Frequency of Surveillance Audits	Description
PCI-DSS V 3.1	Trustwave	Oct 27, 2015	Oct 27, 2016	Annual	The Payment Card Industry Data Security Standard (PCI DSS) is a proprietary information security standard for organizations that handle branded credit cards from the major card schemes including Visa, MasterCard, American Express, Discover, and JCB.
CMMI SVC L3 Ver 1.3	QAI	Mar 27, 2014	Mar 27, 2017	Once in 3 years	CMMI for services (CMMI-SVC) model, which is a comprehensive set of guidelines that helps organizations in the Services industry domain, to establish and improve processes for delivering services.
ISO/IEC 20000-1:2011	BSI	Nov 26, 2013	Nov 27, 2016	Annual	ISO/IEC 20000 is an international IT standard that allows companies to demonstrate excellence and prove best practice in IT management.
ISO 14001:2004	Bureau Veritas Certification (India) Pvt Ltd	Sep 26, 2013	Sep 26, 2016	Annual	ISO 14001:2004 specifies requirements for an environmental management system to enable an organization to develop and implement a policy and objectives which take into account legal requirements and other requirements to which the organization subscribes, and information about significant environmental aspects.
BS OHSAS 18001:2007	Bureau Veritas Certification (India) Pvt Ltd	Sep 26, 2013	Sep 26, 2016	Annual	BS OHSAS 18001 is a truly international standard which sets out the requirements for occupational health and safety management good practice for any size of organization.
Information Security Management System - ISO/IEC 27001:2013	BSI	May 18, 2015	May 09, 2016	Annual	ISO/IEC 27001 (ISO 27001:2013) is the international Standard that describes best practice for an Information Security Management System (ISMS). Accredited certification to ISO 27001 demonstrates that an organization is following international information security best practices.
SSAE 16 [specific to BFSI vertical]	Deloitte	Jan 21, 2015	Jan 21, 2016	Annual	SSAE 16 Definition: Statement on Standards for Attestation Engagements (SSAE) No. 16 is an attestation standard put forth by the Auditing Standards Board (ASB) of the American Institute of Certified Public Accountants (AICPA) that addresses engagements undertaken by a service auditor for reporting on controls at organizations (i.e., service organizations) that provide services to user entities, for which a service organization's controls are likely to be relevant to a user entities internal control over financial reporting (ICFR).

Business Responsibility Report

Your Company has always been at the forefront of voluntary disclosures to ensure transparent reporting on all matters related to the Company's governance and business operations, and has voluntarily undertaken to publish the required data to extent applicable and accordingly, the Business Responsibility Report is annexed in the Annual Report. The said report comprehensively covers your Company's philosophy on corporate social responsibility, its sustainability activities pertaining to efforts on conservation of environment, conducting green awareness events, its commitment towards society, enhancing primary education, initiatives and activities taken up as part of this philosophy for the year 2015-16.

Insider Trading Regulations

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading and the code for corporate disclosures ("Code"), as approved by the Board from time to time, are in force by the Company. The objective of this Code is to protect the interest of Shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Employees and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, Designated Employees, other employees and any other person having potential access to the unpublished price sensitive information, by virtue of his association with the Company from trading in securities of Mindtree Limited at the time when there is unpublished price sensitive information. Mr. Jagannathan Chakravarthi, CFO, has been appointed by the Board of Directors to act as Compliance Officer under the Code.

Internal Control Systems and Adequacy of Internal Financial Controls

The Company has a proper and adequate system of internal controls. This ensures that all transactions are authorised, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls.

An extensive programme of internal audits and management reviews supplements the process of internal financial control framework. Properly documented policies, guidelines and procedures are laid down for this purpose. The internal financial control framework has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. In addition, the Company has identified and documented the risks and controls for each process that has a relationship to the financial operations and reporting.

The Company also has an Audit Committee, comprising 4 (four) professionally qualified Directors, who interact with the Statutory Auditors, Internal Auditors and Management in dealing with matters within its terms of reference. This Committee mainly deals with accounting matters, financial reporting and internal controls.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Any other material changes and commitments

Any material changes and commitments affecting the financial position of the Company, occurred between April 1, 2016 and the date of signing of this Report has been reported in the financial statements.

Audit Committee Recommendation

During the year all the recommendations of the Audit Committee were accepted by the Board. The Composition of the Audit Committee is as described in the Corporate Governance Report.

Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure 4.

Significant & Material Orders passed by the Regulators or Courts

There are no significant and material orders passed by the Regulators or Courts, during the year under review.

Particulars of Loans, Guarantees and Investments u/s 186

The details of the investments made by the Company including those covered u/s 186 are in Note No. 3.4.2 and 3.5.1 of the audited financial statements.

Risk Management Policy

The Company has a robust Enterprise Risk Management (ERM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments. The Company has identified various risks and also has mitigation plans for each risk identified.

Listing Fees

The Company affirms that the annual listing fees for the year 2016-17 to both National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) have been paid.

Acknowledgements

The Board places on record, their deep sense of appreciation to all the Mindtree Minds, support staff, for adopting to the values of the Company, viz., collaborative spirit, unrelenting dedication and expert thinking, for making Mindtree an expertise led organization and the Company's customers for letting us deliver the Company's Mission statement, to engineer meaningful technology solutions to help the businesses and societies flourish. The Board also immensely thank all the Shareholders, investors, vendors, service providers, bankers and academic institutions and all other stakeholders for their continued and consistent support to the Company during the year.

Your Directors would like to make a special mention of the support extended by the various Departments of Government of India, the State Governments, particularly, the Software Technology Parks-Bengaluru, Bhubaneswar, Chennai, Hyderabad, Pune and other Government and State Government agencies, the Tax Authorities, the Ministry of Commerce, Reserve Bank of India, Ministry of Corporate Affairs, Ministry of Communication and Information Technology, Ministry of Finance, the Customs and Excise Departments, Securities and Exchange Board of India, Stock Exchanges and other governmental/ Semi-governmental bodies and look forward to their continued support in all future endeavors.

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2016

Krishnakumar Natarajan
Chairman

Annexure 1

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Financial Summary of the Subsidiary Companies

₹ in million

Name of Subsidiary	Mindtree Software (Shanghai) Co. Ltd		Discoverture Solutions LLC (consolidated)	
Particulars	As at March 31,		As at March 31,	
	2016	2015	2016	2015
Members' funds	NA	NA	117	187
Share capital	14	14	NA	NA
Reserves and Surplus	(2)	(3)	NA	NA
Total Assets	13	13	331	286
Total Liabilities	1	2	214	99
Details of investments	-	-	-	-
Turnover	19	18	967	166
Profit/ (Loss) before taxation	**1**	**1**	**68**	**30**
Provision for taxation	-	-	55	11
Profit/ (Loss) after taxation	1	1	13	19
Proposed dividend	-	-	68	-
Percentage (%) of share holding	100	100	100	100
Reporting Currency	RMB		USD	
Exchange Rate to INR on March 31	10.28	10.23	66.26	62.50

Name of Subsidiary	Bluefin Solutions Limited (consolidated)*	Relational Solutions Inc.,*	Magnet 360, LLC (consolidated)*
Particulars	As at March 31, 2016	As at March 31, 2016	As at March 31, 2016
Share capital/ Members' funds	-	-	642
Reserves and Surplus	702	7	NA
Total Assets	1,172	44	925
Total Liabilities	470	37	283
Details of investments	-	-	-
Turnover	2,197	115	428
Profit/ (Loss) before taxation	**157**	**7**	**(16)**
Provision for taxation	-	-	-
Profit/ (Loss) after taxation	157	7	(16)
Proposed dividend	95	-	-
Percentage (%) of share holding	100	100	100
Reporting Currency	GBP	USD	USD
Exchange Rate to INR on March 31	95.47	66.26	66.26

*Note:

1. No corresponding figures for previous year has been provided for Bluefin Solutions Limited, Relational Solutions Inc. and Magnet 360, LLC, as these became subsidiaries only on July 16, 2015, July 16, 2015 and January 19, 2016, respectively.
2. The detailed financials of the Subsidiary Companies shall be made available to any Shareholder seeking such information.

For and on behalf of the Board of Directors

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2016

Annexure 2

Details of unclaimed shares as per Listing Agreement and LODR Regulations

(a) As required under Listing Agreement and that of LODR Regulations, the Registrar and Share Transfer Agent of the Company has sent three reminders to the Shareholders whose shares were lying in the escrow account with the Company unclaimed/ undelivered. These unclaimed/ undelivered shares amounting to 788 of 11 Shareholders have been transferred to a demat suspense account opened by the Company as required under LODR Regulations, when no response was received from any Shareholders to the reminders.

The status of the aforesaid unclaimed shares, as on March 31, 2016 is given below:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and the outstanding shares lying in the Demat Suspense Account as on April 1, 2015	11	394
Number of Shareholders/ legal heirs who approached the Company for transfer of shares from the Demat Suspense Account during FY 2015-16	-	-
Number of Shareholders/ legal heirs to whom the shares were transferred from the Demat Suspense Account upon receipt and verification of necessary documents during FY 2015-16	-	-
Number of Bonus Shares alloted		394
Aggregate number of Shareholders and outstanding shares held in the Demat Suspense Account as on March 31, 2016	11	788

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

(b) As required under Listing Agreement and that of LODR Regulations, the Registrar and Share Transfer Agent of the Company has sent three reminders to the Shareholders whose physical shares were unclaimed/ undelivered.

The status of the aforesaid unclaimed shares, as on March 31, 2016 is given below:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on April 1, 2015	311	30,652
Number of Shareholders/ legal heirs who approached the Company for transfer of shares from the Unclaimed Suspense Account during FY 2015-16	2	72
Number of Shareholders/ legal heirs to whom the shares were transferred from the Unclaimed Suspense Account upon receipt and verification of necessary documents during FY 2015-16	2	72
Number of Bonus Shares allotted		30,580
Aggregate number of Shareholders and outstanding shares held in the Demat Suspense Account as on March 31, 2016	309	61,160

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Employee Stock Option Plans

The Company has instituted the Employees Stock Option Plan ('ESOP') in fiscal 2000, which was approved by the Board of Directors ('Board'). Your Company currently administers seven stock option programs, viz., ESOP 1999, ESOP 2001, ESOP 2006 (a), ESOP 2006 (b), ESOP 2008A, DSOP 2006, ESOP 2010A, a stock purchase scheme namely, Mindtree Employee Restricted Stock Purchase Plan 2012 (ESPS), which are in compliance to SEBI (Share Based Employee Benefits) Regulations, 2014 and SEBI (ESOP & ESPS) Guidelines, 1999, as the case may be. There were no material changes in the schemes.

Summary information of these various stock option programs of the Company is provided under Notes to Accounts under Standalone Financial Statements of this Annual Report.

The Company has recorded compensation cost for all grants using the intrinsic value-based method of accounting, in line with prescribed SEBI guidelines.

Had compensation been determined under the fair value approach described in the Guidance Note on, "Accounting for employee share based payments" issued by ICAI, the Company's net profit and basic and diluted earnings per share would have reduced to the proforma amounts as indicated:

₹ in million, except per share data

Particulars	For the year ended March 31,	
	2016	2015
Net profit as reported	6,049	5,343
Add: Stock-based employee compensation expense (intrinsic value method)	90	168
Less: Stock-based employee compensation expense (fair value method)	(92)	(173)
Pro forma net profit	6,047	5,338
Basic earnings per share as reported	36.08	31.95
Pro forma basic earnings per share	36.07	31.92
Diluted earnings per share as reported	35.99	31.83
Pro forma diluted earnings per share	35.98	31.80

Information as required under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, is as below:

Particulars	ESOP 1999 (Program-I)	ESOP 2001 (Program-II)	ESOP 2006(a) (Program-III)	ESOP 2006(b) (Program-IV)	DSOP 2006 (Program-VI)	ESOP 2008A (Program-V)	ESOP 2010A (Program-VII)	Mindtree Employee Restricted Stock Purchase Plan 2012 (Program VIII)***
Outstanding Options at the beginning of the year	-	23,072	-	74,000	40,000	83,076	-	-
Options Granted	-	9,904	-	-	20,000	76,168	-	48,914
Options Vested	-	32,976	-	74,000	60,000	159,244	-	48,914
Options Exercised	-	10,894	-	74,000	20,000	6,908	-	48,914
Total No. of Shares arising as a result of exercise of option	-	10,894	-	74,000	20,000	6,908	-	48,194
Options Lapsed	-	3,722	-	-	-	-	-	-
Options Lapsed – Forfeited	-	-	-	-	-	-	-	-
Exercise Price*	-	25.00**	-	265.07**	309.50**	239.25**	-	10.00
Variation of terms of Options	-	No	-	No	No	No	-	No
Money realized by exercise of Options	-	272,350	-	19,615,000	6,190,000	1,652,739	-	489,140
Total No. of Options in force	-	18,360	-	-	40,000	152,336	-	-

For Program II, V & VI - Options granted are related to Bonus Shares.

* Due to different exercise prices for Program no. IV, V & VI - Weighted average prices taken as exercise price.

** Exercise price considered after adjusting Bonus Issue of FY 14-15.

*** RSUs granted under Program VIII.

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2016

Krishnakumar Natarajan
Chairman

Annexure 3

Details of Ratio of Remuneration of Directors

[Section 197(12), r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year;

Name of the Director	Ratio to the Median
Krishnakumar Natarajan*	82.72
Subroto Bagchi*	68.57
Rostow Ravanan*	41.03
N S Parthasarathy*	45.21
Albert Hieronimus	10.81
Ramesh Ramanathan	13.28
Pankaj Chandra	2.64
Apurva Purohit	2.64
Manisha Girotra	2.64

* The remuneration considered here includes payment on vesting of Phantom Stock which is linked to the share price of the Company.

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name of the Director/ KMP	% change
Krishnakumar Natarajan	47 [1]
Subroto Bagchi	64 [1]
N S Parthasarathy	60 [1]
Rostow Ravanan	54 [1]
Albert Hieronimus	(0.53) [2]
Ramesh Ramanathan	4.03 [3]
Pankaj Chandra	-
Apurva Purohit	-
Manisha Girotra	-
Jagannathan Chakravarthi [4]	NA
Vedavalli S [5]	NA

[1] Includes payment on vesting of Phantom Stock which is linked to the share price of the Company.
[2] Pursuant to exercise of DSOP in 2014-15
[3] Pursuant to the exercise of DSOP in 2015-16
[4] Appointed as CFO w.e.f April 01, 2015
[5] Appointed as CS w.e.f June 22, 2015

(iii) The percentage increase in the median remuneration of employees in the financial year;

The percentage increase in the median remuneration of Mindtree Minds during the financial year is 9%. This has been arrived at, by comparing the median remuneration of the cost-to-the company of all the Mindtree Minds globally as on March 31, 2015, and the median remuneration of the cost-to-the company of all the Mindtree Minds globally as on March 31, 2016. This also has the impact of change in exchange rate.

(iv) The number of permanent employees on the rolls of company;

The total number of Mindtree Minds as on March 31, 2016 is 16,223 and as on March 31, 2015 was 14,202.

(v) The explanation on the relationship between average increase in remuneration and company performance;

The increase in company revenue for the Financial year 14-15 over 13-14, was 17.5% and the average increase given to employees was 9%. The average increase in remuneration is not based on Mindtree's performance alone, but also takes into consideration other factors like market benchmark data; the average increases being given by peer companies and overall budgetary impact within the company. The % increase which was given in FY 2015-16 was at similar levels as the rest of the industry and as factored in the budget for the year.

(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	The remuneration of Key Managerial Personnel is 0.44% of revenue and 3.16% of profits.
(vii) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	See table below

Particulars	2007**	2015*	2016*
Share price as at March 31,	830.8	1,303.7	653.3
No. of equity shares	37,752,577	83,732,372	1,67,786,176
PE ratio	14.7	20.3	18.2
Market capitalisation (amount in ₹ million)	31,365	109,158	109,606

* Bonus Shares issued in FY 14-15 and FY 15-16.
** The Company's last public issue was in 2007.

(viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average % increase was 9% for all employees who went through the compensation review cycle in the year. For the leadership team, the average % increase was 9% on the fixed and variable components. Some of the managerial personnel are also eligible for Phantom Stocks as approved in earlier financial years. Considering the payment as per this, on a total remuneration basis the increase will be 56%. This is due to the increase in share price of the Company. The compensation decisions for each year are taken after considering the following parameters: comparison of Mindtree salaries at various levels with benchmark data and the approved compensation budget as per the financial plan for the FY. In addition the compensation revision of the senior leadership team is approved by the Nomination and Renumeration Committee (of the Board).
(ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	The comparison of remuneration of the each of the key managerial personnel against the company PAT and Revenue for the FY 15-16 is as follows

Name of KMP	% of revenue	% of PAT
Krishnakumar Natarajan	0.14 %	1.04 %
Subroto Bagchi	0.12 %	0.86 %
N S Parthasarathy	0.08 %	0.57 %
Rostow Ravanan	0.07 %	0.51 %
Jagannathan Chakravarthi	0.02 %	0.14 %
Vedavalli S*	0.01 %	0.04 %

*Part of the year

(x) The key parameters for any variable component of remuneration availed by the Directors;	The key parameters for variable components are Company PAT, EBITDA, Revenue and share price.
(xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year;	Not applicable. There are no Mindtree Minds who are getting paid more than the highest paid Director during the current financial year.
(xii) Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, the remuneration is as per the remuneration policy of the company.

Information as required under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and forming part of the Director's Report for the Financial Year ended March 31, 2016

Sl. No.	Employee Name	Designation in the Company	Qualification	Age (in years)	Previous Employer	Total Experience (in years)	Designation at previous employment	Date of joining	Amount (₹)
1.	Anil M Rao	Vice President - IT Services	MBA	47	Wipro Technologies	24	Consultant	Apr 16, 2001	7,760,675
2.	Arun Rangaraju	Senior Vice President	PGDM	45	Accenture	22	Senior Vice President	Jun 01, 2012	8,958,836
3.	Balaji Krishnan	Vice President	BE	49	IR Multi-Media Solutions Pvt. Ltd	27	Project Manager - Research & Development	Nov 10, 1999	6,600,134
4.	Chandramouli Sethuraman	Vice President	BE	46	Cognizant Technology Solutions	17	Director, Projects	Jul 01, 2011	6,567,692
5.	Chinmoy Bhagawat	Vice President	BE	49	Source International Inc.	26	Business System Manager	Apr 01, 2006	7,793,239
6.	Debjyoti Paul	Associate Vice President	PGDBM	43	Infosys Ltd	19	Product Line Manager	Jun 11, 2014	6,135,349
7.	Erwan Carpentier	Senior Vice President	LLB	42	Wipro Limited	14	Legal Head Of Europe	Jan 12, 2015	8,291,578
8.	Gaurav Johri	Senior Vice President	PGDM	45	On mobile Asia Pacific	19	Sub Head, Corporates & M Commerce	Feb 25, 2008	16,583,143
9.	Jagannathan Narasimhan Chakravarthi	Vice President & CFO	CA	43	Bharti Airtel Limited	19	Deputy General Manager - Finance	Apr 27, 2009	8,533,660
10.	Krishnakumar Natarajan	Managing Director & CEO	PGDM	58	Wipro Technologies	35	Group President	Aug 05, 1999	62,688,765
11.	Madhusudhan K M	Chief Technology Officer	M. Tech	48	Misys International Financial Systems Pvt Ltd	24	Principal Architect	Oct 25, 2006	9,090,975
12.	Milind Shah	Vice President	MCA	48	Virtusa India Pvt Ltd	23	Associate Director	Mar 17, 2008	6,074,585
13.	Pankaj Khanna	Vice President	MBA	50	Fidelity Business Services India Pvt Ltd	25	Senior Director	Sep 02, 2013	12,185,707
14.	N S Parthasarathy	President & COO	M. Tech	55	Wipro Technologies	32	General Manager	Aug 14, 1999	34,259,026
15.	Prabin Gade	Technical Director	MCA	42	Silicon Automation Systems	19	Software Engineer - Silicon Automation Systems	May 02, 2000	6,136,714
16.	Radha R	Executive Vice President	PGDM	49	IBM	25	Country Manager - Alliances	Jan 19, 2001	18,085,121
17.	Rahul Malhotra	Associate Vice President	MBA	37	Tech Mahindra	13	Associate Director	Feb 16, 2015	6,946,761
18.	Ram C Mohan	Executive Vice President	BE	54	Vinciti AQ	31	Chief Operations Officer	Jan 19, 2006	14,322,352
19.	Ramesh Gopalakrishnan	Senior Vice President	BE	48	Tata Infotech	25	Core Member E-Commerce Group	Aug 14, 2000	9,894,313
20.	Rostow Ravanan	Head - Europe, Service Lines & Key Accounts	CA	45	Lucent Technologies	22	Business Value Manager	Aug 05, 1999	31,091,857
21.	Sharmila Saha	Vice President	BE	50	Wipro Technologies	28	Technical Manager	Apr 24, 2000	6,495,645
22.	Soumendra Mohanty	Senior Vice President	MCA	44	Accenture	20	Managing Director	Oct 15, 2013	7,312,615
23.	Subramanyan Ananthanarayanan	Vice President	PGDM	47	Wipro Technologies	24	General Manager	Aug 26, 2013	7,598,030
24.	Subroto Bagchi	Chairman	BA	59	Lucent Technologies	41	Vice President	Sep 01, 1999	51,964,196
25.	Suresh H P	Vice President	M. Tech	49	Abacus International	25	Staff Analyst	Nov 02, 2000	9,392,661
26.	Veeraraghavan R K	Executive Vice President	M. Sc	49	Wipro Technologies	28	Technical Manager	Nov 03, 1999	17,013,371
27.	Vinay Deshpande	Chief Architect	BE	42	TP Vision India Pvt Ltd	21	Director	Mar 03, 2014	6,580,736

Note: All are permanent employees, and are governed by letter of employment.

Information as required under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and forming part of the Director's Report for the Financial Year ended March 31, 2016 – part of the year

Sl. No.	Employee Name	Designation in the Company	Qualification	Age (in years)	Previous Employer	Total Experience (in years)	Designation at previous employment	Date of joining	Amount (₹)
1.	Manas Chakraborty	Vice President	M. Sc.	47	Birlasoft India Ltd	21	Vice President	Feb 01, 2016	1,301,530

Information as required under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and forming part of the Director's Report for the Financial Year ended March 31, 2016 – (Resigned)

Sl. No.	Employee Name	Designation in the Company	Qualification	Age (in years)	Previous Employer	Total Experience (in years)	Designation at previous employment	Date of joining	Amount (₹)
1.	Ananda Rao Ladi	Senior Vice President	B. Tech.	46	Wipro Technologies	24	Consultant	Feb 01, 2000	7,311,219
2.	Dr. Raghunath Govindachari	Vice President	Ph. D.	53	Wipro Technologies	24	Technical Manager	Nov 06, 2000	5,761,426
3.	Hariprasad Rebala	General Manager	M. Tech.	45	Capgemini Consulting India Pvt Ltd	21	Associate Director	Jul 07, 2008	3,383,295
4.	Jyothi Bacche	General Manager	BE	49	Shaw Systems	22	Services Lead	Jul 01, 2004	4,132,239
5.	Ramachandran Narayanaswamy	Vice President	BE	48	Wipro Technologies	26	Project Manager	Dec 03, 1999	3,239,814
6.	Ramana Gunna	Vice President	MBA	47	Infosys Limited	22	Head Planning & Assurance-Operations	Jun 04, 2013	4,239,439
7.	Vineet K Gupta	Associate Vice President	PGDM	42	Infosys Limited	18	Senior Systems Analyst	Aug 21, 2000	2,865,931

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2016

Krishnakumar Natarajan
Chairman

Annexure 4

Extract of Annual Return as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

Particulars	Details
CIN	L72200KA1999PLC025564
Registration date	August 05, 1999
Name of the Company	Mindtree Limited
Category/ Sub-Category of the Company	Public Company Company having share capital
Address of the Registered office and contact details	Global Village, RVCE Post, Mysore Road, Bengaluru 560 059, Karnataka. Tel: +91 80 6706 4000 investors@mindtree.com
Whether listed company : Yes/ No	Yes. Listed on BSE and NSE
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai 400 078, India. Tel: +91 22 2594 6970 | Fax: +91 22 2594 6969 e-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

II. Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the company is as below:

Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
Writing, modifying, testing of computer program to meet the needs of a particular client excluding web-page designing	62011	14.30
Web-page designing	62012	0.0
Providing software support and maintenance to the clients	62013	21.63
Computer consultancy and computer facilities management activities	62020	3.25
Software installation	62091	5.61
Other information technology and computer service activities n.e.c	62099	55.20
Total		**100**

III. Particulars of Holding, Subsidiary and Associate Companies

Name of the Company	Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares/ memebership held	Applicable Section
Mindtree Software (Shanghai) Co., Ltd,	Room 541, Standard Chartered Tower, No. 201 Century Avenue, Pudong, Shanghai, China	(2013) 0229	Subsidiary	100	2(87)
Discoverture Solutions, LLC	16100 North 71st Street, Suite 250, Scottsdale, Arizona 85254, USA	File No. L 10475476-6	Subsidiary	100	2(87)
Discoverture Solutions ULC[1]	1004-3601, Highway 7 East, Markham, Ontario, L3R OM3, Canada	Reg No. 3269825	Step-Down Subsidiary	100	2(87)
Discoverture Solutions Europe Limited[2]	No. 5, New Street Square London, EC4A3TW, United Kingdom	Reg No. 6677027	Step-Down Subsidiary	100	2(87)
Relational Solutions Inc	24601 Center Ridge Rd, Westlake, OH 44145, USA	930389	Subsidiary	100	2(87)
Bluefin Solutions Limited	Building 4, Chiswick Park, 566 Chiswick High Road, London W4 5YE, United Kingdom	4479276	Subsidiary	100	2(87)
Bluefin Solutions Sdn. Bhd.	Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar, Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia	829837 U	Step-Down Subsidiary	100	2(87)
Bluefin Solutions Pte. Limited	38 South Beach Road, #29-11 South Beach Tower, Singapore 189767	201220020M	Step-Down Subsidiary	100	2(87)
Bluefin Solutions Inc	200 S Wacker Drive Floor 31 Chicago, IL 60606 USA	4480544	Step-Down Subsidiary	100	2(87)
Blouvin (Pty) Limited	11 Lansdown Road, Claremont, 7708, South Africa	2009/ 023202/ 07	Step-Down Subsidiary	100	2(87)
Magnet 360, LLC	5757 Wayzata Boulevard Minneapolis, MN 55416 USA	2778888-2	Subsidiary	100	2(87)
Numerical Truth, LLC	5757 Wayzata Boulevard Minneapolis, MN 55416 USA	3969262-2	Step-Down Subsidiary	100	2(87)
Reside, LLC	5757 Wayzata Boulevard Minneapolis, MN 55416 USA	41 1954427	Step-Down Subsidiary	100	2(87)
M360 Investments, LLC	5757 Wayzata Boulevard Minneapolis, MN 55416 USA	4102594-2	Step-Down Subsidiary	100	2(87)

[1] Liquidated on November 19, 2015
[2] Application for dissolution filed on March 24, 2016

IV. Shareholding pattern (Equity share capital break up as % to total equity)

(i) Category wise Shareholding

	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. PROMOTERS									
1) Indian									
a) Individual/ HUF	8,349,131	-	8,349,131	9.97	16,832,870	-	16,832,870	10.03	0.06
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/ FI	-	-	-	-	-	-	-	-	-
e) Any other (Person Acting in Concert (PAC)	1,810,906	-	1,810,906	2.16	3,680,872	-	3,680,872	2.19	0.03
SUB TOTAL (A) (1)	**10,160,037**	**-**	**10,160,037**	**12.13**	**20,513,742**	**-**	**20,513,742**	**12.23**	**0.10**
2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other-Foreign Promoter Company	1,325,992	-	1,325,992	1.58	2,571,984	-	2,571,984	1.53	(0.05)
SUB TOTAL (A) (2)	**1,325,992**	**-**	**1,325,992**	**1.58**	**2,571,984**	**-**	**2,571,984**	**1.53**	**(0.05)**
Total Shareholding of Promoter (A)= (A) (1)+(A) (2)	**11,486,029**	**-**	**11,486,029**	**13.72**	**23,085,726**	**-**	**23,085,726**	**13.76**	**0.04**
B. PUBLIC SHAREHOLDING									
1) Institutions									
a) Mutual Funds	6,599,535	-	6,599,535	7.88	10,459,261	-	10,459,261	6.23	(1.65)
b) Banks/ FI	21,134	-	21,134	0.03	82,232	-	82,232	0.05	0.02
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Foreign Portfolio Investors (Corporate)	3,487,120	-	3,487,120	4.16	19,234,195	-	19,234,195	11.46	7.30
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) FIIs	31,577,789	-	31,577,789	37.71	50,874,615	-	50,874,615	30.32	(7.39)
i) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
j) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B) (1)	**41,685,578**	**-**	**41,685,578**	**49.78**	**80,650,303**	**-**	**80,650,303**	**48.07**	**(1.71)**

	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
B. PUBLIC SHAREHOLDING									
(2) Non Institutions									
a) Bodies corporates	17,094,229	-	17,094,229	20.42	34,894,018	200	34,894,218	20.80	(0.38)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	4,984,582	142,679	5,127,261	6.12	8,907,916	202,573	9,110,489	5.43	(0.69)
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	4,588,390	38,368	4,626,758	5.53	11,815,000	112,640	11,927,640	7.11	1.58
c) Others (specify)									
i) Clearing Member	191,642	-	191,642	0.23	590,987	-	590,987	0.35	0.12
ii) Foreign Nationals	424,364	27,720	452,084	0.54	796,028	44,210	840,238	0.50	(0.04)
iii) Hindu Undivided Family	-	-	-	-	437,482	-	437,482	0.26	0.26
iv) Non Resident Indians (Repatriable)	291,440	37,962	329,402	0.39	697,828	57,706	755,534	0.45	0.06
v) Non Resident Indians (Non Repatriable)	155,299	-	155,299	0.19	285,379	-	285,379	0.17	(0.02)
vi) Directors (excluding Promoter Directors)	2,584,000	-	2,584,000	3.09	5,208,000	-	5,208,000	3.10	0.01
vii) Trusts	90	-	90	0.00	180	-	180	0.00	0.00
SUB TOTAL (B) (2)	30,314,036	246,729	30,560,765	36.50	63,632,818	417,329	64,050,147	38.17	1.67
Total Public Shareholding (B)=(B) (1)+(B) (2)	71,999,614	246,729	72,246,343	86.28	144,283,121	417,329	144,700,450	86.24	(0.04)
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	83,485,643	246,729	83,732,372	100.00	167,368,847	417,329	167,786,176	100.00	-

Note There was a Bonus Issue in the ratio of 1:1 during the year under review and % changes for FY 2015-16 have been calculated by considering the Bonus Allotment.

(ii) Shareholding of Promoters and Persons Acting in Concert

Sl. No	Promoter's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged /encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged /encumbered to total shares	
1.	Krishnakumar Natarajan	4,002,086	4.78	-	8,004,172	4.77	-	(0.01)
2.	Subroto Bagchi	2,563,046	3.06	-	5,255,700	3.13	-	0.07
3.	LSO Investment Private Limited	1,325,992	1.58	-	2,571,984	1.53	-	(0.05)
4.	N S Parthasarathy	1,202,281	1.44	-	2,404,562	1.43	-	(0.01)
5.	Rostow Ravanan	581,718	0.69	-	1,168,436	0.70	-	0.01
6.	Susmita Bagchi	1,360,000	1.62	-	2,769,300	1.65	-	0.03
7.	Akila Krishnakumar	420,000	0.50	-	840,000	0.50	-	-
8.	Sanjay Kumar Panda	30,000	0.04	-	60,000	0.04	-	-
9.	Seema Ravanan	906	0.0011	-	11,572	0.0069	-	0.0058
	Total	**11,486,029**	**13.72**	**-**	**23,085,726**	**13.76**	**-**	**-**

Note:

1. Promoters & Persons Acting in Concert (As defined by SEBI Regulations) - Persons in Sl. No. 1 to 5 are classified as Promoters and persons listed in Sl. No. 6 to 9 are classified as Persons Acting in Concert.
2. Persons listed in Sl. No. 1, 2, 4 & 5 are also Directors of the Company.

(iii) Change in Promoter's Shareholding including Date wise increase/ decrease in each of the Promoter's Shareholding during the year specifying the reasons for increase/ decrease

	Subroto Bagchi	LSO Investment Private Limited	N S Parthasarathy	Rostow Ravanan	Krishnakumar Natarajan	Cumulative	Reason for Change
April 1, 2015	2,563,046	1,325,992	1,202,281	581,718	4,002,086	9,675,123	-
July 21, 2015	38,454	-	-	-	-	9,713,577	Purchase
July 24, 2015	2,000	-	-	-	-	9,715,577	Purchase
July 27, 2015	3,000	-	-	-	-	9,718,577	Purchase
July 28, 2015	2,500	-	-	-	-	9,721,077	Purchase
July 31, 2015	6,000	-	-	-	-	9,727,077	Purchase
August 4, 2015	1,000	-	-	-	-	9,728,077	Purchase
August 6, 2015	-	(20,000)	-	-	-	9,708,077	Sale
August 21, 2015	500	-	-	-	-	9,708,577	Purchase
August 24, 2015	1,400	-	-	-	-	9,709,977	Purchase
November 06, 2015	-	-	-	1,000	-	9,710,977	Purchase
November 16, 2015	-	-	-	1,000	-	9,711,977	Purchase
November 17, 2015	1,100	-	-	-	-	9,713,077	Purchase
November 18, 2015	7,100	-	-	-	-	9,720,177	Purchase
November 19, 2015	1,500	-	-	-	-	9,721,677	Purchase
November 20, 2015	-	(15,000)	-	-	-	9,706,677	Sale
November 25, 2015	-	-	-	400	-	9,707,077	Purchase
November 27, 2015	-	-	-	100	-	9,707,177	Purchase
March 11, 2016	2,627,600	1,290,992	1,202,281	584,218	4,002,086	19,414,354	Bonus Shares alloted
March 14, 2016	500	-	-	-	-	19,414,854	Purchase
March 15, 2016	-	(10,000)	-	-	-	19,404,854	Sale
March 31, 2016	**5,255,700**	**2,571,984**	**2,404,562**	**1,168,436**	**8,004,172**	**19,404,854**	**-**

Change in Shareholding of Persons Acting in Concert including Date Wise increase/ decrease in the Shareholding of Akila Krishnakumar

Name	Shares at the beginning of the year	Date of Change	Reason for Change	No. of Shares	Cumulative shareholding
Akila Krishnakumar	420,000	March 11, 2016	Bonus Shares Allotted	420,000	840,000

Change in shareholding of Persons Acting in Concert including Date Wise increase/ decrease in the Shareholding of Sanjay Kumar Panda

Name	Shares at the beginning of the year	Date of Change	Reason for Change	No. of Shares	Cumulative shareholding
Sanjay Kumar Panda	30,000	March 11, 2016	Bonus Shares Allotted	30,000	60,000

Change in Shareholding of Persons Acting in Concert including Date Wise increase/ decrease in the Shareholding of Susmita Bagchi

Date	No. of Shares	Reason for Change	Cumulative shareholding
April 1, 2015	1,360,000	At the beginning of the year	1,360,000
July 21, 2015	1,000	Purchase	1,361,000
July 28, 2015	3,000	Purchase	1,364,000
August 21, 2015	900	Purchase	1,364,900
August 24, 2015	1,700	Purchase	1,366,600
November 04, 2015	1,500	Purchase	1,368,100
November 06, 2015	3,919	Purchase	1,372,019
November 09, 2015	2,050	Purchase	1,374,069
November 17, 2015	831	Purchase	1,374,900
November 18, 2015	500	Purchase	1,375,400
March 11, 2016	1,375,400	Bonus Shares allotted	2,750,800
March 14, 2016	15,500	Purchase	2,766,300
March 15, 2016	3,000	Purchase	2,769,300
March 31, 2016	-	-	**2,769,300**

Change in Shareholding of Persons Acting in Concert including Date Wise increase/ decrease in the Shareholding of Seema Ravanan

Date	No. of Shares	Reason for Change	Cumulative shareholding
April 1, 2015	906	At the beginning of the year	906
September 09, 2015	4,200	Purchase	5,106
November 17, 2015	680	Purchase	5,786
March 11, 2016	5,786	Bonus Shares allotted	11,572
March 31, 2016	-	-	**11,572**

(iii) Shareholding Pattern of top ten Shareholders (other than Directors & Promoters)

Date	Coffee Day Enterprises Limited	Nalanda India Fund Limited	Coffee Day Trading Limited	Matthews India Fund	V G Siddhartha	Oppenheimer International Small Company Fund	Amrit Petroleums Pvt Limited	Ontario Teachers' Pension Plan Board Managed By Arohi Asset Management Pte Ltd-Np9q	S Janaki Raman	Nalanda India Equity Fund Limited	Cumulative	Reason for change
April 1, 2015	8,730,884	7,898,178	5,297,122	2,718,292	2,514,000	259,587	-	1,753,306	1,603,274	1,429,760	32,204,403	Opg. Bal.
April 10, 2015	-	-	-	90,000	-	425,460	-	-	-	-	32,719,863	Purchase
April 17, 2015	-	-	-	-	-	230,540	-	-	-	-	32,950,403	Purchase
May 08, 2015	-	-	-	-	-	173,750	-	-	-	-	33,124,153	Purchase
May 15, 2015	-	-	-	-	-	188,000	-	-	-	-	33,312,153	Purchase
May 22, 2015	-	-	-	-	-	226,405	-	-	(458)	-	33,538,100	Purchase / (Sold)
May 29, 2015	-	-	-	-	-	126,368	-	-	(7,500)	-	33,656,968	Purchase / (Sold)
June 05, 2015	-	-	-	-	-	106,600	-	-	-	-	33,763,568	Purchase
July 03, 2015	-	-	-	-	-	103,856	-	-	-	-	33,867,424	Purchase
July 10, 2015	-	-	-	-	-	-	1,845,000	-	-	-	35,712,424	Purchase
July 31, 2015	-	-	-	75,000	-	-	-	-	(2,500)	-	35,784,924	Purchase / (Sold)
August 07, 2015	-	-	-	-	-	-	-	-	(4,500)	-	35,780,424	(Sold)
August 14, 2015	-	-	-	50,000	-		-		(5,892)	-	35,824,532	Purchase / (Sold)
August 21, 2015	-	-	-	-	-	-	-	-	(1,084)	-	35,823,448	(Sold)
September 04, 2015	-	-	-	-	-	-	-	-	(5,000)	-	35,818,448	(Sold)
September 25, 2015	-	-	-	-	-	-	-	-	(5,000)	-	35,813,448	(Sold)
September 30, 2015	-	-	-	-	-	-	-	-	(5,583)	-	35,807,865	(Sold)
October 09, 2015	-	-	-	-	-	-	-	-	(7,000)	-	35,800,865	(Sold)
October 30, 2015	-	-	-	-	-	-	-	-	(3,000)	-	35,797,865	(Sold)
December 11, 2015	-	-	-	-	-	-	-	-	(7,000)	-	35,790,865	(Sold)
December 18, 2015	-	-	-	-	-	-	-	-	(3,000)	-	35,787,865	(Sold)
December 25, 2015	-	-	-	-	-	-	-	-	(5,000)	-	35,782,865	(Sold)
December 31, 2015	-	-	-	(25,758)	-	-	-	-	-	-	35,757,107	(Sold)
January 01, 2016	-	-	-	(19,242)	-	-	-	-	-	-	35,737,865	(Sold)
January 15, 2016	-	-	-	(45,000)	-	-	-	-	(5,000)	-	35,687,865	(Sold)
January 22, 2016	-	-	-	(140,000)	-	-	-	-	(5,000)	-	35,542,865	(Sold)
January 29, 2016	-	-	-	-	-	-	-	-	(5,000)	-	35,537,865	(Sold)
February 26, 2015	-	-	-	-	-	-	-	-	(6,000)	-	35,531,865	(Sold)
March 04, 2016	-	-	-	-	-	-	(10,000)	-	(9,000)	-	35,512,865	(Sold)
March 11, 2016	-	-	-	-	-	-	(10,000)	-	-	-	35,502,865	(Sold)
March 11, 2016	8,730,884	7,898,178	5,297,122	2,703,292	2,514,000	1,840,566	1,825,000	1,753,306	1,510,757	1,429,760	71,005,730	Bonus
March 31, 2016	**17,461,768**	**15,796,356**	**10,594,244**	**5,406,584**	**5,028,000**	**3,681,132**	**3,650,000**	**3,506,612**	**3,021,514**	**2,859,520**	**71,005,730**	**Clg. Bal.**

V. Indebtedness

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

Amount in ₹

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	-	27,485,400	-	27,485,400
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	687,135	-	687,135
Total (i + ii + iii)	**-**	**28,172,535**	**-**	**28,172,535**
Change in Indebtedness				
Addition	-	710,040	-	710,040
Reduction	-	5,405,463	-	5,405,463
Net Change	**-**	**4,695,423**	**-**	**4,695,423**
Indebtedness at the end of the financial year				
(i) Principal Amount	400,000,000	22,904,500	-	422,904,500
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	572,612	-	572,612
Total (i + ii + iii)	**400,000,000**	**23,477,112**	**-**	**423,477,112**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager

Amount in ₹

Particulars of Remuneration	Krishnakumar Natarajan (CEO)	Subroto Bagchi (Chairman)	Rostow Ravanan (Executive Director)	N S Parthasarathy (Executive Director)	Total
Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	61,531,268	46,290,892	30,435,408	33,677,444	171,935,011
(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	179,553	4,006,571	50,762	55,981	4,292,867
(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	-
Stock Option	-	-	-	-	-
Sweat Equity	-	-	-	-	-
Commission-as % of Profit **Others – Specify**	-	-	-	-	-
Others – Non-taxable Reimbursements	977,944	1,666,733	605,687	525,601	3,775,966
Total (A)	**62,688,765**	**51,964,196**	**31,091,857**	**34,259,026**	**180,003,844**
Ceiling as per the Act					772,838,370

B. Remuneration to other Directors: Amount in ₹

Particulars of Remuneration						
Independent Directors	Albert Hieronimus	Ramesh Ramanathan	Pankaj Chandra	Apurva Purohit	Manisha Girotra	Total
Fee for attending board committee meetings	-	-	-	-	-	-
Commission	8,195,000	2,000,000	2,000,000	2,000,000	2,000,000	16,195,000
Others, (Perks Tax)	-	8,067,245	-	-	-	8,067,245
Total (1)	**8,195,000**	**10,067,245**	**2,000,000**	**2,000,000**	**2,000,000**	**24,262,245**
Other Non-Executive Directors						
Fee for attending board committee meetings	-	-	-	-	-	-
Commission	-	-	-	-	-	-
Others – Specify	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-
Total B = (1) + (2)	**8,195,000**	**10,067,245**	**2,000,000**	**2,000,000**	**2,000,000**	**24,262,245**
Total Managerial Remuneration	-	-	-	-	-	-
Ceiling as per the Act						**77,283,837**

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ Whole time Director Amount in ₹

Particulars of Remuneration	Vedavalli S (Company Secretary)	Jagannathan Chakravarthi (Chief Financial Officer)
Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	2,225,003	6,880,829
(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	807	782,937
(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-
Stock Option	-	-
Sweat Equity	-	-
Commission-as % of Profit **Others – Specify**	-	-
Others **(Non-taxable reimbursements)**	126,522	869,894
Total (C)	**2,352,332**	**8,533,660**
Ceiling as per the Act	**NA**	

VII. Penalties/ Punishment/ Compounding of Offences:

There were no penalties or punishments levied on the Company during the year. Also, there was no necessity for the Company to compound any offence.

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2016

Krishnakumar Natarajan
Chairman

Annexure 5

Form AOC-2 : Details of Related Party Transactions

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship	There were no transaction or arrangement which were not at arm's length and in the ordinary course of business.
(b) Nature of contracts/ arrangements/ transactions	
(c) Duration of the contracts/ arrangements/ transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

Name of the related party and nature of relationship	Mindtree Software (Shanghai) Co., Ltd ('MSSCL'), Republic of China 100% Subsidiary	Discoverture Solutions LLC 100% Subsidiary	Bluefin Solutions Ltd, UK 100% Subsidiary	Relational Solutions, Inc 100% Subsidiary	Mysore Amalgamated Coffee Estate Ltd.	Coffee Day Global Limited	Tanglin Developments Limited	Janaagraha Centre for Citizenship & Democracy	MindTree Foundation, a Company registered under Section 8 of Companies Act, 2013
Nature of the contracts/ arrangements/ transactions	Software services received	Software services rendered & Software services received	Software services rendered & Software services received	Software license fee paid	Reimbursement of travel expenses	Procurement of supplies & Software services rendered	Leasing office buildings and land	Donation paid	Donation paid
Duration of the contracts/ arrangements/ transactions	On an ongoing basis w.e.f April 01, 2014. However, either party may terminate the agreement for convenience upon sixty (60) days written notice to the other party.	On an ongoing basis, w.e.f February 13, 2015. However either party may terminate the agreement for convenience upon sixty (60) days written notice to the other party.	On an ongoing basis w.e.f November 01, 2015. However, either party may terminate the agreement for convenience upon sixty (60) days written notice to the other party	On an ongoing basis w.e.f January 01, 2016. However, either party may terminate the agreement for convenience upon sixty (60) days written notice to the other party	Reimbursement of expenses at actuals	Procurement of supplies: Effective from January 1, 2015 to December 31, 2015. The contract is being renewed for the period from January 1, 2016 and March 31, 2017. Software services rendered: Effective from September 7, 2015 and shall remain in effect for a period of 3 years, unless terminated by either of the parties by giving written notice of thirty (30) days. The parties may thereafter renew the agreement with mutual consent.	Leasing of land for office premises for 30 years effective April 1, 2007. Leasing of 2 office buildings from October 1, 2007 to October 31, 2016, with an option to renew the lease contracts for further periods.	Donations paid for carrying out Corporate Social Responsibility activities	Donations paid for carrying out Corporate Social Responsibility activities

Name of the related party and nature of relationship	Mindtree Software (Shanghai) Co., Ltd ('MSSCL'), Republic of China 100% Subsidiary	Discoverture Solutions LLC 100% Subsidiary	Bluefin Solutions Ltd, UK 100% Subsidiary	Relational Solutions, Inc 100% Subsidiary	Mysore Amalgamated Coffee Estate Ltd.	Coffee Day Global Limited	Tanglin Developments Limited	Janaagraha Centre for Citizenship & Democracy	MindTree Foundation, a Company registered under Section 8 of Companies Act, 2013
Salient terms of the contracts or arrangements or transactions including the value, if any	Software services received for the year ended March 31, 2016 amounting to ₹ 20 million	Software services rendered for the year ended March 31, 2016 amounting to ₹ 248 million Software services received for the year ended March 31, 2016 amounting to ₹ 92 million	Software services rendered for the year ended March 31, 2016 amounting to ₹ 4 million Software services received for the year ended March 31, 2016 amounting to ₹ 7 million	Software license fee paid for the year ended March 31, 2016 amounting to ₹ 3 million	Reimbursement of travel expenses for the year ended March 31, 2016 amounting to ₹ 1 million	Supplies of beverages including coffee, tea and such others through vending machines located at Mindtree's premises amounting to ₹ 23 million during the year ended March 31, 2016. Software services rendered for the year ended March 31, 2016 amounting to ₹ 27 million.	Transactions: Leasing office buildings and land ₹ 375 million Advance/ deposits received back: -towards electricity deposit/ charges ₹ 16 million -towards lease rentals ₹ 172 million	Donation paid for the year ended March 31, 2016 amounting to ₹ 4 million	Donation paid for the year ended March 31, 2016 amounting to ₹ 36 million
Date of approval by the Board	The transactions were as per the Policy laid down by the Board, which is published on the website. All related party transactions were entered into with prior approval of the Audit Committee, in accordance with the provisions of the Listing Agreement and LODR Regulations.	The transactions were as per the Policy laid down by the Board, which is published on the website. All related party transactions were entered into with prior approval of the Audit Committee, in accordance with the provisions of the Listing Agreement and LODR Regulations.	The transactions were as per the Policy laid down by the Board, which is published on the website. All related party transactions were entered into with prior approval of the Audit Committee, in accordance with the provisions of the Listing Agreement and LODR Regulations.	The transactions were as per the Policy laid down by the Board, which is published on the website. All related party transactions were entered into with prior approval of the Audit Committee, in accordance with the provisions of the Listing Agreement and LODR Regulations.	Not applicable, as it is a re-imbursement of actual amount spent by a Director	The transactions were as per the Policy laid down by the Board, which is published on the website. All related party transactions were entered into with prior approval of the Audit Committee, in accordance with the provisions of the Listing Agreement and LODR Regulations.	The transactions were as per the Policy laid down by the Board, which is published on the website. All related party transactions were entered into with prior approval of the Audit Committee, in accordance with the provisions of the Listing Agreement and LODR Regulations.	The transactions were as per the Policy laid down by the Board, which is published on the website. All related party transactions were entered into with prior approval of the Audit Committee, in accordance with the provisions of the Listing Agreement and LODR Regulations.	The transactions were as per the Policy laid down by the Board, which is published on the website. All related party transactions were entered into with prior approval of the Audit Committee, in accordance with the provisions of the Listing Agreement and LODR Regulations.
Amount paid as advances, if any	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2016

Krishnakumar Natarajan
Chairman

Annexure 6

Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outflow

[Clause (m) of sub-section (3) of section 134 of the Act, r/w Rule 8 of the Companies (Accounts) Rules, 2014]

(A) Conservation of energy:

Your company has taken ecological sustainability as a critical priority and initiated several initiatives to conserve energy, water & reduction in generation of waste throughout the life cycle of the office building. These initiatives, while ecologically sound, contributes positively in lowering the operational costs and thereby improving your company's overall profitability. We monitor ecological sustainability performance through key metrics such as EPI for energy, per capita water consumption and recycling of waste generated.

During the FY 16, your company has lowered Energy Performance Index (EPI) from 1.59 to 1.32 (units/ sq.ft/ month) which translates to energy reduction by 2.4 million units and GHG emission reduction by 2184 Co2e tons. The reduction was made possible by few key initiatives such as retrofit projects for retiring aged and energy inefficient HVAC system to chiller based systems, DEC 010 initiative which is focused on achieving operating performance excellence of all electrical systems and there by energy optimization.

Our per capita water consumption has reduced over 5% in this FY. One of the notable initiative in water conservation was to convert sewage treated water to potable water using RO treatment plant for utilization in HVAC. This program has reduced our ground water consumption by over 40 KL/day also aids reusing water resource.

During the period our percentage of wet waste conversion to manure has increased from 80.62% to 90.6% across our facilities and we are moving towards achieving 100% conversion within the next Fiscal year.

(B) Technology absorption:

Specific areas in which R & D was carried out by the company

Your Company has more than 16 years of proven track record of its commitment and investments into technology and innovation as a key differentiator. In this financial year, your company has further sharpened its focus on Strategic & Emerging technologies and innovation, leading to differentiated business engagement with its customers.

Strategic Technologies

Organizations are constantly challenged to keep pace with the astounding changes in the digital space. Your company is continuously tracking market opportunities for innovation and differentiation to make digital real.

Your company continues to focus on building innovative solutions to make sharper business decisions based on predictive analytics and machine learning. It is a key challenge for clients to use vast amounts of data from both internal and external sources to make insightful business decisions. Consequently, Relational Solutions, Inc. was acquired. Their software is proven to work for ingesting and processing many different kinds of data such as Retail Point of Sales (POS), consumer data from syndicated sources, market share data, weather data and so on. This complements prior investments made by your company to build a sales assortment optimization solution for consumer goods companies. We now have new clients for this solution. With this, your company has formidable capabilities to deliver sales and trade promotion analytics solutions in a cloud-hosted model.

To stay ahead in this competitive market, your company conducted a global study to identify consumer desires and cross-industry initiatives. The study pinpointed personalization as a key investment area that companies may want to prioritize. This yielded fresh opportunities for your company in the area of delivering personalized customer experiences. Today's Phy-gital consumer leaves a rich trail of data showing not only their likes and dislikes, but also the current context of their lives – their life stage, health, financial details, what they would like to buy and so on. Tapping this data from many different sources and making sense of the true context of the consumer to deliver personalized information and recommendations is a top goal for most businesses. Your company is creating intellectual capital in the form of plug-and-play cloud-hosted technology accelerators and skilled manpower to help businesses win in the age of the personalization. These investments are already starting to yield results in client and analyst interactions.

To deliver superior, personalized digital experiences for global brands, your company also created a frugal platform for Customer and Marketing Insights. This offers an accelerated roadmap for deploying best in class capabilities for content authoring, publishing, testing and measurement. A global leader in the paints industry has adopted this platform to replace legacy technologies and will benefit from your company's deep experience managing global digital operations.

One of the top challenges that clients talk about is the absence of an 'innovation sandbox' to test concepts such as personalization. Your company built a powerful big data analytics technology accelerator to provide such an innovation sandbox.

As evident, all these investments are aimed at delivering superior digital experiences for consumers, integration of many fast evolving digital and legacy systems and harnessing next generation analytical methodologies. These will apply to a broad range of industries covering Retail, Consumer Goods, Airlines, Hospitality, Media, Banking and Insurance.

Your company is focused on building deeper capabilities in big data and analytics space by establishing wide partner ecosystem and industry recognized certifications. Distributed computing/ storage, streaming analytics, machine learning and advanced visualization are areas of prime focus.

Many organizations are still wary of investing in big data and analytics due to cost concerns, lack of proper implementation strategy and explosion of tools. This creates a space for big data decision science accelerator which enable organizations to carry out rapid prototyping, data discovery to derive new insights.

Cloud based decision science accelerator brings apposite stack of technology, pre-built industry specific data mining algorithms. Accelerator provides platform for innovation and jump start kit to explore art of possibilities in big data space. Accelerator is being used to realize use cases on personalization, unified customer data hub, business data lake etc.

Emerging Technologies

Your Company has consistently invested in technology and innovation to prepare for the future. In this financial year, this has been further strengthened by our investments in Centers of Excellence (CoE) under Chief Technology Officer (CTO) organization, tasked with all round concerted thrust on emerging technologies and to understand their role in the context of business of customers.

In these CoEs, following emerging technologies were explored in depth and several reusable assets were built to enable delivery.

Internet of Things

Your Company has invested in building capabilities in device engineering, IoT specific protocols and application development. Your company has created horizontal solutions for 'Remote Monitoring of Fixed Assets', IoT solution for the Smart Premises, Solutions in Travel domain.

Your company is involved in crucial solution integration and value added reselling partnerships with industry leading IoT Backend PaaS platforms such as ThingWorx™ , Microsoft Azure™ and AWS IoT.

Cognitive Computing and Deep Learning

Under CTO organization, your company is working on Deep Learning and Cognitive computing to extract information from unstructured text and address vision tasks.

In a world growing increasingly mobile and visual, your company is working on "Visual Search" and on enabling discovery of items in images. Your company is working on technologies that would help unlock the value of images by making items within an image as "clickable merchandise".

Your company is focusing on Deep Learning and related technologies to better understand content, infer context and develop solutions that provide more relevant personalized experiences. These would be used as building blocks for next-generation retail and digital solutions.

To enable faster machine learning, the CTO organization is making investments in state-of-the-art GPU based systems.

Emerging Architecture Patterns and Technologies

Your Company has been building capabilities and reference implementations using Micro services architecture using actor based reactive programming model. Your company also invested in building new-age web applications using MEAN architecture. Your Company also invested in building capabilities & solutions using Client-side technologies like Angular.js, Polymer, ReactJS, Ionic and Cordova.

Future languages, Analytics & data stores – Your Company invested in building capabilities and solutions using future functional languages like Scala and future data stores and related technologies like OrientDB, Apache Giraph, Cassandra etc. Your company has also invested in analytics software like Apache Spark, Spark Streaming and Spark SQL etc.

Future Microsoft Technologies – Your Company also invested in building capabilities and solutions using emerging Microsoft technologies like ASP.NET 5, SQL Server 2016, HDInsight, Azure ML, Service Fabric, Xamarin, OWIN middleware, Azure App Services, Containers etc.

Platforms and Domain solutions

Platforms & Solutions Group (PSG) – Your company's PSG offers SaaS platforms on the cloud across industries and business functions. Our Platform offerings enable customers to improve efficiency and effectiveness of their employees, add value for their customers and reduce infrastructure overheads with pay-as-you-use pricing. The platform offerings are mobile-first solutions developed on Standard Enterprise Development stacks and deployed on cloud infrastructure (such as Azure).

Gladius – Your Company has built a video management software targeted at city surveillance, enterprise sectors, industrial and retail industries. Gladius provides benefits like scalability, advanced video analytics, smart video streaming, and can be unified with video data, access control events and alarms. It supports a wide range of industry-leading IP cameras and encoders and is also available as a mobile app for on-the-move surveillance. Some Gladius rollouts include;

- Security video monitoring for a major Search giant with major R&D operations in India
- Warehouse Monitoring for a leading India eRetailer
- On-Premise monitoring for a space research agency
- Traffic monitoring for one of India's busiest metropolis

Flooresense – Your Company is focusing on building a cloud based intelligent real-time recommendation platform that connects store associate with high potential anonymous shopper needing assistance. This platform enables Retailers to elevate in-store customer experience and drive conversions. This platform was launched at NRF 2016 in partnership with Microsoft.

ShotClasses – Your company has built a cloud based micro-learning platform that enables enterprises to deliver bite-sized learning to a geographically distributed, constantly evolving and younger workforce with minimal operational overheads and high levels of engagement.

This platform addresses enterprise learning challenges of evolving products, processes and business rules. Short attention span of younger workforce, geographically distributed workforce and business partners by providing short burst, high frequency refresher trainings on Mobile devices thereby by shifting the focus towards training effectiveness.

NeoDigital – Your Company has built NeoDigital a big data decision science accelerator that is built on hybrid and fluid architecture to enable business/ IT teams to explore the art of possible and business value creation.

NeoDigital enables customers to jump start their analytics journey quickly. Helps in drastically reduce the time to market with a host of data integration, data management, visualization and machine learning accelerators made available using industry standard big data technologies.

NeoDigital reduces time to market and enterprises start seeing the benefits of analytics applications faster, by adopting Opex based sandbox environment to experiment and try out analytics hypotheses.

NeoDigital provides Business Data Lake to integrate different data sets with various data forms. Poly-structured storage enables loosely coupled data structures with ability to store massive quantities of data at low cost. It also offers pre-built statistical models coupled with visualizations for clustering, recommendation, churn, propensity and life time value calculation etc. These pan industry models enable use cases like hyper personalization, customer churn, fraud analytics, product recommendation, measure campaign effectiveness etc.

Loss Control Platform – Your company is building cloud based Corporate Insurance solution for transforming the underwriting and risk assessment process for insurers and risk management companies. The platform enables insurance companies to reduce business exposure due to more optimized risk selection and lower claim incidences.

Oracle Service Line – Your Company has invested in building capabilities and industry solutions using Oracle technologies like:
- Capability building in Oracle Fusion Cloud Applications
- Rapid Implementation kits for Oracle Cloud Applications
- Test Automation for E-Business Suite ERP Implementations
- Upgrade Assessment Tool for Oracle E-Business Suite
- Data Migration Tool for E-Business Implementations

SAP Service Line – Your Company has invested in building capabilities and solutions using SAP technologies like:

- Accelerator for implementing UDI for pharma equipment built on SAP
- Approach for a standardized integration framework for Salesforce – SAP Integration
- Approach to provide Fiori-as-a-service
- Migration of SAP infrastructure to Azure
- Approach for migration to GST for Indian businesses
- RDS built for SAP-Is-R-DMS Solution

Infrastructure Management and Service Delivery

MWatch – Your Company has invested in MWatch an integrated IT infrastructure management and service delivery platform that gives a consolidated end-to-end view of the customers IT infrastructure and applications. With its capability to optimize IT performance, it helps customers to not only reduce the operational cost but also reduce the downtime. Its integration bridge capability allows Mindtree to protect and leverage customer's existing tools and consolidate and store different IT datasets into a single IT Ops data repository.

DevOps – Your Company's vision for Digital Application Delivery is driven by its stated mission of "Shrink time & effort in delivering best-in-class Digital Solutions by evangelizing agile methodology, industrializing DevOps platform through new-age Tools & Technology Frameworks". It is based on the premise of having self-contained, flexible, lean, full stack engineering teams who are closely aligned, trained and enabled towards faster delivery of digital solution. The tenets of this industrialized agile development is backed by a platform. The key elements of this platform are:

• Automated delivery pipeline which alleviates delays due to manual setup and configuration activities as well as issues due to human errors through automation for continuous integration, continuous test, continuous quality validations, and continuous deployments through a single click

• Governance and control in Devops is established through measurement of key KPIs that influence time to market and speed of delivery. The metrics are measured through real-time integration and delivery metrics. This is visible through an Insights and Intelligence dashboard based on Hygeia

• CloudBag enables environment as a service through sharing of readymade templates, containers and scripts leveraging principles of "Infrastructure as Code"

• Integration with other Mindtree platforms like Dynamic Test Engineering Platform and MWatch for test automation and management/ monitoring respectively

Test Service Line – In today's '**connected world**', traditional quality assurance is not going to meet or achieve the necessary results of high quality and also aligning to agility demands, multi-channel & end user experience needs. A QA strategy with end users experience as the key focus is needed to help businesses and IT succeed.

As a result, the enterprise test service delivery model needs an integrated platform at its disposal, which is geared to deliver a superior customer experience across various channels whilst addressing continuous test delivery execution challenges.

Your company has developed a completely CONFIGURABLE, MODULARIZED and an easily SCALABLE Enterprise Test Service delivery platform called **Dynamic Test Engineering Platform (DTEP)**.

The Dynamic Test Engineering Platform integrates & orchestrates Your Company's testing service specific reusable frameworks, testing libraries with cloud-based and analytics-driven solutions, alliance partners ecosystem for E2E testing needs which bundles SaaS and Service adoption.

The platform assists in testing digital experience automatically through the use of a wide range of Mindtree proprietary tools across Test lifecycle.

This integrated testing delivery platform cuts down complete testing efforts, timelines to the tune of ~35% and helps improve time to market apart from reducing infra provisioning costs whilst improving quality and providing valuable insights to support the business outcomes.

Your Company has spent ₹ 313 million on research and development during the year 2015 - 16.

(C) Foreign Exchange Earnings and Outgo :

Foreign Exchange Earnings	₹ in million
Income from software development	42,566
Dividend income from subsidiaries	162
Other income	9

Foreign Exchange Outgo	₹ in million
Branch office expenses	20,635
Travel expenses	269
Professional charges	60
Others	295

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2016

Krishnakumar Natarajan
Chairman

Annexure 7

Corporate Social Responsibility

1. CSR Policy: Mindtree will focus on CSR initiatives that promote the areas identified in this policy. Mindtree implement the chosen programs via three channels:

   a) Directly by Mindtree
   b) Through MindTree Foundation
   c) Through "Individual Social Responsibility" programs undertaken by Mindtree Minds and supported by Mindtree as appropriate.

   Further, Mindtree's CSR will primarily focuses on programs that
   a) Benefit the differently abled
   b) Promote education
   c) Create sustainable livelihood opportunities

   The CSR policy of the Company is available at http://www.mindtree.com/corporate-social-responsibility-policy

2. The composition of the CSR Committee:
   The current members of the CSR Committee of the Board are:
   a) Mr. Subroto Bagchi, Chairman
   b) Prof. Pankaj Chandra, Member
   c) Mr. N S Parthasarathy, Member
   d) Mr. Rostow Ravanan, Member

3. Average Net Profit of the company for last three financial years : ₹ 4,672,962,355

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : ₹ 93,459,247

5. Details of the CSR spent during the financial year.
   a) Total amount to be spent for the financial year: ₹ 93,459,247
   b) Total amount spent for the financial year : ₹ 93,737,300
   c) Amount unspent if any: NONE
   d) Manner in which the amount spent during the financial year is detailed below:

Details of the CSR spent during the Financial Year: Amount in ₹

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs: (1) Local area or others (2) Specify the state and district where project or programs were undertaken	Amount of outlay budget - project or program wise	Amount spent on projects or programs Subheads: (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
I.	**I Got Garbage (IGG), I Got Crops (IGC), I Got Skills (IGS)** IGG – Initiative in the area of poverty reduction for rag-pickers and waste reduction. It achieves the above by integrating rag-pickers into formal waste management eco-system. IGS – A digital platform to improve student learning and skill training. IGC – A digital platform to improve framer's earning	Schedule 7 (i), Eradicating poverty Schedule 7 (ii) Promoting education Schedule 7 (i), Eradicating poverty	1) Bengaluru 2) Karnataka	47,672,055	Direct: 47,672,055	47,672,055	Direct: 47,672,055
II.	**Pinkathon:** Walkathon and marathon conducted for Breast cancer awareness. Mindtree played an active role in promoting the event and also made a donation to support the cause	Schedule 7 (i), Promoting healthcare	1) Bengaluru 2) Karnataka	1,551,564	Direct: 1,551,564	1,551,564	Direct: 1,551,564
III.	**Employee Cost:** Cost of the employees working on CSR	Administrative Expenses	-	4,463,681	Overhead: 4,463,681	4,463,681	Direct: 4,463,681
IV.	**Donation to Janaagraha Center for Citizenship and Democracy** (a registered Trust)	Schedule 7 (ii) Promoting education	1) Bengaluru 2) Karnataka	4,000,000	Direct: 4,000,000	4,000,000	Direct: 4,000,000

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs: (1) Local area or others (2) Specify the state and district where project or programs were undertaken	Amount of outlay budget - project or program wise	Amount spent on projects or programs Subheads: (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
V.	**Donation to MindTree Foundation:** Donation has been made to MindTree Foundation during the year	Details as provided below	Details as provided below	36,050,000 Details of the Projects are given below.	36,050,000 Details of the Projects are given below.	36,050,000 Details of the Projects are given below.	36,050,000 Through MindTree Foundation
	Total CSR Expenditure made by Mindtree (I+II+III+IV+V)	-	-	**93,737,300**	**93,737,300**	**93,737,300**	**93,737,300**

Details of CSR spent by MindTree Foundation on various projects:

Amount in ₹

CSR project or activity identified	Project Objective	Sector in which the Project is covered	Projects or Programs (1) Local area or others (2) Specify the state and district where project or programs were undertaken	Amount of outlay budget - project or program wise	Amount spent on projects or programs Subheads: (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Employability Training Services	To promote the livelihood of unemployed rural youth with disabilities through: Job-training in cognitive and practical abilities, Develop social and behavioral traits for specific industries	Schedule 7 (ii), Promoting vocational skills	(1) Bhubaneswar (2) Odisha	As per details provided in Sl. No. V			
Yuva Jyoti	To create sustainable livelihood opportunities for rural youths	Schedule 7 (ii), Promoting vocational skills	(1) Bychapura (2) Hollavanahalli Hobli, Koratakagere Taluk, Tumkur District, Karnataka				
Sanchalana	To improve physical well-being of rural children with disabilities through corrective surgeries, physiotherapies, mobility aids, and access to Education	Schedule 7 (ii), Promoting education	(1) Vijayapura Taluk (2) Vijayapura District, Karnataka				
Learning Enhancement	To improve learning levels of students in Govt. higher primary schools	Schedule 7 (ii), Promoting education	(1) Kanakapura Taluk (2) Ramanagara District, Karnataka				
Lab-On-Bike	To stimulate creative thinking, and the curiosity of seeking solutions among school children and teachers	Schedule 7 (ii), Promoting education	(1) Pune (2) Maharashtra				

CSR project or activity identified	Project Objective	Sector in which the Project is covered	Projects or Programs (1) Local area or others (2) Specify the state and district where project or programs were undertaken	Amount of outlay budget - project or program wise	Amount spent on projects or programs Subheads: (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Community Based Rehabilitation – Disability Inclusive Development (CBR-DID)	To improve physical well-being of children with disabilities through early detection, early intervention, and post-corrective therapies, to promote education through school readiness interventions, to promote livelihood opportunities for people with disabilities	Schedule 7(i), Promoting education Schedule 7 (iii), Providing measures for reducing inequalities faced by socially and economically backward groups	(1) Redhills, Padiyanallur, Perambakkam, Minjur, Avadi, Thiruvallur, Ellapuram (2) Tiruvallur District, Tamil Nadu	As per details provided in Sl. No. V			
Learn and Earn Centres	Improve quality of life of intellectually challenged youngsters over 16 years of age.	Schedule 7(ii), Promoting Education and vocational skills	(1) Medhak, Rangareddy, Ongole, Kakinada, Hyderabad (2) Telanagana				
Urban Micro Business Centre (UMBC)	To bring positive social and economical impacts in the lives of urban poor youths and adult women	Schedule 7(ii), Promoting Education and vocational skills	(1) Bhubaneswar (2) Odisha				
Bal Sevika	To bring positive social and economical impacts in the lives of underprivileged young women	Schedule 7(ii), Livelihood Enhancement to the rural youth.	(1) Bengaluru (2) Karnataka				
Educate Zilla	Improve quality of education and the ability to pursue higher education to every child studying in Govt. Primary Schools	Schedule 7(ii), Livelihood Enhancement to the rural youth.	(1) Kanakapura Taluk (2) Ramanagara District, Karnataka				
MILC (Mindtree Innovation Learning Center)	To bridge the skill-gap for Engineering graduates from rural Engineering College by offering transformational job-ready skills in IT industry	Schedule 7 (ii), Promoting education	(1) Jayam College of Engineering and Technology (2) Nallanur, Dharmapuri District, Tamilnadu				
Bal Roshini	To promote education and create positive changes in the lives of underprivileged children with disabilities.	Schedule 7(ii), Promoting Education and Livelihood Enhancement to the differently abled	(1) Bengaluru (2) Karnataka				

CSR project or activity identified	Project Objective	Sector in which the Project is covered	Projects or Programs (1) Local area or others (2) Specify the state and district where project or programs were undertaken	Amount of outlay budget - project or program wise	Amount spent on projects or programs Subheads: (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Literacy Enhancement	1. Strengthen the educational approaches and enhancing learning in children in the age group of 6 to 15 with learning difficulties from 12 Govt. schools from Harohalli 2. To minimize school Dropouts and enhance the literacy levels and ability to think and solve problems in higher grades. 3. To promote the value of literacy in rural areas. 4. To provide additional support by training the local community based workers and establish Three Reading rooms for children in main stream schools	Schedule 7(ii), Promoting education	(1) Kanakapura Taluk (2) Ramanagara District, Karnataka	As per details provided in Sl. No. V			
Udaan	To inspire, mentor and coach the young bright minds from the rural corners of India to become Doctors. Prepare the children to get through Medical Entrance exams and create doctors for the rural India.	Schedule 7(ii), Promoting education	(1) Kanakapura Taluk (2) Ramanagara District, Karnataka				

6. Reasons for not spending the prescribed CSR expenditure: Not applicable
7. The CSR Committee, hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.

For and on behalf of the Board of Directors

Rostow Ravanan
CEO & Managing Director

Subroto Bagchi
Chairman of CSR Committee

Place: Bengaluru
Date: April 18, 2016

Annexure 8

G.SHANKER PRASAD ACS, ACMA
PRACTISING COMPANY SECRETARY
#10, AG's Colony, Anandnagar, Bengaluru – 560 024. Tel: 080 42146796
email : gsp@graplind.com

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Mindtree Limited,
Bengaluru

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mindtree Limited bearing CIN L72200KA1999PLC025564 (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder; which have been notified and the Companies Act, 1956 which are still in force.
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
   e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
vi. The other laws as applicable to the company, as per Para I of Annexure hereto

I have also examined compliance with the applicable clauses of the following:
(i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreements entered into by the Company with National Stock Exchange and Bombay Stock Exchange and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015 for the respective applicable periods.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has duly issued bonus shares. Further, petitions have been filed with the Hon'ble High Court of Karnataka for the merger of the Discoverture Solutions LLC and Relational Solutions Inc., the wholly owned foreign subsidiaries of the company, with the Company.

G. Shanker Prasad
ACS No.: 6357
CP No: 6450

Place: Bengaluru
Date: April 18, 2016

This report is to be read with my letter of even date (Para II) of the Annexure and forms an integral part of the report.

Annexure

I. The laws applicable to the Company referred to in para (vi) of the report.

A. Laws requiring regular compliances

1. Andhra Pradesh Factories And Establishments (National, Festival And Other Holidays) Act, 1974
2. Andhra Pradesh Factories And Establishments (National, Festival And Other Holidays) Rules, 1974
3. Andhra Pradesh Labour Welfare Fund Act, 1987
4. Andhra Pradesh Labour Welfare Fund Rules, 1988
5. Andhra Pradesh Shops And Establishments Act, 1988
6. Andhra Pradesh Shops And Establishments Employees Social Security Scheme Rules, 2011
7. Andhra Pradesh Shops And Establishments Rules, 1990
8. Andhra Pradesh Tax On Profession, Trades, Callings And Employments Act, 1987
9. Andhra Pradesh Tax On Professions, Trades, Callings And Employments Rules, 1987
10. Andhra Pradesh Value Added Tax Act, 2005
11. Andhra Pradesh Value Added Tax Rules, 2005
12. Batteries (Management and Handling) Rules, 2001
13. Bombay Labour Welfare Fund Act, 1953
14. Bombay Labour Welfare Fund Rules, 1953
15. Central Excise Act, 1944
16. Chapter V of the Finance Act, 1994
17. Service Tax Rules, 1994
18. Cenvat Credit Rules, 2004
19. Chennai City Municipal Corporation Act, 1919
20. Town Panchayats, Municipalities and Municipal Corporations (Collection of Tax On Professions, Trades, Callings And Employments) Rules, 1999
21. Contract Labour (Regulation and Abolition) Act, 1970
22. A.P. Contract Labour (Regulation & Abolition) Rules, 1971
23. Contract Labour (Regulation and Abolition) (Karnataka) Rules, 1974
24. Maharashtra Contract Labour (Regulation and Abolition) Rules, 1971
25. Orissa Contract Labour (Regulation & Abolition) Rules, 1975
26. Tamil Nadu Contract Labour (Regulation and Abolition) Rules, 1975
27. Employees Provident Funds and Miscellaneous Provisions Act, 1952
28. Employees' Provident Fund Scheme, 1952
29. Employees' Pension Scheme, 1995
30. Employees Deposit-Linked Insurance Scheme, 1976
31. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
32. Employment Exchanges (Compulsory Notification of Vacancies) Rules, 1960
33. Environment (Protection) Act, 1986 (From DG Set Perspective)
34. Foreign Exchange Management Act, 1999
35. Foreign Exchange Management (Export of Goods and Services) Regulations, 2000
36. Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2000
37. Foreign Exchange Management (Realization, Repatriation and Surrender of Foreign Exchange) Regulations, 2000
38. Foreign Exchange Management (Foreign Currency Accounts by a Person Resident in India) Regulations, 2000
39. Master Circular on Export of Goods and Services, 2012
40. Foreign Exchange Management (Foreign Exchange Derivative Contracts) Regulations, 2000
41. Foreign Exchange Management (Guarantees) Regulations, 2000
42. Foreign Exchange Management (Deposit) Regulations, 2000
43. Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000
44. Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004
45. Foreign Exchange Management (Possession and Retention of Foreign Currency) Regulations, 2000
46. Foreign Exchange Management (Borrowing and Lending in Rupees) Regulations, 2000
47. Foreign Trade Policy 2015 to 2020 from STPI Perspective
48. Handbook of Procedures from STPI Perspective
49. Foreign Exchange Management Act, 1999 from STPI Perspective
50. Foreign Exchange Management (Export Of Goods And Services) Regulations, 2000 From STPI Perspective
51. Hazardous Wastes (Management Handling and Transboundary Movement) Rules, 2008
52. Income-Tax Act, 1961
53. Income-Tax Rules, 1962
54. Karnataka Groundwater (Regulation and Control of Development and Management) Act, 2011
55. Karnataka Groundwater (Regulation and Control of Development and Management) Rules, 2012
56. Karnataka Industrial Establishments (National and Festival Holidays) Act, 1963
57. Karnataka Industrial Establishments (National and Festival Holidays) Rules, 1964

58. Karnataka Labour Welfare Fund Act, 1965
59. Karnataka Labour Welfare Rules, 1968
60. Karnataka Payment of Subsistence Allowance Act, 1988
61. Karnataka Payment of Subsistence Allowance Rules, 2004
62. Karnataka Shops and Commercial Establishments Act, 1961
63. Karnataka Tax on Profession, Trades, Callings and Employments Act, 1976
64. Karnataka Tax on Professions, Trades, Callings and Employments Rules, 1976
65. Karnataka Value Added Tax Act, 2003
66. Karnataka Value Added Tax Rules, 2005
67. Maharashtra Minimum House Rent Allowance Act, 1983
68. Maharashtra Minimum House Rent Allowance Rules, 1990
69. Maharashtra Non-Biodegradable Garbage (Control) Act, 2006
70. Maharashtra Non-Biodegradable Solid Wastes (Proper and Scientific Collection, Sorting and Disposal in the Areas of the Municipal Corporation) Rules, 2006
71. Maharashtra Plastic Carry Bags (Manufacture and Usage) Rules, 2006
72. Maharashtra State Tax on Professions, Trades, Callings And Employments Act, 1975
73. Maharashtra State Tax on Professions, Trades, Callings And Employments Rules, 1975
74. Maharashtra Value Added Tax Act, 2002
75. Maharashtra Value Added Tax Rules, 2005
76. Maternity Benefit Act, 1961
77. Andhra Pradesh Maternity Rules, 1966
78. Karnataka Maternity Benefit Rules, 1966
79. Maharashtra Maternity Benefit Rules, 1965
80. Orissa Maternity Benefit Rules, 1965
81. Tamil Nadu Maternity Benefit Rules, 1967
82. Minimum Wages Act, 1948
83. Andhra Pradesh Minimum Wages Rules, 1960
84. Karnataka Minimum Wages Rules, 1958
85. Maharashtra Minimum Wages Rules, 1963
86. Minimum Wages (Tamil Nadu) Rules, 1953
87. Orissa Minimum Wages Rules, 1954
88. Orissa Industrial Establishments (National And Festival) Holidays Act, 1969
89. Orissa Industrial Establishments (National And Festival) Holidays Rules, 1972
90. Orissa Shops and Commercial Establishments Act, 1956
91. Orissa Shops and Commercial Establishments Rules, 1958
92. Orissa State Tax on Professions, Trades, Callings And Employments Act, 2000
93. Orissa State Tax on Professions, Trades, Callings And Employments Rules, 2000
94. Orissa Value Added Tax Act, 2004
95. Orissa Value Added Tax Rules, 2005
96. Payment of Bonus Act, 1965
97. Payment of Bonus Rules, 1975
98. Payment of Gratuity Act, 1972
99. Payment of Gratuity Central Rules, 1972
100. Payment of Wages Act, 1936
101. Andhra Pradesh Payment of Wages Rules, 1937
102. Karnataka Payment of Wages Rules, 1963
103. Maharashtra Payment of Wages Rules, 1963
104. Orissa Payment of Wages Rules, 1936
105. Tamil Nadu Payment of Wages Rules, 1937
106. Petroleum Act, 1934
107. Petroleum Rules, 2002
108. Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013
109. The Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Rules, 2013
110. Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act, 1981
111. Tamil Nadu Industrial Establishments (National and Festival Holidays) Act, 1958
112. Tamil Nadu Industrial Establishments (National and Festival Holidays) Rules, 1959
113. Tamil Nadu Labour Welfare Rules, 1973
114. Tamil Nadu Labour Welfare Fund Act, 1972
115. Tamil Nadu Value Added Tax Act, 2006
116. Tamil Nadu Value Added Tax Rules, 2007
117. Water (Prevention and Control of Pollution) Cess Act, 1977
118. Air (Prevention & Control of Pollution) Act, 1981

119. Karnataka Air (Prevention & Control of Pollution) Rules, 1983
120. Maharashtra Air (Prevention & Control of Pollution) Rules, 1983
121. Tamil Nadu Air (Prevention & Control of Pollution) Rules, 1983
122. Orissa Air (Prevention & Control of Pollution) Rules, 1983
123. Environment (Protection) Act, 1986
124. Environment (Protection) Rules, 1986
125. E-Waste (Management and Handling) Rules, 2011
126. Information Technology Act, 2000
127. Information Technology (Procedure and Safeguard for Monitoring and Collecting Traffic Data or Information) Rules, 2009
128. Information Technology (Procedure and Safeguards for Interception, Monitoring and Decryption of Information) Rules, 2009
129. Tamil Nadu Shops and Establishments Act 1947
130. Tamil Nadu Shops and Establishments Rules, 1948
131. Maharashtra Shops and Establishments Act, 1948
132. Maharashtra Shops and Establishments Rules, 1961
133. Karnataka Lifts, Escalators and Passengers Conveyors Act, 2012
134. Karnataka Lifts, Escalators and Passengers Conveyors Rules, 2015
135. Child Labour (Prohibition and Regulation) Act, 1986
136. National Telecom Policy, 1999
137. Selection Installation and Maintenance of First Aid Fire Extinguishers Code of Practice
138. Food Safety and Standards Act, 2006
139. Karnataka Municipal Corporation Act, 1976

B. Others

1. Andhra Pradesh Fire Service Act, 1999
2. Andhra Pradesh Fire and Emergency Operations and Levy of Fee Rules, 2006
3. Andhra Pradesh Prohibition of Smoking and Health Protection Act, 2002
4. Andhra Pradesh Prohibition of Smoking and Health Protection Rules, 2002
5. Bangalore Water Supply And Sewerage Act, 1964
6. Bangalore Water Supply Regulations, 1965
7. Chennai City Municipal Corporation Act, 1919 (Applicable From Operational Perspective)
8. Employee’s Compensation Act, 1923
9. Andhra Pradesh Workmen’s Compensation Rules, 1953
10. Bombay Workmen’s Compensation Rules, 1934
11. Karnataka Workmen’s Compensation Rules, 1966
12. Orissa Compensation Rules, 1928
13. Tamil Nadu Workmen’s Compensation Rules, 1924
14. Equal Remuneration Act, 1976
15. Equal Remuneration Rules, 1976
16. Industrial Disputes Act, 1947
17. Andhra Pradesh Industrial Disputes Rules, 1958
18. Industrial Disputes (Bombay) Rules, 1958
19. Industrial Disputes (Karnataka) Rules, 1958
20. Orissa Industrial Dispute Rules, 1959
21. Tamil Nadu Industrial Disputes Rules, 1958
22. Karnataka Fire Force Act, 1964
23. Maharashtra Felling of Trees (Regulation) Act, 1964
24. Maharashtra Felling of Trees (Regulation) Rules, 1967
25. Maharashtra Fire Prevention and Life Safety Measures Act, 2006
26. Maharashtra Fire Prevention and Life Safety Measures Rules, 2008
27. Maharashtra Private Security Guards (Regulation of Employment and Welfare) Act, 1981
28. Maharashtra Private Security Guards (Regulation of Employment and Welfare) Scheme, 2002
29. Noise Pollution (Regulation and Control) Rules, 2000
30. Orissa Entry Tax Act, 1999
31. Orissa Entry Tax Rules, 1999
32. Orissa Fire Service Act, 1993
33. Orissa Fire Works and Loud Speakers (Regulation) Act, 1958
34. Orissa Fire Works and Loud Speakers (Regulation) Rules, 1965
35. Plastic Waste (Management and Handling) Rules, 2011
36. Cigarettes And Other Tobacco Products (Prohibition Of Advertisement And Regulation Of Trade And Commerce, Production, Supply And Distribution) Act, 2003
37. Cigarettes And Other Tobacco Products (Prohibition Of Advertisement And Regulation Of Trade And Commerce, Production, Supply And Distribution) Rules, 2004

38. Prohibition Of Smoking In Public Places Rules, 2008
39. Representation of The People Act, 1951
40. Tamil Nadu Fire Service Act, 1985
41. Tamil Nadu Manual Workers (Regulation of Employment and Conditions of Work) Act, 1982
42. Tamil Nadu Manual Workers (Regulation of Employment and Conditions of Work) Rules, 1986
43. Tamil Nadu Prohibition of Harassment of Woman Act, 1998
44. Tamil Nadu Prohibition of Smoking and Spitting Act, 2002
45. Tamil Nadu Prohibition of Smoking and Spitting Rules, 2003
46. Water (Prevention and Control of Pollution) Act, 1974
47. Karnataka State Board for the Prevention and Control of Water Pollution (Procedure for Transaction of Business) and Water (Prevention and Control of Pollution) Rules, 1976
48. Maharashtra Water (Prevention and Control of Pollution) Rules, 1983
49. Tamil Nadu Water (Prevention and Control of Pollution) Rules, 1983
50. Karnataka Industrial Areas Development Act, 1966
51. Karnataka Industrial Areas Development Board Regulations, 1969
52. Karnataka Preservation of Trees Act, 1976
53. Karnataka Preservation of Trees Rules, 1977
54. Karnataka Tax on Entry of Goods Act, 1979
55. Karnataka Tax on Entry of Goods, Rules, 1979
56. Water (Prevention & Control of Pollution) Rules, 1975
57. Bombay Lift Act, 1939
58. Bombay Lift Rules, 1958
59. Electricity Act, 2003
60. Employee State Insurance Act, 1948
61. Employee State Insurance (Central) Rules, 1950
62. Employees State Insurance (General) Regulations, 1950
63. Information Technology (Certifying Authority) Regulations, 2001
64. Information Technology (Electronic Service Delivery) Rules, 2011
65. Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011
66. Maharashtra Tax on the Entry of Goods into Local Areas Act, 2002
67. Maharashtra Tax on the Entry of Goods into Local Areas Rules, 2002
68. Micro, Small and Medium Enterprises Development Act, 2006
69. Orissa Child Labour (Prohibition and Regulation) Rules, 1994
70. Orissa Development Authorities Act, 1982
71. Tamil Nadu Child Labour (Prohibition and Regulation) Rules, 1994
72. Electricity (Removal of Difficulties) Fifth Order, 2005
73. Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006
74. Intimation of Accidents (Form and Time of Service Of Notice) Rules, 2005
75. Works of Licensees Rules, 2006
76. Central Sales Tax Act, 1956 From SEZ Perspective
77. Special Economic Zones Act, 2005
78. Special Economic Zones Rules, 2006
79. Orissa Development Authorities Act, 1982 Bhubaneswar Development Authority (Planning and Building Standards) Regulations, 2008

II. Letter forming part of the Report

To,
The Members,
Mindtree Limited,
Bengaluru

My report of even date is to be read along with this letter.

1. The maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

G. Shanker Prasad
ACS No.: 6357
CP No: 6450

Place: Bengaluru
Date: April 18, 2016

Corporate Governance Report

Company's Philosophy on Corporate Governance

Mindtree Limited (herein after referred to as 'Mindtree' or 'the Company'), looks upon good Corporate Governance practices as a key driver of sustainable corporate growth and long-term stakeholder value creation. Good Corporate Governance Practices enable a Company to attract high quality financial and human capital. In turn, these resources are leveraged to maximize long-term stakeholder value, while preserving the interests of multiple stakeholders, including the society at large.

Your Company and its employees (Mindtree Minds) are guided by the values of collaborative spirit, unrelenting dedication and expert thinking. These values are core to all our operations. All Mindtree Minds are expected to adhere to the highest standards of integrity. Your Company has a clearly articulated Integrity Policy which is applicable to all Mindtree Minds globally.

In the conduct of your Company's business and its dealings, it abides by the principles of honesty, openness and doing what is right and fair. Your Company is committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legislation. These principles guide our behavior at all times.

Your Company practices the highest standards of corporate behavior towards everyone it works with, be it the communities or the environment. This is the road to responsible, sustainable and profitable growth and creating long term value for your Company's stakeholders, people and our business partners and society at large.

During the year under review, your Company received the following awards and recognitions:

- Mindtree named in the leadership zone in Zinnov's Global Product Engineering Service Provider Ratings for the fourth time in a row.
- Mindtree has been voted as one of the 50 Happiest Companies in America for 2016.
- Mr. Krishnakumar Natarajan, CEO & Managing Director, Mindtree has been included among India's Top 100 CEOs in an annual study conducted by Business Today and PwC (Jan 2016).
- Mr. Krishnakumar Natarajan, CEO & Managing Director, Mindtree has been named as the EY Entrepreneur of the Year 2015 Award by EY under the Services category (Jan 2016).
- Mindtree has won the "Best Corporate Governance – Technology – Asia - 2015" for having exhibited exceptional leadership in the area of governance (Oct 2015).
- Mindtree was awarded the Digital transformation Czar Award under the Digital Transformation category at the CIO 100 awards organized by the IDG group (Oct 2015).
- Mindtree has been placed among the top ten BEST Award Winners by the Association for Talent Development for its most innovative talent development initiatives.
- Mindtree named as the "Most Popular Organization" in the space of Talent Acquisition by the TA Leadership League Awards.
- Mindtree won the NCPEDP-Mphasis Universal Design Award for 2015 under Category C for companies or organizations that have taken up the cause of Accessibility and Universal Design.
- Mindtree was recognized as the EPG Emerging Azure Partner of the Year in FY15 by Microsoft (July 2015).
- Mindtree named in Forbes India's first ever Super 50 list based on consistent shareholder returns, sales growth and return of equity (July 2015).
- Declared the Gold category Award winner of the Learning Elite Awards 2015 by the Chief Learning Officer Magazine, for its innovative learning and development practices.
- Earned a special recognition in the Sustained Excellence Category of BML Munjal Awards 2015, organized by the Hero Group for demonstrating business excellence through its learning and development initiatives.

Following are the salient features of your Company's Corporate Governance Philosophy:

- Act in the spirit of law and not just the letter of law;
- Do what is right and not what is convenient;
- Provide complete transparency on our operations; and
- Follow openness in our communication to all our stakeholders.

The 3-Tier Corporate Governance Structure at Mindtree includes:

- Shareholders appoint and authorize the Board of Directors ('Board') to conduct business with objectivity and ensure accountability;
- Board leads the strategic management of the Company on behalf of the Shareholders, exercise supervision through direction and control and appoint various Committees to handle specific areas of responsibilities; and
- The Committees of the Board and Executive Management appointed by the Board take up specific responsibilities and day-to-day tasks to ensure that the activities of the company run according to the strategies and targets set by the Board.

The above principles have been the guiding force for whatever your Company does and shall continue to be so in the years to come. The Company is committed to adopting best global practices in Corporate Governance and Disclosure.

Our Mission

We engineer meaningful technology solutions to help businesses and societies flourish.

Your Company believes in the power of people and the impact people can have on technology. Your Company's roots grew from this belief that people with diverse points of view could come together to build a different kind of technology company. This belief drives its vision for tomorrow to build technology experts who are focused on one goal, helping its clients succeed.

Today, a wealth of information is opening up a world of possibilities. Realizing those possibilities takes more than numbers. It takes more than technology. It takes people. People who can turn the potential of information into meaningful solutions. Solutions that simplify businesses, improve governments and propel societies forward.

Our Values

Your Company's values reinforce the organizational spirit. Your Company's values reflect what it believes in, guide and drive its behavior, define its role and enable it to deliver customer success.Your Company's values, which are given below, inspire action and set us apart.

Collaborative Spirit

Your Company believes in developing true partnerships. Your Company fosters a collegial environment, where individual perspectives and honest dialogue is respected.

Unrelenting Dedication

Your Company is driven to meet client needs with determination and grit. Your Company embraces tough challenges and does not rest until the problem is solved, the right way.

Expert Thinking

Your Company brings robust skills and forward looking perspectives to solve customer challenges. Your Company uses proven knowledge to make recommendations and provide expert guidance to its customers.

Your Company's ability to devise solutions is equally matched by its ability to execute. Your Company's differentiation stems from a unique balance of human perspective with deep strategic thinking. Your Company sees possibilities where others see a full stop and thus our tagline - Welcome to possible.

Measures taken during the year to give back to society

Mindtree has always been involved in various CSR activities. Your Company has developed various digital platforms towards CSR activities which are as follows:

- **I Got Garbage (IGG)** – A digital platform created by Mindtree to enhance waste picker livelihood and landfill reduction through micro-business. A platform in which 9,300 recycling managers have registered, 10.2 MKgs of wastes are recycled. The initiatives have been actively incorporated in various cities.
- **I Got Skills (IGS)** – A digital platform for improvement in student learning and skill training. The platform helps in continuous skill assessment, principal leadership development, school infrastructure management, etc.
- **I Got Crops (IGC)** – A cloud based platform to help farmers improve their income, soil health, water table and livestock status. The platform is targeted to reach 120,000 farmers and to improve their income 3 times from the current level.

In addition to the above, the Company has undertaken various other CSR activities, and the details of the same are given in Annexure 7 to the Directors' Report.

I. The Board of Directors (The Board)

Your Company had a balanced mix of Executive and Non-Executive Directors in the Board. The composition of the Board represents a finest blend of professionals from various backgrounds which enables the Board to discharge its responsibilities more efficiently and provide effective leadership by taking the Company's business to achieve greater heights.

The Chairman of the Board for the financial year 2015-16 was Mr. Subroto Bagchi, an Executive Director and at least half of the Board were Independent Directors, including two lady Directors. Therefore the composition of the Board is in compliance with the Listing Agreement and Regulation 17 (1) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

(a) Composition and Category of Directors

The Board of Directors had an optimum combination of Executive and Non-Executive Directors and had two lady Directors. More than half the Board were Non-Executive and Independent Directors. At this year ended March 31, 2016, the Board composition consisted of 10 Directors comprising four Executive and Promoter Directors, five Non-Executive and Independent Directors and one Non-Executive Director. The details of each Member of the Board along with number of Directorship(s)/ Committee Membership(s) held by Directors in companies other than Mindtree, along with all other requisite information are provided herein below for the period ended March 31, 2016:

Name of the Director	Age	Designation/ Position	Date of Original Appointment	Director Identification Number	Directorship in other Indian Companies	Position on Committees of the Board of other Indian Companies	
Executive and Promoter Directors						As Chairman	As Member
Mr. Subroto Bagchi[1]	59	Executive Chairman	Aug 5, 1999	00145678	3	-	1
Mr. Krishnakumar Natarajan[2]	59	CEO & Managing Director	Aug 9, 1999	00147772	-	-	-
Mr. N.S. Parthasarathy	55	Executive Director, President & COO	Jan 01, 2014	00146954	1	-	-
Mr. Rostow Ravanan[3]	45	Executive Director	May 20, 2014	00144557	1	-	-
Non-Executive and/ or Independent Directors							
Mr. V.G. Siddhartha	56	Non-Executive Director	Jan 20, 2000	00063987	6	-	3
Dr. Albert Hieronimus	69	Non-Executive and Independent Director	Oct 24, 2006	00063759	1	-	1
Prof. Pankaj Chandra	57	Non-Executive and Independent Director	Mar 19, 2012	00988867	-	-	-
Mr. Ramesh Ramanathan	52	Non-Executive and Independent Director	May 02, 2012	00163276	8	-	-
Ms. Apurva Purohit	49	Non-Executive and Independent Director	Jan 01, 2014	00190097	3	-	1
Ms. Manisha Girotra	46	Non-Executive and Independent Director	May 20, 2014	00774574	2	-	-

[1] Ceased to be Executive Chairman and continues as Non-Executive and Non-Independent Director w.e.f. April 01, 2016

[2] Appointed as Executive Chairman w.e.f. April 01, 2016

[3] Appointed as CEO & Managing Director w.e.f. April 01, 2016

Notes:

1. None of the Directors are related to each other.
2. Number of Directorship held in other companies includes all companies, whether listed or unlisted and excludes foreign companies, other bodies corporate and professional bodies. The limits on Directorship of Independent Directors and Executive Directors are within the permissible limits.
3. The necessary disclosures regarding change in Committee positions, if any, have been made by all the Directors, during the year under review. The Committees includes Audit Committee and Stakeholders' Relationship Committee. None of the Directors is a Member of more than 10 Committees or Chairman of more than 5 Committees across all Indian companies.
4. Independent Director means a Non-Executive Director, who fulfils the criteria as laid down under the Listing Agreement, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 and any amendments thereto.
5. The Company has issued formal letter of appointment to its Independent Directors appointed at the AGM held on June 22, 2015. The terms and conditions of draft appointment letter is published on the website of the Company in the following link: http://www.mindtree.com/sites/default/files/letter-of-appointment-for-independent-director.pdf. The tenure of Independent Directors is in accordance with the Companies Act, 2013 and that of Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. The Company has a well laid down onboarding programme for the Independent Directors. The Business Heads, Legal Head and Executive Directors, make presentations on business model of the Company, the nature of industry and its dynamism, the roles, responsibilities and liabilities, of Independent Directors etc. Further, business updates, legal updates and industry updates are made available to the Independent Directors, especially to the Audit Committee members on an ongoing basis, by internal teams, external consultants, law firms, statutory and internal auditors, on a quarterly basis. See more at http://www.mindtree.com/sites/default/files/independent-directors-familiarisation-program.pdf
7. The Independent Directors of the Company met among themselves after every Board Meeting, without the attendance of the Executive Directors and members of the Management of the Company. These meetings were held on the same day as that of the Board Meetings and the practice has been in vogue since the year 2007. In the said meetings the Independent Directors reviewed the matters as required under the Listing Agreement, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that of Companies Act, 2013. Action items, if any, were communicated and tracked to closure to the satisfaction of Independent Directors. The purpose of these meetings is to promote open and candid discussion among the Independent Directors.

(b) Attendance of the Directors at the Board Meetings and the Sixteenth AGM

The calendar of Board Meetings is decided in consultation with the Board and the schedule of such meetings is communicated to all Directors well in advance. Generally, the Board Meetings are held in Bengaluru where the registered office of your Company is situated. The agenda for the Board Meeting includes all the matters as required to be placed under the Listing Agreement, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that of Companies Act, 2013. The agenda is generally circulated seven clear days prior to the date of the Meeting and includes detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decisions.

Members of the Board and key executives, disclosed to the Board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company. The Board and key executives made necessary disclosures so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture for good decision-making.

Information provided to the Board:

- All matters required under the Listing Agreement;
- All matters as stated in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Annual operating plans and budgets and any updates;
- Capital Budgets and any updates;
- Quarterly and/ or Annual results for the Company and its operating divisions or business segments;
- Minutes of meetings of Audit Committee and other Committees of the Board;
- The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property;
- Significant labor problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.;
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material; and
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

In case of any special and urgent business need, the Board's approval is taken by way of circular resolutions in accordance with the Companies Act, 2013.

The Board also noted that orderly succession plans are in place for appointments to the Board and that of senior management. The Board also reviews the compliance reports pertaining to all laws applicable to the Company and take necessary steps to rectify the instances of non-compliances, if any.

Your Board met six times during the financial year 2015-16 on April 16, 2015, June 22, 2015, July 16, 2015, October 15, 2015, January 18, 2016 and March 23, 2016. The Board has passed two Circular Resolutions during the financial year 2015-16.

The necessary quorum was present for all the Board Meetings and the Sixteenth Annual General Meeting. The maximum interval between any two Board Meetings was well within the maximum allowed gap of one hundred and twenty days. After each Board Meeting, your Company has a well-articulated system of follow up, review and reporting on actions taken by the Management on the decisions of the Board and Committees of the Board.

The Attendance Record of the Directors at the Board Meetings held and the Sixteenth AGM for the Financial Year 2015-16

Name of the Executive Directors	Number of Board meetings		Attendance at the Sixteenth AGM held on June 22, 2015
	Held	Attended by the Director	
Mr. Subroto Bagchi	6	5	Yes
Mr. Krishnakumar Natarajan	6	6	Yes
Mr. N.S. Parthasarathy	6	6	Yes
Mr. Rostow Ravanan	6	5	Yes

Name of the Independent and/ or Non-Executive Directors	Number of Board meetings		Attendance at the Sixteenth AGM held on June 22, 2015
	Held	Attended by the Director#	
Mr. V.G. Siddhartha	6	3	No
Dr. Albert Hieronimus	6	5	No
Prof. Pankaj Chandra	6	4	Yes
Mr. Ramesh Ramanathan	6	6	Yes
Ms. Apurva Purohit	6	5	Yes
Ms. Manisha Girotra	6	2	No

Meetings attended includes attendance through audio visual means/ video conferencing.

Directors' Shareholding Details in the Company as on March 31, 2016

Name of the Director	Designation/ Position	Opening Balance - No. of equity shares of ₹ 10/- each	Additions during the year - No. of equity shares of ₹ 10/- each	Deletions during the year - No. of equity shares of ₹ 10/- each	Closing Balance - No. of equity shares of ₹ 10/- each
Mr. Subroto Bagchi	Executive Chairman	2,563,046	65,054 (Purchased during the year) 2,627,600 shares of ₹ 10/- each (Bonus shares issued in the ratio of 1:1)	-	5,255,700
Mr. Krishnakumar Natarajan	CEO & Managing Director	4,002,086	4,002,086 shares of ₹ 10/- each (Bonus shares issued in the ratio of 1:1)	-	8,004,172
Mr. N.S. Parthasarathy	Executive Director, President & COO	1,202,281	1,202,281 shares of ₹ 10/- each (Bonus shares issued in the ratio of 1:1)	-	2,404,562
Mr. Rostow Ravanan	Executive Director	581,718	2,500 (Purchased during the year) 584,218 shares of ₹ 10/- each (Bonus shares issued in the ratio of 1:1)	-	1,168,436
Mr. V. G. Siddhartha	Non-Executive Director	2,514,000	2,514,000 shares of ₹ 10/- each (Bonus shares issued in the ratio of 1:1)	-	5,028,000
Dr. Albert Hieronimus	Non-Executive and Independent Director	70,000	70,000 shares of ₹ 10/- each (Bonus shares issued in the ratio of 1:1)	-	140,000
Prof. Pankaj Chandra	Non-Executive and Independent Director	-	-	-	-
Mr. Ramesh Ramanathan	Non-Executive and Independent Director	-	20,000 (DSOP exercised (including Bonus shares FY14-15) during the year) 20,000 shares of ₹ 10/- each (Bonus shares issued in the ratio of 1:1)	-	40,000
Ms. Apurva Purohit	Non-Executive and Independent Director	-	-	-	-
Ms. Manisha Girotra	Non-Executive and Independent Director	-	-	-	-

All changes being additions and deletions are communicated by the Board Members and recorded in the statutory registers and applicable disclosures also made to the Stock Exchanges.

II. Governance by the Committees of the Board

The Board has constituted the following Committees and each Committee has their terms of reference as a Charter. The Chairman of each Committee along with the other Members of the Committee and if required other Members of the Board, decide the agenda, frequency and the duration of each meeting of that Committee. The Committee Chairman provides a brief update during the Board Meetings. The Board had the following Committees during the year 2015-16:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Strategic Initiatives Committee (discontinued w.e.f. July 16, 2015);

(d) Stakeholders' Relationship Committee;

(e) Administrative Committee;

(f) Corporate Social Responsibility Committee; and

(g) Risk Management Committee

(a) Audit Committee

The Audit Committee was constituted in accordance with the requirements of the statutes.

The Audit Committee reports to the Board and the roles, responsibilities and the terms of reference of the same are as follows:

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions;
   g. Qualifications in the draft audit report;
   h. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Management discussion and analysis of financial condition and results of operations.
22. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
23. Management letters/ letters of internal control weaknesses issued by the statutory auditors.
24. Internal audit reports relating to internal control weaknesses.
25. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
26. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
27. Annual Statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
28. The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.

The Audit Committee has four members, as per the details given below. All Members are financially literate and have the required accounting and financial management expertise.

Mr. Ramesh Ramanathan, Independent Director, is the Chairman of the Audit Committee and was present at the Sixteenth Annual General Meeting to answer the Shareholders' queries.

The Audit Committee invited such finance and other executives, and a representative of the statutory auditor/ internal auditor as it considered appropriate to be present at the meetings of the Committee.

The Audit Committee had powers of investigation , within the terms of reference, wherever necessary, during the year.

The Audit Committee met five times during the financial year 2015-16 on April 16, 2015, July 16, 2015, October 14, 2015, January 18, 2016 and March 23, 2016 and not more than four months had elapsed between two Audit Committee meetings. The necessary quorum was present for all the said Audit Committee Meetings. The details of composition, meetings and attendance of the same is as below:

Details of Composition and Attendance of the Audit Committee Meetings

Name of the Director	Category	Position	Number of Audit Committee Meetings	
			Held	Attended by the Director#
Mr. Ramesh Ramanathan	Independent Director	Chairman	5	5
Dr. Albert Hieronimus	Independent Director	Member	5	5
Mr. V. G. Siddhartha	Non-Executive Director	Member	5	3
Ms. Apurva Purohit	Independent Director	Member	5	5

Meetings attended includes attendance through audio visual means/ video conferencing.

Ms .Vedavalli S, Company Secretary and Compliance Officer acted as the Secretary to the Audit Committee w.e.f. June 22, 2015.

(b) Nomination and Remuneration Committee

Nomination and Remuneration Committee was constituted in accordance with the requirement of statutes.

The roles, responsibilities and terms of reference of Nomination and Remuneration Committee are as follows:

1. Identify potential candidates to become Board Members.
2. Recommending nominees to various Committees of the Board.
3. Recommending remuneration for Non-Executive/ Independent Directors.
4. Ensuring that appropriate procedures are in place to assess Board's effectiveness.
5. Developing an annual evaluation process of the Board and its Committees.
6. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the appointment and remuneration of the directors, key managerial personnel and other senior management employees.
7. Formulation of criteria for evaluation of Independent Directors and the Board and the recommendation for re-appointment.
8. Devising a policy on Board diversity.
9. Assist the Board in ensuring that affordable, fair and effective compensation philosophy and policies are implemented.
10. Approve and make recommendations to the Board in respect of salary structure and actual compensation (inclusive of performance based incentives and benefits) of the Executive Directors, including the Chief Executive Officer.
11. Review and approve the compensation and ESOP/ ESPS/ RSU's and Phantom Stock grant to Senior Executives.
12. Review and approve the overall budgetary increment proposals for annual increase of compensation and benefits for the employees.
13. Review and approve the change in terms and conditions of the ESOP/ ESPS/ RSU's and Phantom Stock.
14. Review and approve any disclosures in the annual report or elsewhere in respect of compensation policies or Directors' compensation.

15. The remuneration policy and the evaluation criteria is as disclosed in the Directors' Report and
16. Any other matter referred to the Nomination and Remuneration Committee by the Board of Directors of the Company.

The Nomination and Remuneration Committee is responsible for reviewing the overall goals and objectives of compensation programs, as well as our compensation plans, and making changes to such goals, objectives and plans.

Ms. Apurva Purohit, Independent Director, is the Chairman of the Nomination and Remuneration Committee and was present at the Sixteenth Annual General Meeting to answer the Shareholders' queries.

Remuneration Policy

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Our compensation philosophy is to align Directors and Mindtree Minds compensation with our business objectives, so that compensation is used as a strategic tool that helps us recruit, motivate and retain highly talented individuals who are committed to our core values. We believe that our compensation programs are integral to achieving our goals. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and performance incentives, commission (variable component) to its Chairman, Managing Director and other Executive Directors. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the Board and Shareholders.

The Nomination and Remuneration Committee met four times during the financial year 2015-16 on April 16, 2015, June 22, 2015, October 15, 2015 and January 18, 2016. The details of composition, meetings and attendance of the same is as below:

Details of Composition and Attendance of the Nomination and Remuneration Committee Meetings

Name of the Director	Category	Position	Number of Nomination and Remuneration Committee Meetings	
			Held	Attended by the Director
Ms. Apurva Purohit	Independent Director	Chairman	4	4
Dr. Albert Hieronimus	Independent Director	Member	4	3
Prof. Pankaj Chandra	Independent Director	Member	4	4
Mr. Subroto Bagchi	Executive Chairman	Member	4	4

The frequency, agenda, duration, etc., are as set by the Chairman of the Committee.

Details of Remuneration paid to Executive Directors during the Financial Year ended 2015-16

These details are provided in (Annexure 4) the extract of the Annual Return, annexed to the Directors' Report in Form MGT-9 as required under the provisions of Section 92 of the Companies Act, 2013.

Stock Options to Executive Directors

No stock options have been granted to any of the Executive Directors during the financial year 2015-16.

Criteria of selection of Non-Executive Directors

(a) The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of information technology, sales/ marketing, finance, taxation, law, governance and general management.

(b) In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

(c) The Nomination and Remuneration Committee shall consider the following attributes/ criteria, whilst recommending to the Board the candidature for appointment as Director:

  (i) Qualification, expertise and experience of the Directors in their respective fields;

  (ii) Personal, Professional or business standing; and

  (iii) Diversity of the Board.

(d) In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his/ her engagement level.

Criteria for making payment to Non-Executive and Independent Directors

Members of the Company at the 15th Annual General Meeting of the Company held on July 18, 2014, have approved payment of remuneration by way of commission to Non-Executive and Independent Directors, a sum not exceeding 1% per annum of the net profits of the Company in aggregate for one financial year.

Commission, if any paid to Independent Directors, is fixed by the Board based on (i) the contribution they make to the decision making at the Board level; and (ii) Industry standards/ practice.

No sitting fees was paid to them for attending any meeting of the Board and or its Committee's.

No remuneration was paid to Mr. V. G. Siddhartha, the Non-Executive Director on the Board.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive/ Independent Directors apart from commission and exercise of stock options which were granted prior to April 1, 2014.

The details of stock options outstanding to Independent Directors as on March 31, 2016 are provided hereinafter:

Name of the Independent Director	Outstanding Options - Original			Bonus Options issued#		Total Options held	Not exercised as on March 31, 2016
	No. of Options	Grant Price (₹)	Grant Date	No. of Options	Grant Price (₹)		
Mr. Ramesh Ramanathan	-	-	-	-	-	-	
Prof. Pankaj Chandra	10,000	493	May 25, 2012	30,000	-	40,000	40,000
Dr. Albert Hieronimus	-	-	-	-	-	-	-
Ms. Apurva Purohit	-	-	-	-	-	-	-
Ms. Manisha Girotra	-	-	-	-	-	-	-

Consequent to issue of Bonus Shares by the Company during Financial Years 2014-15 and 2015-16.

Details of Remuneration and Commission paid to Independent Directors during the Financial Year 2015-16

These details are provided in (Annexure 4) the extract of the Annual Return, annexed to the Directors' Report in Form MGT-9 as required under the provisions of Section 92 of the Companies Act, 2013.

During the financial year 2015-16, the Company has not advanced any loans to any of its Directors.

Service Contracts, Notice Period and Severance Fees

Chairman, Managing Director and Executive Directors

Mr. Subroto Bagchi ceased to be Executive Chairman and continues as Non-Executive and Non-Independent Director w.e.f. April 01, 2016 and the service contract, notice period and severance fees are not applicable.

Mr. Krishnakumar Natarajan has been appointed as Executive Chairman from April 1, 2016 to June 30, 2017, and his notice period for resignation is twelve months.

Mr. N.S. Parthasarathy, Executive Director has been appointed for a period of five years with effect from January 1, 2014 to December 31, 2018, and his notice period for resignation is three months.

Mr. Rostow Ravanan has been appointed as CEO & Managing Director from April 1, 2016 to March 31, 2021 and his notice period for resignation is twelve months.

The appointment of the Managing Director and Executive Director/ Whole-time Director(s) is governed by the Articles of Association of the Company, the resolutions passed by the Board of Directors and the Members of the Company along with Service/ Employment Contracts.

Performance Evaluation:

A detailed Board evaluation including that of its Independent Directors was done and the details of the same are provided in the Directors' Report.

Independent and/ or Non-Executive Directors

Name of the Director	Period of office	
	From	To
Dr. Albert Hieronimus	October 24, 2006	March 31, 2017
Ms. Apurva Purohit	January 1, 2014	December 31, 2018
Ms. Manisha Girotra	May 20, 2014	May 19, 2019
Mr. Ramesh Ramanathan	May 02, 2012	March 31, 2018
Prof. Pankaj Chandra	March 19, 2012	March 31, 2018

Mr. V. G. Siddhartha, Non-Executive Director, is liable to retire by rotation and his status continues.

Notice pay/ Severance pay is not applicable to the Independent Director and/ or Non-Executive Directors.

(c) Stakeholders' Relationship Committee

Dr. Albert Hieronimus, Independent and Non-Executive Director chairs Stakeholders' Relationship Committee.

The roles and responsibilities of Stakeholders' Relationship Committee are as follows:

1. Redressal of Shareholders' grievances in general and relating to non-receipt of dividends, interest, non-receipt of balance sheet, approval of the share transfers, transmissions and transpositions, etc.
2. Specifically look into the redressal of grievances of shareholders, debenture holders and other security holders and
3. Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended by such Committee.

The Stakeholders' Relationship Committee met once on October 15, 2015. The details of composition, meetings and attendance of the same is as below:

Details of Composition and Attendance of the Stakeholders' Relationship Committee Meetings

Name of the Director	Category	Position	Number of Stakeholders' Relationship Committee Meetings	
			Held	Attended by the Director
Dr. Albert Hieronimus	Independent Director	Chairman	1	1
Mr. Rostow Ravanan	Executive Director	Member	1	1

Ms. Vedavalli S, Company Secretary and Compliance Officer acted as the Secretary to the Stakeholders' Relationship Committee w.e.f. June 22, 2015.

The Company Secretary monitors the share transfer process and reports to the Company's Board in each meeting and the said Officer also directly liaises with the authorities such as SEBI, Stock Exchanges, ROC etc., and investors with respect to implementation of various clauses, rules, regulations and other directives of such authorities and investor service & complaints related matter. There is no share transfer pending for more than 15 days.

Your Company has a designated email ID, investors@mindtree.com for the redressal of any Stakeholders' related grievances exclusively for the purpose of registering complaints by Members/ Stakeholders. Your Company has also displayed the said email ID under the investors section at its website, www.mindtree.com and other relevant details prominently for creating investor/ stakeholder awareness.

Your Company maintains a functional website containing necessary information about the Company e.g. details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, details of agreements entered into with the media companies and/ or their associates, etc., at http://www.mindtree.com/company/investors and the contents of the said website are updated at any given point of time as per the requirements of Listing Agreement, Companies Act, 2013 and Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Details of complaints/ requests etc., received and resolved during the Financial Year 2015-16 are as below:

Nature of Complaints/ Correspondence/ Requests	Opening Balance	Received	Resolved	Outstanding as on March 31, 2016
Non-receipt of securities/ Annual Report/ Correction/ Revalidation of Dividend/ Warrants/ Non-receipt of Dividend, Warrants, etc.	0	334	333	1

The pending complaint as on March 31, 2016 was resolved subsequent to the quarter end.

(d) Administrative Committee

The Board has constituted Administrative Committee. The purpose of the Administrative Committee is to authorize and manage the day-to-day business transactions.

The responsibilities of Administrative Committee are as follows:

1. Allotment under DSOP/ ESOP & ESPS Schemes.
2. Rematerialisation of shares, issue of Duplicate Share Certificates, Demat and transfer of shares.
3. Authorisation with regard to operation of bank account including opening, closing, change in signatories, entering into Foreign Exchange Derivative Contracts, other working capital facilities and other short term credit facilities.
4. Authorising the officers of the Company to enter into various agreements, including registration of lease, commercial vendor contracts etc.
5. Fixing record dates for corporate actions/ benefits.
6. Activation & Closure of Dividend accounts.
7. Authorizing officers to sign various documents, represent themselves on behalf of the Company with Statutory and Government Authorities.
8. To grant General/ Special Power of Attorneys.
9. Authorizing officers to sign documents with AMEX for corporate credit card account and
10. Any other duties as may be delegated by the Board from time to time, but not limited to the above.

The Administrative Committee met 19 times during the financial year 2015-16. The details of composition, meetings and attendance of the same is as below:

Details of Composition and Attendance of the Administrative Committee Meetings

Name of the Director	Category	Position	Number of Administrative Committee Meetings	
			Held	Attended by the Director
Mr. Krishnakumar Natarajan	CEO & Managing Director	Chairman	19	11
Mr. Subroto Bagchi	Executive Chairman	Member	19	9
Mr. N. S. Parthasarathy	Executive Director, President & COO	Member	19	19
Mr. Rostow Ravanan	Executive Director	Member	19	13

This Committee meets as and when there is a need to carry out any urgent business transactions.

(e) Strategic Initiatives Committee

The Board constituted the Strategic Initiatives Committee to handle any merger and acquisition opportunities and other key strategic activities for the Company.

The responsibilities of Strategic Initiatives Committee are as follows:

1. Approval for entry into new business areas.
2. Approval for setting up new delivery centres outside India.
3. Investment in the equity or warrants of any other company, other than routine investments in mutual funds or bank deposits or the like.
4. Approval for any merger or acquisition opportunities, including any funding arrangements entered into by the Company for such activities and
5. Any other matter that may be entrusted to the Committee by the Board.

Details of Composition of the Strategic Initiatives Committee

Name of the Director	Designation	Position
Mr. Krishnakumar Natarajan	CEO & Managing Director	Chairman
Mr. V. G. Siddhartha	Non-Executive Director	Member
Dr. Albert Hieronimus	Independent Director	Member

The frequency, agenda, duration, etc., are as set by the Chairman of the Committee. The Committee has been discontinued and ceased to exist w.e.f. July 16, 2015.

(f) Corporate Social Responsibility Committee (CSR Committee)

The Board has constituted the CSR Committee as per the requirements of the Companies Act, 2013 along with applicable Rules. The Company has framed a CSR policy which is available on the below link: http://www.mindtree.com/corporate-social-responsibility-policy.

The CSR Committee met once on February 26, 2016. The details of composition, meetings and attendance of the same are as below:

Details of Composition and Attendance of the CSR Committee Meetings

Name of the Director	Category	Position	Number of CSR Committee Meetings	
			Held	Attended by the Director
Mr. Subroto Bagchi	Executive Chairman	Chairman	1	1
Mr. N. S. Parthasarathy	Executive Director, President & COO	Member	1	-
Prof. Pankaj Chandra	Independent Director	Member	1	1
Mr. Rostow Ravanan	Executive Director	Member	1	1

The frequency, agenda, duration, etc., are as set by the Chairman of the Committee.

(g) Risk Management Committee

The Board, on its own, has constituted the Risk Management Committee in accordance with the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The roles and responsibilities of Risk Management Committee are as follows:

1. Framing, implementation, monitoring and review of the Mindtree risk management policy/ plan.
2. Evaluation of Mindtree risk management procedures including risk recognition, assessment, minimization and definition of risk appetite.
3. Reviewing and discussing adoption of the Risk Management Policy and management's recommended risk management framework.
4. Ensuring the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new activities.

5. Reviewing management's prioritization of risks as set out in the framework and recommend significantly high risks to the Board for review.
6. Reviewing and discussing management's annual risk management program to ensure risks are managed in a systematic and prioritized manner and assessed regularly.
7. Conducting an annual review with the owner of the process by which Mindtree manages its enterprise risks.
8. Reviewing risk issues identified by audits and the resolution of such issues by management.
9. Ensuring key risks identified are audited if required.
10. Reviewing quarterly risk reports provided by the Chief Risk Officer.
11. Providing executive sponsorship for significantly high enterprise-level risks.
12. Taking decisions on organization-level risk treatment options.
13. Resolving conflicts of interests (in the context of risk management) and
14. Any other matter referred to the Risk Management Committee (RMC) by the Mindtree Board of Directors.

The Risk Management Committee met four times during the financial year 2015-16 on April 13, 2015, July 08, 2015, October 07, 2015 and January 12, 2016. The details of composition, meetings and attendance of the same is as below:

Details of Composition and Attendance of the Risk Management Committee Meetings

Name of the Director	Category	Position	Number of Risk Management Committee Meetings	
			Held	Attended by the Director
Mr. Krishnakumar Natarajan	CEO & Managing Director	Chairman	4	4
Mr. Rostow Ravanan	Executive Director	Member	4	2
Mr. N. S. Parthasarathy[1]	Executive Director, President & COO	Member	2	2

[1] Appointed as a Member w.e.f. July 16, 2015.

The frequency, agenda, duration, etc., are as set by the Chairman of the Committee.

Board Disclosures - Risk Management

The Company has established effective risk assessment and minimization procedures, which are reviewed by the Board periodically. The procedures comprise of an in-house exercise on Risk Management, carried out periodically by the Company, including the functioning of a structure to identify and mitigate various risks faced by the Company from time to time.

The structure also comprises of risk identification and assessment by the concerned departments, identification of controls in place/ mitigation process in place, updating of risk registers by various departments if required.

These reports are consolidated and presented by the Chief Risk Officer (CRO), to the Board of the Company. Your Company adopts the methods and process to assess and analyze risk holistically, identifies all compliance requirements and proactively develops measures to comply with such requirements.

Your Company by identifying and proactively addressing risks and opportunities, protects and creates value for stakeholders, including owners, employees, customers, regulators, and society overall. A detailed report on risk management plan is provided herewith in this Annual Report.

III. Governance to Shareholders

General Meetings

Annual General Meetings of the earlier three years

Financial Year	Details of day, date, time and venue where the AGM was held	Summary of Special Resolution(s) passed
2012-13	14th AGM was conducted on Friday, July 19, 2013 at 10.00 AM at 'The Chancery Hall', Hotel Atria, #1, Palace Road, Bengaluru 560 001, Karnataka, India	Approval of appointment and remuneration of Mr. Anjan Lahiri as an Executive Director.
2013-14	15th AGM was conducted on Friday, July 18, 2014 at 10.30 AM at 'The Chancery Hall', Hotel Atria, #1, Palace Road, Bengaluru 560 001, Karnataka, India	No Special Resolutions were passed
2014-15	16th AGM was conducted on Monday, June 22, 2015 at 10.30 AM at 'The Chancery Hall', Hotel Atria, #1, Palace Road, Bengaluru 560 001, Karnataka, India	1. To maintain the register of members at Mumbai 2. To amend the Mindtree Restricted Employee Stock Purchase Plan, 2012

Extra-Ordinary General Meetings (EGM) of the earlier three years

Financial Year	Details of day, date, time and venue where the EGM was held	Summary of Special Resolution(s) passed
2012-13	No EGM was conducted	None
2013-14	No EGM was conducted	None
2014-15	No EGM was conducted	None

Postal Ballot

A Postal Ballot was conducted during the financial year 2015-16. The details are given below:

The details regarding the businesses transacted by way of Postal Ballot and the voting results thereof:

At the Board meeting held on January 18, 2016, notice of Postal Ballot was approved.

Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to other applicable laws and regulations, the approval of the members was sought for:

1) Issuance of Bonus Shares-Special Resolution;

2) Appointment of Mr. Rostow Ravanan (DIN 00144557) as CEO & Managing Director-Ordinary Resolution; and

3) Appointment of Mr. Krishnakumar Natarajan (DIN 00147772) as Executive Chairman-Ordinary Resolution.

The Board of Directors of Company in their meeting held on January 18, 2016 appointed Mr. Nagendra D Rao, Practicing Company Secretary as the scrutinizer for the process of Postal Ballot to be conducted as per the provisions of Section 110 of the Companies Act, 2013. The procedure for the Postal ballot was stated in the notice of Postal Ballot. Please refer the Notice of Postal Ballot under http://www.mindtree.com/sites/ default/files/postal-ballot-notice.pdf

The results of the Postal Ballot, including the E-Voting are as follows:

Total of Postal Ballot & E-Voting	For		Against		Percentage (%)	
Particulars of the resolution	Voter Count (No. of Shareholders)	Vote Count (No. of Shares)	Voter Count (No. of Shareholders)	Vote Count (No. of Shares)	For	Against
Resolution No. 1 Issue of Bonus Shares – Special Resolution	1,477	56,170,210	11	780	99.99	0.01
Resolution No. 2 Appointment of Mr. Rostow Ravanan (DIN 00144557) as CEO & Managing Director – Ordinary Resolution	1,419	53,672,793	52	1,905,882	96.57	3.43
Resolution No. 3 Appointment of Mr. Krishnakumar Natarajan (DIN 00147772) as Executive Chairman – Ordinary Resolution	1,321	35,448,836	148	16,069,208	68.81	31.19

All the Resolutions were approved with requisite majority, the results were displayed in the website of the Company and necessary disclosures were made to the Stock Exchanges.

Subsidiary Companies

The details of the subsidiaries as on March 31, 2016 are as follows:

Name of Subsidiary	Date of Incorporation/ Acquisition	Country	Business
Mindtree Software (Shanghai) Company Limited	January 29, 2013	China	Information Technology Services
Discoverture Solutions, LLC	February 13, 2015[1]	USA	Information Technology Services
Relational Solutions Inc.	July 16, 2015[1]	USA	Information Technology Services
Bluefin Solutions Limited	July 16, 2015[1]	UK	Information Technology Services
Magnet 360, LLC	January 19, 2016[1]	USA	Information Technology Services

Name of Subsidiary	Date of Incorporation/ Acquisition	Country	Business
Step Down (Subsidiary of Discoverture Solutions, LLC)			
Discoverture Solutions, ULC[2]	February 13, 2015[1]	Canada	Information Technology Services
Discoverture Solutions Europe Limited[3]	February 13, 2015[1]	UK	Information Technology Services
Step Down (Subsidiary of Bluefin Solutions Limited)			
Bluefin Solutions Pte Limited	July 16, 2015[1]	Singapore	Information Technology Services
Bluefin Solutions Inc.	July 16, 2015[1]	USA	Information Technology Services
Bluefin Solutions Sdn Bhd	July 16, 2015[1]	Malaysia	Information Technology Services
Blouvin (Pty) Limited	July 16, 2015[1]	South Africa	Information Technology Services
Step Down (Subsidiary of Magnet 360, LLC)			
Reside, LLC	January 19, 2016[1]	USA	Information Technology Services
Numerical Truth, LLC	January 19, 2016[1]	USA	Information Technology Services
M360 Investments, LLC	January 19, 2016[1]	USA	Information Technology Services

[1] Date of acquisition
[2] Liquidated on November 19, 2015
[3] Application for dissolution filed on March 24, 2016

The Audit Committee have reviewed the financial statements of subsidiaries, including the investments thereof, the minutes of subsidiaries and the details of significant transactions thereof was placed before the Board. There were no material non listed subsidiaries during the year under review. The policy with regard to material subsidiary is available in the following link: http://www.mindtree.com/policy-for-determining-material-subsidiary

Disclosures

(i) Disclosure of Related Party Transactions

The Company has formulated a policy on materiality of related party transactions and also on dealing with related party transactions and it is available on the website in the following link: http://www.mindtree.com/policy-for-determining-material-related-party-transactions.

During the year 2015-16, no materially significant related party transactions have been entered into by the Company with the Promoters, Directors or Management or their relatives that may have a potential conflict with the interest of the Company. None of the Non-Executive Directors/ Independent Directors have any pecuniary material relationship or transactions with the Company for the year ended March 31, 2016 and have given undertakings to that effect. Details of all related party transactions are disclosed in the Notes to the Accounts in the Annual Report as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India. The transactions with the companies, where the Directors of the Company were interested, were in the ordinary course of business, at arm's length and such transactions did not have any potential conflict with the interests of the Company.

All related party transactions were done with prior approval of the Audit Committee.There were no material related party transactions that required approval of the shareholders.

All related party transactions entered into during the quarter were placed before the Audit Committee and the Board.

Registers under Section 189 of the Companies Act, 2013 is maintained and particulars of transactions are entered in the Register, wherever applicable. Such transactions are provided to the Board and Audit Committee, and the interested Directors do not participate in the discussions and vote on such matters, when they come up for approval.

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

No penalty, or stricture was imposed by the Stock Exchanges or SEBI or any other authority, during the last 3 (three) years, since all applicable requirements were fully complied with.

(iii) Accounting treatment in preparation of Financial Statements

The guidelines/ accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013, have been followed in preparation of the financial statements of the Company.

(iv) Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with the requirements under the Companies Act, 2013, Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- For employees to report concerns about unethical behavior;
- To establish a mechanism to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the integrity policy; and

- To ensure that adequate safeguards shall be provided to the whistle blowers against any victimization or vindictive practices like retaliation, threat or any adverse (direct or indirect) action on their employment. The Policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

No person has been denied access to the Audit Committee.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board. The Audit Committee on a quarterly basis looks into matters reported and track matters to closure as per law.

(v) Code of Conduct

Your Company has laid down a Code of Conduct ("Code") for all the Board Members (which includes the duties of Independent Directors as laid down under the Companies Act, 2013) and Senior Management Personnel of the Company. The Code is available on the website of the Company i.e., http://www.mindtree.com/about-us/investors. All Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct and disclosure under Regulation 26(5) for the financial year ended March 31, 2016. A declaration signed by the Chief Executive Officer (CEO) to this effect is attached as Annexure A to the Corporate Governance Report in the Annual Report.

(vi) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements/ Discretionary Requirements under the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

The Company has disclosed and complied with all the mandatory requirements under the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.The details of these compliances have been given in the relevant sections of this report.

Among the non-mandatory requirements of Listing Agreement and Discretionary Requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the following:

Separate posts of Chairman and CEO – The Chairman and CEO/ Managing Director are two separate persons - The position of Chairman and CEO is bifurcated in the Company.

Reporting of Internal Auditor – The Internal auditor reports directly to the Audit Committee.

Audit Qualifications – The Company has unqualified financial statements since inception.

(vii) **Non-compliance of Regulations relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any**

The Company is fully compliant with all the regulations and there are no such non-compliances.

(viii) **Compliance of Prohibition of Insider Trading Regulations**

Your Company has comprehensive guidelines on prohibiting insider trading and the Company has adopted the code of Fair Disclosure and Conduct for listed companies notified by SEBI.

Appointment and Re-appointment of Director

A. Appointments

The following appointments were approved by the Shareholders at the Sixteenth Annual General Meeting:

1. Mr. Subroto Bagchi appointed as Executive Chairman to hold office till May 31, 2017.
2. Prof. Pankaj Chandra and Mr. Ramesh Ramanathan appointed as Independent Directors till March 31, 2018 by altering their terms of office.
3. Mr. Rostow Ravanan was re-appointed as Executive Director to hold office till May 19, 2020.

Note: Mr. Rostow Ravanan was appointed as CEO & Managing Director w.e.f. April 01, 2016 till March 31, 2021.
Mr. Krishnakumar Natarajan was appointed as Executive Chairman w.e.f. April 01, 2016 till June 30, 2017.

B. Resignations

There were no resignations during the year.

Note: Mr. Subroto Bagchi ceased to be Executive Chairman and continues as Non-Executive and Non-Independent Director w.e.f. April 01, 2016.

C. Re-appointment of Director, retiring by rotation

Mr. V. G. Siddhartha will be retiring by rotation and being eligible, offers himself for re-appointment in the ensuing Seventeenth Annual General Meeting and the matter is being placed before the Shareholders at the ensuing Seventeenth Annual General Meeting for approval.

The brief resume of the Director is furnished in the notice to the Seventeenth Annual General Meeting pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and secretarial standards.

Reconciliation of Share Capital Audit

The Reconciliation of Share Capital Audit was undertaken on a quarterly basis and the audit covers the reconciliation of the total admitted capital with NSDL and CDSL and the total issued and listed capital.

The audit has also confirmed that the aggregate of the total issued/ paid up capital is in agreement with the total number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL.

Secretarial Audit

During the financial year 2015-16, Secretarial Audit was conducted as required under the provisions of Section 204 of the Companies Act, 2013. G. Shanker Prasad, Practicing Company Secretary, Membership Number: 6357; CP Number: 6450 conducted the audit, and the Secretarial Audit Report is in Annexure 8 to the Directors' Report.

Compliance with Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Auditor's Certificate obtained from Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S) is provided as Annexure-B to the Corporate Governance Report in the Annual Report for compliance with Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Governance by the Management

Management Discussion and Analysis

As required by Listing Agreement and Regulation 34 (2) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Management Discussion and Analysis is provided separately in the Annual Report.

Compliance Certificate by CEO and CFO

The Compliance Certificate by CEO and CFO as required under the Listing Agreement and Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided as Annexure-C to the Corporate Governance Report in the Annual Report.

As required under the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO's Certification of the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for the financial year ended March 31, 2016, was placed before Board of Directors.

Means of Communication

Your Company would like to constantly communicate to its investors and stakeholders about its operations and financial results.

The transcripts of the quarterly earnings calls with analysts have also been published on its website. Your Company also had sent quarterly financial updates to all Investors and Shareholders whose email ids/ addresses are registered/ made available to us.

<table>
<tr><td rowspan="5">Communication of Audited Financial Results (Quarterly and Annual)</td><td colspan="2">The Company has regularly furnished, through email and electronic filing systems and other such mode, as may be required by the exchanges - within 15 (fifteen) minutes and 30 (thirty) minutes (as applicable under the Listing Agreement or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as the case may be), of closure of the Board meeting, the quarterly audited as well as annual audited results to both the Stock Exchanges i.e., BSE & NSE.
Quarterly and Annual financial results are also published in English, and other regional (Kannada) newspaper, i.e., Business Standard and Samyuktha Karnataka.</td></tr>
<tr><td>Means of Communication</td><td>Number of times communicated during 2015-16</td></tr>
<tr><td>Earnings Calls/ Analysts Call</td><td>4</td></tr>
<tr><td>Publication of Quarterly and Annual Financial Results</td><td>4</td></tr>
<tr><td>Investor & Analysts Meet</td><td>1</td></tr>
<tr><td>Website</td><td colspan="2">Pursuant to the Listing Agreement and that of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's website http://www.mindtree.com/about-us/investors contains a dedicated segment called 'Investors' where all the information as may be required by the Shareholders is available including press releases, financial results, fact sheet reports, additional disclosures, earnings conference call transcripts, shareholding pattern, Shareholders' reports, investor presentation, Annual Reports, etc.</td></tr>
<tr><td>NSE Electronic Application Processing System (NEAPS) and BSE Online Listing Centre</td><td colspan="2">The Company uploads its disclosures and announcements under the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at the link, https://www.connect2nse.com/LISTING/ to NSE Electronic Application Processing System (NEAPS) and to BSE Online Listing Centre at the link http://listing.bseindia.com/.</td></tr>
</table>

Quarterly results and presentations made by the Company to analysts and Institutional Investors are put on Company's website in the following link: http://www.mindtree.com/about-us/investors

The Company submitted a quarterly compliance report to the stock exchanges within 15 days from the close of quarter as per the formats given under the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

General Shareholders' Information

Seventeenth Annual General Meeting

The Seventeenth Annual General Meeting (AGM) of the Company for the financial year 2015-16 is scheduled on Tuesday, July 19, 2016 at 10.30 AM at The Capitol Hotel, No. 3, Raj Bhavan Road, Opp. General Post Office, Bengaluru 560 001, Karnataka.

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has also extended e-voting facility, for its Members to enable them to cast their votes electronically on the proposed resolutions in the notice to the Seventeenth Annual General Meeting. Instructions for e-voting are listed under the segment "Notes" in the Notice of the Seventeenth AGM.

Those of the Shareholders/ Members, who cannot attend the AGM in person, can appoint a proxy to represent them in the AGM, for which the Shareholder/ Member needs to fill in a proxy form and send it to the Company, to its Registered Office address, on or before 10.30 AM on July 17, 2016.

Financial Year

Board Calendar: Financial Year from April 1, 2016 to March 31, 2017

For the Financial Year 2016-17	Tentative Date of Announcement of Audited Financial Results (Subject to change)
First Quarter ended as on June 30, 2016	July 18, 2016
Second Quarter and Six Months ended as on September 30, 2016	October 21, 2016
Third Quarter and Nine Months ended as on December 31, 2016	January 19, 2017
Fourth Quarter and financial year ended as on March 31, 2017	April 17, 2017
Eighteenth Annual General Meeting	July 18, 2017

Date of Book Closure

The dates of book closure shall be from Tuesday, July 12, 2016 to Tuesday, July 19, 2016 (both days inclusive).

Details of Dividend for the Financial Year 2015-16

The details of the dividend declared during the year 2015-16 are as follows:

Particulars of Dividend	Par Value (in ₹)	Percentage (%)	Dividend Amount Per Equity Share (in ₹)	Date of Declaration	Record Date	Dividend Payout Date
First Interim Dividend	10.00	30	3.00	July 16, 2015	July 22, 2015	July 27, 2015
Second Interim Dividend	10.00	40	4.00	October 15, 2015	October 23, 2015	October 29, 2015
Third Interim Dividend	10.00	40	4.00	January 18, 2016	January 27, 2016	February 01, 2016
Fourth Interim Dividend (Post Bonus Issue)	10.00	20	2.00	March 23, 2016	April 12, 2016	April 18, 2016

Your Directors have also recommended for the following final dividend for the financial year ended March 31, 2016 which is payable on obtaining the Shareholders' approval in the Seventeenth Annual General Meeting:

Particulars of Dividend	Par Value (in ₹)	Percentage (%)	Dividend Amount Per Equity Share (in ₹)	Date of Recommendation	Book Closure Date
Final Dividend (Post Bonus Issue)	10.00	30	3.00	April 18, 2016	July 12, 2016 to July 19, 2016 (both days inclusive)

Listing on Stock Exchanges

Your Company's equity shares are listed on the following Stock Exchanges as on March 31, 2016:

- BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001; and
- National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

Listing fees for the financial year 2016-17 has been paid to both NSE and BSE wherein the equity shares of the Company are listed within the stipulated time.

Stock Code

Stock Exchange	Scrip ID/ Code	Reuters Code
NSE	MINDTREE	MINT.NS
BSE	MINDTREE/ 532819	MINT.BO

Corporate Identity Number (CIN)

The Corporate Identity Number (CIN) allotted by the Ministry of Corporate Affairs, Government of India, is L72200KA1999PLC025564 and the Company's Registration No. is 08/25564 of 1999. Your Company is registered in the State of Karnataka, India.

International Securities Identification Number (ISIN)

ISIN is an identification number for traded shares. This number needs to be quoted in each transaction relating to the dematerialized equity shares of the Company. Your Company's ISIN number for its equity shares is INE018I01017.

Market Price Data: High, Low during each month of the Financial Year 2015-16

The Company's monthly high and low quotations as well as the total turnover at the NSE and BSE are given herein.

The equity shares of the Company were listed in the Stock Exchanges for financial year 2015-16. Share price data for each month during the financial year 2015-2016 on the National Stock Exchange of India Limited are as mentioned below:

Month	National Stock Exchange of India Limited (NSE), Mumbai		
	Total Volume (₹ in Lakhs)	High (₹)	Low (₹)
April 2015	72,436	1,590	1,151
May 2015	48,435	1,476	1,217
June 2015	45,829	1,455	1,241
July 2015	62,445	1,324	1,188
August 2015	56,261	1,449	1,256
September 2015	55,722	1,602	1,270
October 2015	93,471	1,577	1,381
November 2015	38,516	1,579	1,406
December 2015	37,612	1,520	1,410
January 2016	70,926	1,594	1,374
February 2016	56,240	1,550	1,348
March 2016	142,224	1,609	604*

* Pursuant to the Bonus Issue in March 2016.

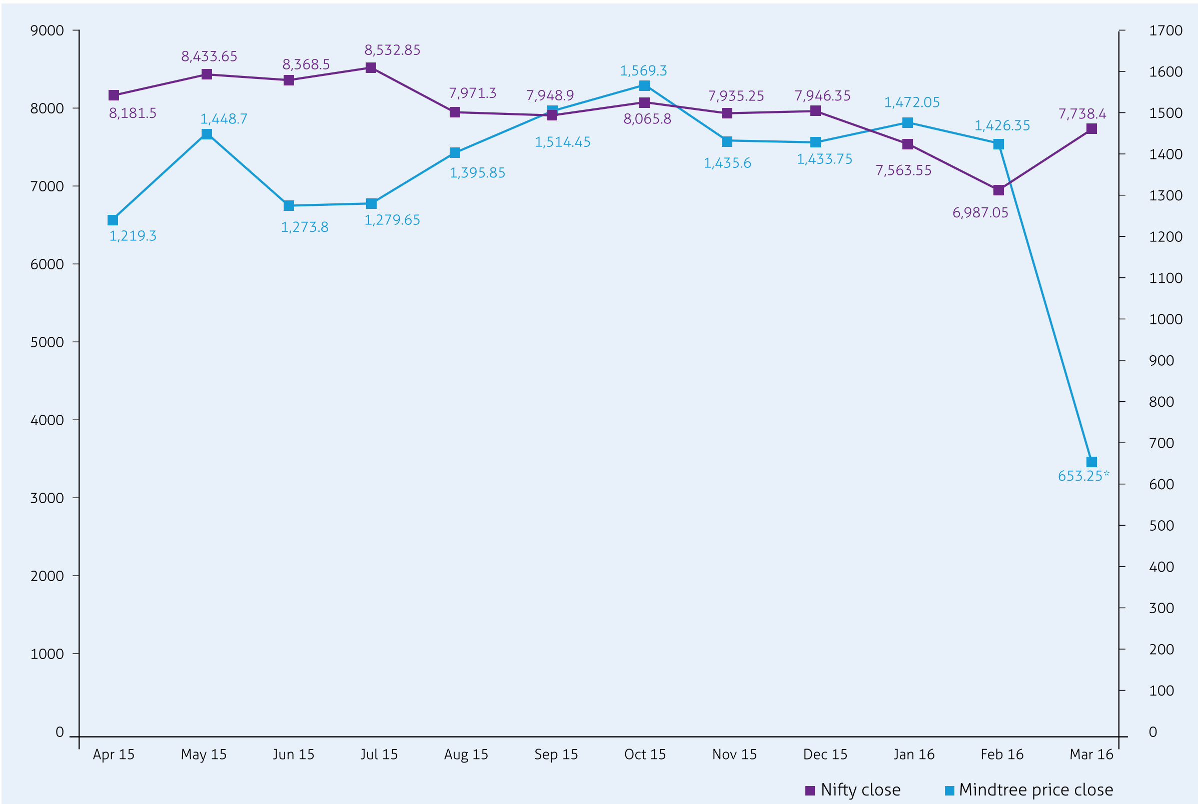
Share price data for each month during the financial year 2015-2016 on the BSE Limited are as mentioned below:

Month	BSE Limited (BSE), Mumbai		
	Total Volume (₹)	High (₹)	Low (₹)
April 2015	520,896,705	1,589	1,154
May 2015	335,401,276	1,475	1,219
June 2015	413,182,265	1,453	1,244
July 2015	489,480,117	1,325	1,190
August 2015	607,004,595	1,449	1,256
September 2015	694,899,833	1,605	1,270
October 2015	745,530,536	1,577	1,383
November 2015	729,583,676	1,579	1,405
December 2015	461,546,754	1,520	1,411
January 2016	542,332,348	1,594	1,380
February 2016	541,211,735	1,551	1,350
March 2016	1,974,780,349	1,607	601*

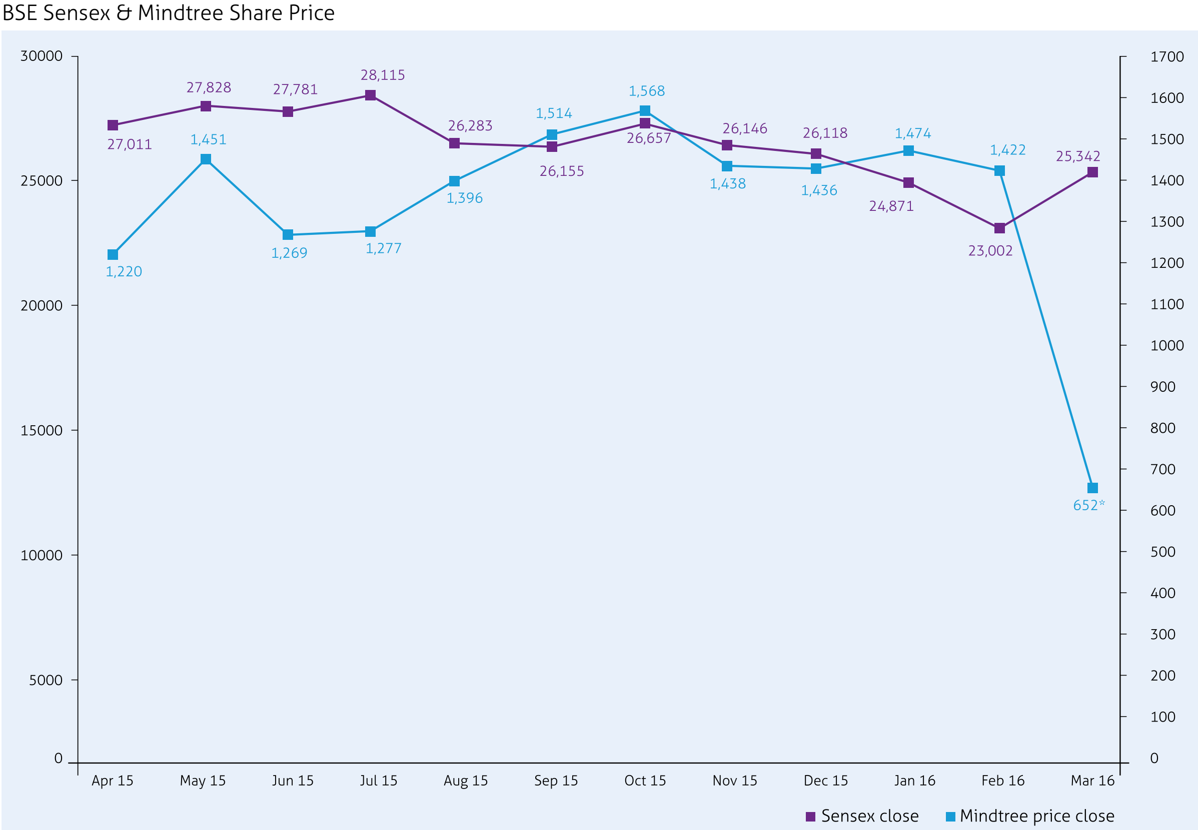
* Pursuant to the Bonus Issue in March 2016.

Performance in comparison to broad-based indices such as NSE Nifty, BSE Sensex, etc.
Mindtree's Share Price Movement compared to NSE Nifty and BSE Sensex

NSE Nifty & Mindtree Share Price



BSE Sensex & Mindtree Share Price

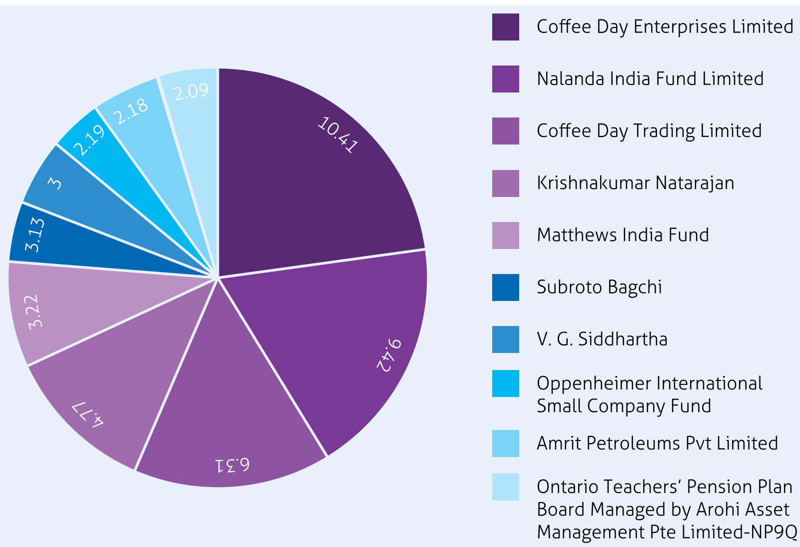


* Pursuant to the Bonus Issue in March 2016.

List of Top Ten Shareholders of the Company as on March 31, 2016

Name of the Shareholder	No. of Shares	Percentage (%)
Coffee Day Enterprises Limited	17,461,768	10.41
Nalanda India Fund Limited	15,796,356	9.42
Coffee Day Trading Limited	10,594,244	6.31
Krishnakumar Natarajan	8,004,172	4.77
Matthews India Fund	5,406,584	3.22
Subroto Bagchi	5,255,700	3.13
V. G. Siddhartha	5,028,000	3.00
Oppenheimer International Small Company Fund	3,681,132	2.19
Amrit Petroleums Pvt Limited	3,650,000	2.18
Ontario Teachers' Pension Plan Board Managed by Arohi Asset Management Pte Limited-NP9Q	3,506,612	2.09
Total	**78,384,568**	**46.72**

List of Top Ten Shareholders of the Company as on March 31, 2016 (Percentage %)



Registrar and Share Transfer Agent

All work related to Share Registry, both in physical form and electronic form, is handled by the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited. The communication address of the Registrar and Share Transfer Agent is given hereunder.

Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai 400 078, India.

Tel: +91 22 2594 6970 | Fax: +91 22 2594 6969 | e-mail: rnt.helpdesk@linkintime.co.in | Website: www.linkintime.co.in

Share Transfer System

We have a Stakeholders' Relationship Committee represented by the Board to examine and redress Stakeholders and Investors complaints. The process and approval of share transfer has been delegated to the Company Secretary and Share Transfer Agent by the Board. The Company Secretary approves the share transfers and reports the same to the Board at every quarterly meeting as may be applicable.

The share transfer system with respect to physical shares consists of activities like receipt of shares along with transfer deed from transferees, its verification, and preparation of Memorandum of Transfers, its approval by the respective Committee and dispatch of duly endorsed share certificates to the respective transferees within the prescribed time as per the Listing agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Share certificates are being issued within 15 days of date of lodgment for transfer, sub-division and consolidation. Adequate care is taken to ensure that, no transfers are pending for more than a fortnight. As bulk of the Company's shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL/ CDSL through their depository participants. Link Intime India Private Limited is the common Share Transfer Agent for both physical and dematerialised mode.

Share Transfer activities under physical segment like receipt/ dispatch of documents, their verification and preparation of Memorandum of Transfers are being carried out by Link Intime India Private Limited. Confirmations in respect of the requests for dematerialisation of shares are being sent to the respective depositories i.e. NSDL & CDSL expeditiously.

Details of transaction requests received and processed during the Financial Year 2015-16

Particulars	Total No. of Requests	Total No. of Shares
Share Transfer	-	-
Share Transmission	-	-
Deletion of Names	-	-
Transposition of Shares	-	-
Total No. of Demat	41	89,381
Total No. of Remat	1	30
Total	**42**	**89,411**

Distribution of Shareholding

Range of equity shares	As at March 31, 2016				As at March 31, 2015			
	No. of Shareholders	Percentage (%)	No. of Shares	Percentage (%)	No. of Shareholders	Percentage (%)	No. of Shares	Percentage (%)
Up to 500	63,835	94.21	4,791,506	2.86	54,038	96.56	2,785,535	3.23
501 - 1,000	1,748	2.58	1,277,018	0.76	774	1.38	574,523	0.69
1,001 - 2,000	849	1.25	1,251,561	0.75	390	0.70	582,168	0.70
2,001 - 3,000	264	0.39	663,364	0.40	142	0.25	352,037	0.42
3,001 - 4,000	162	0.24	579,767	0.34	89	0.16	317,068	0.38
4,001 - 5,000	91	0.13	412,315	0.25	51	0.09	236,009	0.28
5,001 - 10,000	272	0.40	1,940,951	1.16	162	0.29	1,180,085	1.41
10,001 and above	540	0.80	156,869,694	93.49	317	0.57	77,704,947	92.80
Total	**67,761**	**100**	**167,786,176**	**100**	**55,963**	**100**	**83,732,372**	**100**

Table I. Shareholding Pattern under Regulation 31(1) (b) as on March 31, 2016 under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Category	Category of shareholder	No. of share-holders	No. of fully paid-up equity shares held	No. of partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total No. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of equity shares held in demate rialised form
								No. of Voting Rights: Class eg: x	No. of Voting Rights: Class eg: y	No. of Voting Rights: Total	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) +(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	9	23,085,726	-	-	23,085,726	13.76	23,085,726	-	23,085,726	13.76	-	13.76	-	-	-	-	23,085,726
(B)	Public	67,752	144,700,450	-	-	144,700,450	86.24	144,700,450	-	144,700,450	86.24	-	86.24	134,068	0.09	NA	NA	144,283,121
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
	Total	67,761	167,786,176	-	-	167,786,176	100.00	167,786,176	-	167,786,176	100.00	-	100.00	134,068	0.09	-	-	167,368,847

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the shareholders	PAN	No. of share-holders	No. of fully paid-up equity shares held	No. of partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total No. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of equity shares held in demate-rialised form
									No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class eg: x	Class eg: y	Total								
A	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Indian																		
(a)	Individuals/ Hindu Undivided Family		4	16,832,870	-	-	16,832,870	10.03	16,832,870	-	16,832,870	10.03	-	10.03	-	-	-	-	16,832,870
	Krishnakumar Natarajan	AAAPK6972D	1	8,004,172	-	-	8,004,172	4.77	8,004,172	-	8,004,172	4.77	-	4.77	-	-	-	-	8,004,172
	Subroto Bagchi	ADJPB9499C	1	5,255,700	-	-	5,255,700	3.13	5,255,700	-	5,255,700	3.13	-	3.13	-	-	-	-	5,255,700
	N S Parthasarathy	ABLPP8001E	1	2,404,562	-	-	2,404,562	1.43	2,404,562	-	2,404,562	1.43	-	1.43	-	-	-	-	2,404,562
	Rostow Ravanan	ACSPR0729D	1	1,168,436	-	-	1,168,436	0.70	1,168,436	-	1,168,436	0.70	-	0.70	-	-	-	-	1,168,436
(b)	Central Government/ State Govern-ment(s)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (Specify)		4	3,680,872	-	-	3,680,872	2.19	3,680,872	-	3,680,872	2.19	-	2.19	-	-	-	-	3,680,872
	Persons Acting In Concert (PAC)		4	3,680,872	-	-	3,680,872	2.19	3,680,872	-	3,680,872	2.19	-	2.19	-	-	-	-	3,680,872
	Susmita Bagchi	ALEPB9199E	1	2,769,300	-	-	2,769,300	1.65	2,769,300	-	2,769,300	1.65	-	1.65	-	-	-	-	2,769,300
	Akila Krishnakumar	AAUPK1138R	1	840,000	-	-	840,000	0.50	840,000	-	840,000	0.50	-	0.50	-	-	-	-	840,000
	Sanjay Kumar Panda	AAAPP0466H	1	60,000	-	-	60,000	0.04	60,000	-	60,000	0.04	-	0.04	-	-	-	-	60,000
	Seema Ravanan	AQEPR3565R	1	11,572	-	-	11,572	0.01	11,572	-	11,572	0.01	-	0.01	-	-	-	-	11,572
	Sub Total (A) (1)		**8**	**20,513,742**	-	-	**20,513,742**	**12.23**	**20,513,742**	-	**20,513,742**	**12.23**	-	**12.23**	-	-	-	-	**20,513,742**

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the shareholders	PAN	No. of share-holders	No. of fully paid-up equity shares held	No. of partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total No. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of equity shares held in demate-rialised form
									No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class eg: x	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) +(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
2	Foreign																		
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)		1	2,571,984	-	-	2,571,984	1.53	2,571,984	-	2,571,984	1.53	-	1.53	-	-	-	-	2,571,984
	Foreign Promoter Company		1	2,571,984	-	-	2,571,984	1.53	2,571,984	-	2,571,984	1.53	-	1.53	-	-	-	-	2,571,984
	LSO Investment Private Limited	AABCL4294P	1	2,571,984	-	-	2,571,984	1.53	2,571,984	-	2,571,984	1.53	-	1.53	-	-	-	-	2,571,984
	Sub Total (A) (2)		**1**	**2,571,984**	**-**	**-**	**2,571,984**	**1.53**	**2,571,984**	**-**	**2,571,984**	**1.53**	**-**	**1.53**	**-**	**-**	**-**	**-**	**2,571,984**
	Total Shareholding of Promoter And Promoter Group (A)= (A)(1)+(A)(2)		**9**	**23,085,726**	**-**	**-**	**23,085,726**	**13.76**	**23,085,726**	**-**	**23,085,726**	**13.76**	**-**	**13.76**	**-**	**-**	**-**	**-**	**23,085,726**

Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the shareholders	PAN	No. of share-holders	No. of fully paid-up equity shares held	No. of partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total No. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of equity shares held in demate-rialised form
									No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class eg: x	Class eg: y	Total								
B	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) +(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Institutions																		
(a)	Mutual Fund		50	10,459,261	-	-	10,459,261	6.23	10,459,261	-	10,459,261	6.23	-	6.23	-	-	NA	NA	10,459,261
	Franklin Templeton	AAATT4931H	-	2,367,368	-	-	2,367,368	1.41	2,367,368	-	2,367,368	1.41	-	1.41	-	-	NA	NA	2,367,368
	ICICI Prudential	AAAAI0038F	-	2,169,140	-	-	2,169,140	1.29	2,169,140	-	2,169,140	1.29	-	1.29	-	-	NA	NA	2,169,140
(b)	Venture Capital Funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(c)	Alternate Investment Funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(d)	Foreign Venture Capital Investors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(e)	Foreign Portfolio Investors		104	19,234,195	-	-	19,234,195	11.46	19,234,195	-	19,234,195	11.46	-	11.46	-	-	NA	NA	19,234,195
	Oppenheimer International Small Company Fund	AAATO0456A	-	3,681,132	-	-	3,681,132	2.19	3,681,132	-	3,681,132	2.19	-	2.19	-	-	NA	NA	3,681,132
(f)	Financial Institutions/ Banks		5	82,232	-	-	82,232	0.05	82,232	-	82,232	0.05	-	0.05	-	-	NA	NA	82,232
(g)	Insurance Companies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(h)	Provident Funds/ Pension Funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(i)	Any Other (Specify)		99	50,874,615	-	-	50,874,615	30.32	50,874,615	-	50,874,615	30.32	-	30.32	-	-	NA	NA	50,874,615
	Foreign Institutional Investors		99	50,874,615	-	-	50,874,615	30.32	50,874,615	-	50,874,615	30.32	-	30.32	-	-	NA	NA	50,874,615
	Nalanda India Fund Limited	AACCN5849D	-	15,796,356	-	-	15,796,356	9.41	15,796,356	-	15,796,356	9.41	-	9.41	-	-	NA	NA	15,796,356
	Matthews India Fund	AABTM6157F	-	5,406,584	-	-	5,406,584	3.22	5,406,584	-	5,406,584	3.22	-	3.22	-	-	NA	NA	5,406,584
	Ontario Teachers' Pension Plan Board Managed By Arohi Asset Management Pte Ltd-Np9q	AAACO7133R	-	3,506,612	-	-	3,506,612	2.09	3,506,612	-	3,506,612	2.09	-	2.09	-	-	NA	NA	3,506,612

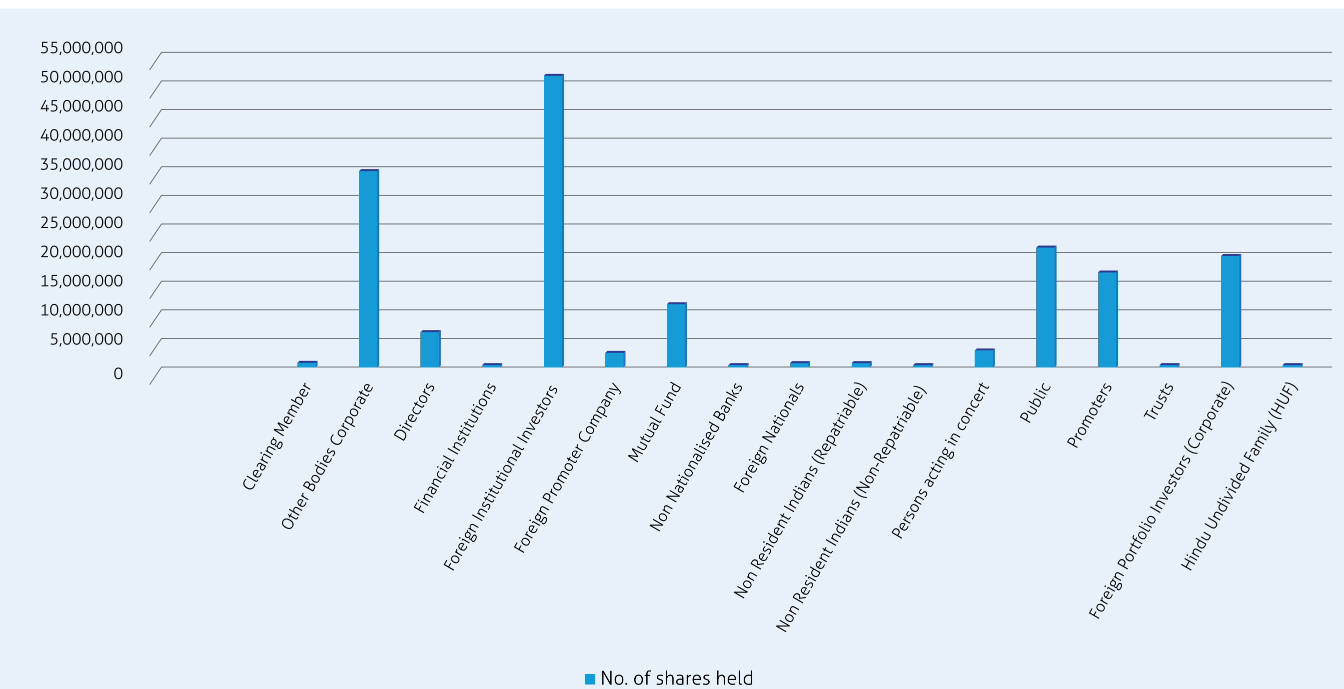
Category	Category & Name of the shareholders	PAN	No. of share-holders	No. of fully paid-up equity shares held	No. of partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total No. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of equity shares held in demate-rialised form
									No. of Voting Rights Class eg: x	Class eg: y	Total	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
B	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) +(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	Nalanda India Equity Fund Limited	AADCN6131F	-	2,859,520	-	-	2,859,520	1.70	2,859,520	-	2,859,520	1.70	-	1.70	-	-	NA	NA	2,859,520
	Amansa Holdings Private Limited	AAKCA7237L	-	2,425,456	-	-	2,425,456	1.45	2,425,456	-	2,425,456	1.45	-	1.45	-	-	NA	NA	2,425,456
	Arohi Asset Management Pte Ltd. A/C Arohi Emerging Asia Master Fund	AAHCA2305C	-	2,381,752	-	-	2,381,752	1.42	2,381,752	-	2,381,752	1.42	-	1.42	-	-	NA	NA	2,381,752
	Copthall Mauritius Investment Limited	AAACC4303M	-	2,130,410	-	-	2,130,410	1.27	2,130,410	-	2,130,410	1.27	-	1.27	-	-	NA	NA	2,130,410
	Sub Total (B) (1)		**258**	**80,650,303**	**-**	**-**	**80,650,303**	**48.07**	**80,650,303**	**-**	**80,650,303**	**48.07**	**-**	**48.07**	**-**	**-**	**NA**	**NA**	**80,650,303**
2	Central Government/ State Government(s)/ President of India		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
	Sub Total (B) (2)		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**	**-**
3	Non-Institutions																		
(a)	Individuals																		
	i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.		63,370	10,768,417	-	-	10,768,417	6.42	10,768,417	-	10,768,417	6.42	-	6.42	76,372	0.71	NA	NA	10,501,940
	ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.		117	10,269,712	-	-	10,269,712	6.12	10,269,712	-	10,269,712	6.12	-	6.12	26,244	0.26	NA	NA	10,220,976
	S Janakiraman	AASPJ3150E	-	3,021,514	-	-	3,021,514	1.80	3,021,514	-	3,021,514	1.80	-	1.80	-	-	NA	NA	3,021,514
(b)	NBFCs registered with RBI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(c)	Employee Trusts		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-

Category	Category & Name of the shareholders	PAN	No. of share-holders	No. of fully paid-up equity shares held	No. of partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total No. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of equity shares held in demate-rialised form
									No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class eg: x	Class eg: y	Total								
B	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) +(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(d)	Overseas Depositories (holding DRs) (balancing figure)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(e)	Any Other (Specify)		4,007	43,012,018	-	-	43,012,018	25.64	43,012,018	-	43,012,018	25.64	-	25.64	31,452	0.07	NA	NA	42,909,902
	Trusts		3	180	-	-	180	0.00	180	-	180	0.00	-	0.00	-	-	NA	NA	180
	Foreign Nationals		17	840,238	-	-	840,238	0.50	840,238	-	840,238	0.50	-	0.50	25,786	3.07	NA	NA	796,028
	Hindu Undivided Family		1,371	437,482	-	-	437,482	0.26	437,482	-	437,482	0.26	-	0.26	-	-	NA	NA	437,482
	Non Resident Indians (Non Repatriable)		395	285,379	-	-	285,379	0.17	285,379	-	285,379	0.17	-	0.17	-	-	NA	NA	285,379
	Directors excluding Promoter Directors		4	5,208,000	-	-	5,208,000	3.10	5,208,000	-	5,208,000	3.10	-	3.10	-	-	NA	NA	5,208,000
	V G Siddhartha	ABXPS1891D		5,028,000	-	-	5,028,000	3.00	5,028,000	-	5,028,000	3.00	-	3.00	-	-	NA	NA	5,028,000
	Non Resident Indians (Repatriable)		1,056	755,534	-	-	755,534	0.45	755,534	-	755,534	0.45	-	0.45	5,666	0.75	NA	NA	697,828
	Unclaimed Shares		1	61,160	-	-	61,160	0.04	61,160	-	61,160	0.04	-	0.04	-	-	NA	NA	61,160
	Clearing Member		446	590,987	-	-	590,987	0.35	590,987	-	590,987	0.35	-	0.35	-	-	NA	NA	590,987
	Others Bodies Corporate		714	34,833,058	-	-	34,833,058	20.76	34,833,058	-	34,833,058	20.76	-	20.76	-	-	NA	NA	34,832,858
	Coffee Day Enterprises Limited	AADCC3995L		17,461,768	-	-	17,461,768	10.41	17,461,768	-	17,461,768	10.41	-	10.41	-	-	NA	NA	17,461,768
	Coffee Day Trading Limited	AABCG2682A		10,594,244	-	-	10,594,244	6.31	10,594,244	-	10,594,244	6.31	-	6.31	-	-	NA	NA	10,594,244
	Amrit Petroleums Pvt Limited	AAACA4348L		3,650,000	-	-	3,650,000	2.18	3,650,000	-	3,650,000	2.18	-	2.18	-	-	NA	NA	3,650,000
	Sub Total (B) (3)		**67,494**	**64,050,147**	**-**	**-**	**64,050,147**	**38.17**	**64,050,147**	**-**	**64,050,147**	**38.17**	**-**	**38.17**	**134,068**	**0.21**	NA	**NA**	**63,632,818**
	Total Public Shareholding (B)= (B)(1)+ (B)(2)+(B)(3)		**67,752**	**144,700,450**	**-**	**-**	**144,700,450**	**86.24**	**144,700,450**	**-**	**144,700,450**	**86.24**	**-**	**86.24**	**134,068**	**0.09**	**NA**	**NA**	**144,283,121**

Categories of Shareholders as on March 31, 2016

Category	No. of Folios	No. of Shares held	Percentage (%) of Share Holding
Clearing Member	446	590,987	0.35
Other Bodies Corporate	715	34,894,218	20.80
Directors	4	5,208,000	3.10
Financial Institutions	2	66,830	0.04
Foreign Institutional Investors	99	50,874,615	30.32
Foreign Promoter Company	1	2,571,984	1.53
Mutual Fund	50	10,459,261	6.23
Non Nationalized Banks	3	15,402	0.01
Foreign Nationals	17	840,238	0.50
Non Resident Indians (Repatriable)	1,056	755,534	0.45
Non Resident Indians (Non-Repatriable)	395	285,379	0.17
Persons Acting in Concert	4	3,680,872	2.19
Public	63,487	21,038,129	12.54
Promoters	4	16,832,870	10.03
Trusts	3	180	0.00
Foreign Portfolio Investors (Corporate)	104	19,234,195	11.46
Hindu Undivided Family	1,371	437,482	0.26
Total	**67,761**	**167,786,176**	**100.00**

Categories of Shareholders as on March 31, 2016



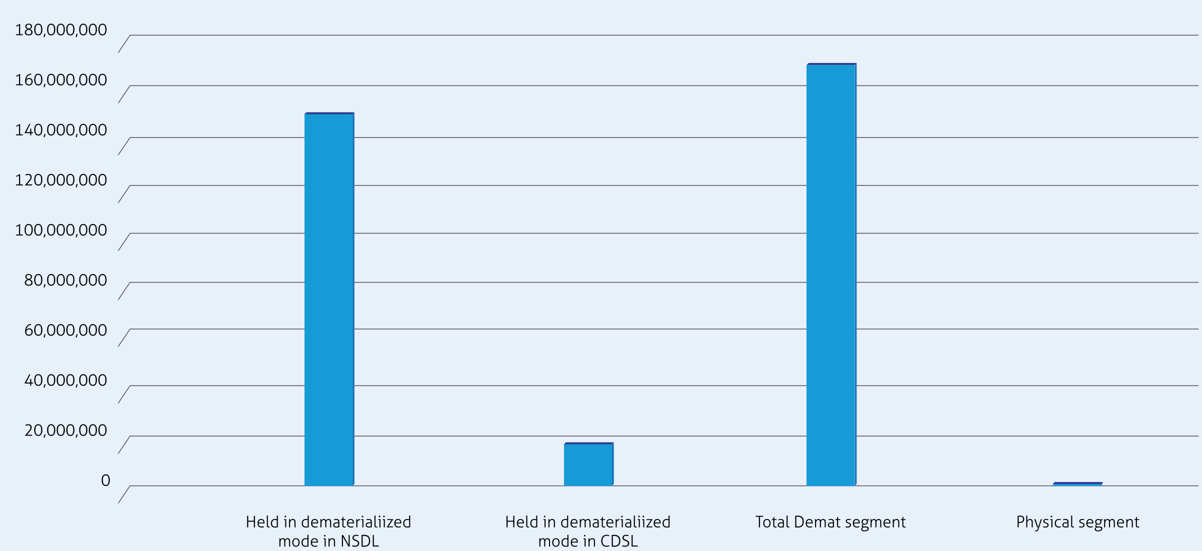
Dematerialization of Shares and Liquidity

The Company's shares are admitted into both the Depositories i.e. National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') by the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited. 99.75% of the Company's shares are held in electronic/ demat form as on March 31, 2016.

As on March 31, 2016, the number of shares held in dematerialized and physical mode are as under:

Particulars	Number of Shares	Percentage to Total Capital Issued	Number of Shareholders	Percentage to Total Number of Shareholders
Held in dematerialized mode in NSDL	148,752,692	88.66	49,679	73.32
Held in dematerialized mode in CDSL	18,616,155	11.10	17,844	26.33
Total Demat Segment	167,368,847	99.75	67,523	99.65
Physical Segment	417,329	0.25	238	0.35
Total	**167,786,176**	**100.00**	**67,761**	**100.00**

As on March 31, 2016, the number of shares held in dematerialized/ electronic and physical mode are as under:



Shares held in Demat or Electronic Form

For shares transferred in electronic form, after confirmation of sale/ purchase transaction from the Broker, Shareholders should approach their respective Depository Participant (DP) with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account. There is no need for separate communication to either Company or Share Transfer Agent to register such share transfers in electronic/ demat form. For matters regarding shares held in demat/ electronic form and for matters related to dividends, change of address, change of bank mandates, etc., Shareholders should communicate directly with their respective Depository Participant.

Shares held in Physical Form

For matters regarding shares transferred in physical form, share certificates, dividends, change of address, etc., Shareholders should communicate with Link Intime India Private Limited, our Registrar and Share Transfer Agent.

Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity

There are no outstanding GDRs/ ADRs/ Warrants/ Convertible Instruments of the Company and hence, the same is not applicable to the Company.

Commodity price risk or foreign exchange risk and hedging activities

There is no commodity price risk. Your Company has a formal Board approved hedging strategy which is reviewed periodically. Judiciously hedging against adverse foreign exchange exposures helps minimize the impact of exchange fluctuations. We continue to maintain a prudent and balanced forex management policy which will help us manage risk appropriately.

Branch Locations of the Company

The branch locations consisting of address and other contact details have been provided separately in this Annual Report and the details are also available at http://www.mindtree.com/contact-us

Address for Correspondence

Shareholders can also send their correspondence to the Company with respect to their shares, dividend, request for annual reports and shareholder grievance. The contact details are provided below:

Ms. Vedavalli S

Company Secretary

Mindtree Limited, Global Village, RVCE Post, Mysore Road, Bengaluru 560 059, India.

P +91 80 6706 4000 | F +91 80 6706 4100 | Email: investors@mindtree.com | Website: www.mindtree.com

Analysts can reach our Investor Relations Team for any queries and clarifications on Financial/I nvestor Relations related matters as given below:

Mr. Sushanth Pai

Head - Investor Relations

Mindtree Limited, Global Village, RVCE Post, Mysore Road, Bengaluru 560 059, India.

P +91 80 3395 5458 | F +91 80 6706 4100 | Email: sushanth.pai@mindtree.com | Website: www.mindtree.com

Registered Office

Global Village, RVCE Post, Mysore Road, Bengaluru 560 059, Karnataka, India.

P +91 80 6706 4000 | F +91 80 6706 4100 | Website: www.mindtree.com

Disclosure on Compliance

Your Company has complied with the requirements of the Listing Agreement and Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annexure-A

Declaration by the CEO under the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance with Code of Conduct

In accordance with the Listing Agreement and that of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2016.

Place: Bengaluru
Date: April 18, 2016

Rostow Ravanan
CEO & Managing Director

Annexure-B

Independent Auditor's certificate

To the members of Mindtree Limited

1. We have examined the compliance of conditions of Corporate Governance by **MINDTREE LIMITED** ("the Company"), for the year ended on March 31, 2016, as stipulated in:
   - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015.
   - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015.
   - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
   - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C , D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

Bengaluru, April 18, 2016

Annexure-C

Compliance Certificate

[As per Listing Agreement and Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Rostow Ravanan, CEO & Managing Director and Jagannathan Chakravarthi, Chief Financial Officer of Mindtree Limited, to the best of our knowledge, information and belief, certify that:

1) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2016:
   a) These Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b) These Financial Statements together present, in all material respects, a true and fair view of the Company's affairs, the financial condition and results of operations and are in compliance with applicable accounting standards, laws and regulations.
2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or which violate the Company's code of conduct.
3) We are responsible for establishing and maintaining internal controls over financial reporting by the Company and we have:
   a) Designed such controls to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others;
   b) Designed or caused to be designed, such internal control systems over financial reporting, so as to provide reasonable assurance regarding the preparation of financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India; and
   c) Evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
4) During the year, we have disclosed to the Company's Auditors and the Audit Committee of the Board of Directors:
   a) Any change, that has materially affected or is reasonably likely to materially affect, the Company's internal control over financial reporting;
   b) Any significant changes in accounting policies during the year, and that the same have been disclosed appropriately in the notes to the financial statements;
   c) Instances of significant fraud, if any, that we are aware especially if any Member of management or employee involved in financial reporting related process. No such instances were noticed during the year 2015-16;
   d) All significant changes and deficiencies, if any, in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data; and
   e) Any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
5) In the event of any materially significant misstatements or omissions, we will return to the Company that part of any bonus or incentive which was inflated on account of such mistakes or omissions.
6) We affirm that we have not denied any employee, access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
7) We further declare that, all Board Members and senior management personnel have affirmed compliance with the code of conduct for the current year.

Place: Bengaluru	**Rostow Ravanan**	**Jagannathan Chakravarthi**
Date: April 18, 2016	CEO & Managing Director	Chief Financial Officer

Management Discussion and Analysis

Readers are cautioned that this discussion contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words “anticipate”, “believe”, “estimate”, “intend”, “will” and “expect” and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward- looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. The following discussion and analysis should be read in conjunction with the Company’s financial statements included in this report and the notes thereto. Investors are also requested to note that this discussion is based on the consolidated financial results of the Company.

Industry outlook, structure and developments

Global economic growth was 3.1% in 2015 and is projected to reach 3.2% and 3.5% in 2016 and 2017, respectively. This reflects a more gradual pickup than anticipated last year. This may be attributed to a modest and uneven recovery which is expected in advanced economies, slowdown and rebalancing of Chinese economy, lower commodity prices and strains in some large emerging market economies.

US grew at 2.4% in 2015 and is expected to grow at 2.4% and 2.5% in 2016 and 2017, respectively. Overall activity remains resilient in the United States, supported by still-easy financial conditions and strengthening housing and labor markets.

The Euro area grew at 1.6% in 2015 as compared to 0.9% in 2014. It is expected to grow at 1.5% and 1.6% in 2016 and 2017, respectively.

China decelerated to 6.9% in 2015 from 7.3% in 2014. It is expected to grow at 6.5% in 2016 and 6.2% in 2017. India has held on to its high growth at 7.3% in 2015. It is expected to grow at 7.5% in 2016 and 2017 which is higher than its bigger neighbor, China.

As reflected in the economic outlook above, during the year 2015, worldwide IT-BPM spends were flattish at USD2.4 trillion, up 0.4% from 2014.

Unlike the worldwide IT-BPM spend, the global sourcing continues to grow at a healthy rate of 8.5% in 2015. This market is estimated at USD 164 billion in 2015. India held on to its leadership position with a 56% market share.

The Indian IT-BPM industry grew by 8.5% in FY2016 to USD 143 billion in FY2016 (excluding eCommerce), an addition of USD 11 billion.

Exports grew at 10.3% to USD 108 billion in FY2016 from USD 98 billion in FY2015. Demand for SMAC technologies is pushing the need to modernize legacy systems and cloud solutions which is pushing the overall demand of IT-BPM services up.

India continues to be the world’s numero uno outsourcing destination due to its unique value proposition which rests on the following five strategic pillars:

- Digitally connected domestic economy
- Maturity in onshore, offshore and nearshore global delivery model
- Highest volume of diverse, employable talent
- World’s fastest growing digital hub
- Digital at the core of innovation

Indian service providers face a significant opportunity as digital technologies continue to be embedded in an ever widening range of products and services. The market is well set to reach USD 200-225 billion by 2020 and USD 350-400 billion by 2025. At the same time, challenges around economic volatility, protectionism, competition and inertia will need to be addressed by the concerned stakeholders.

Source: IMF WEO Jan update, NASSCOM Strategic Review 2016

Financial Performance

The table below gives an overview of the consolidated financial results for 2015-16 and 2014-15.

Particulars	FY 2015-16		FY 2014-15		Growth %
	₹ in million	% of revenue	₹ in million	% of revenue	
Income from operations	46,896	100.0%	35,619	100.0%	31.7%
Expenses:					
Employee benefits expense	28,026	59.8%	20,710	58.1%	35.3%
Other expenses	10,566	22.5%	7,817	21.9%	35.2%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**8,304**	**17.7%**	**7,092**	**19.9%**	**17.1%**
Other income (net)	412	0.9%	656	1.8%	-37.2%
Foreign exchange gain	393	0.8%	179	0.5%	119.6%
Finance costs	3	0.0%	1	0.0%	200.0%
Depreciation and amortisation expense	1,332	2.8%	1,018	2.9%	30.8%
Profit before tax	**7,774**	**16.6%**	**6,908**	**19.4%**	**12.5%**
Tax expense	1,741	3.7%	1,545	4.3%	12.7%
Profit for the year (PAT)	**6,033**	**12.9%**	**5,363**	**15.1%**	**12.5%**

Income

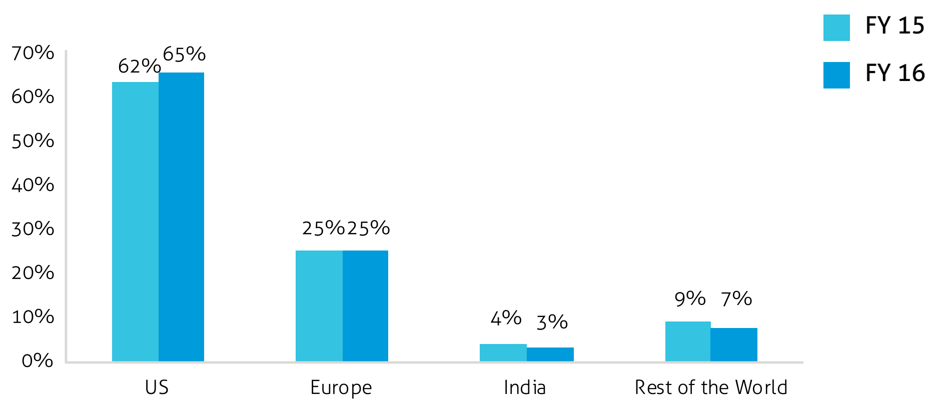
Revenue for the year in USD terms grew by 22.5% to USD 715.21 million. In Rupee terms, revenue for the year is ₹ 46,896 million with a growth of 31.7% over previous year.

We analyze our revenue based on various parameters. The factors which are driving our revenue growth (in USD terms) are as follows:

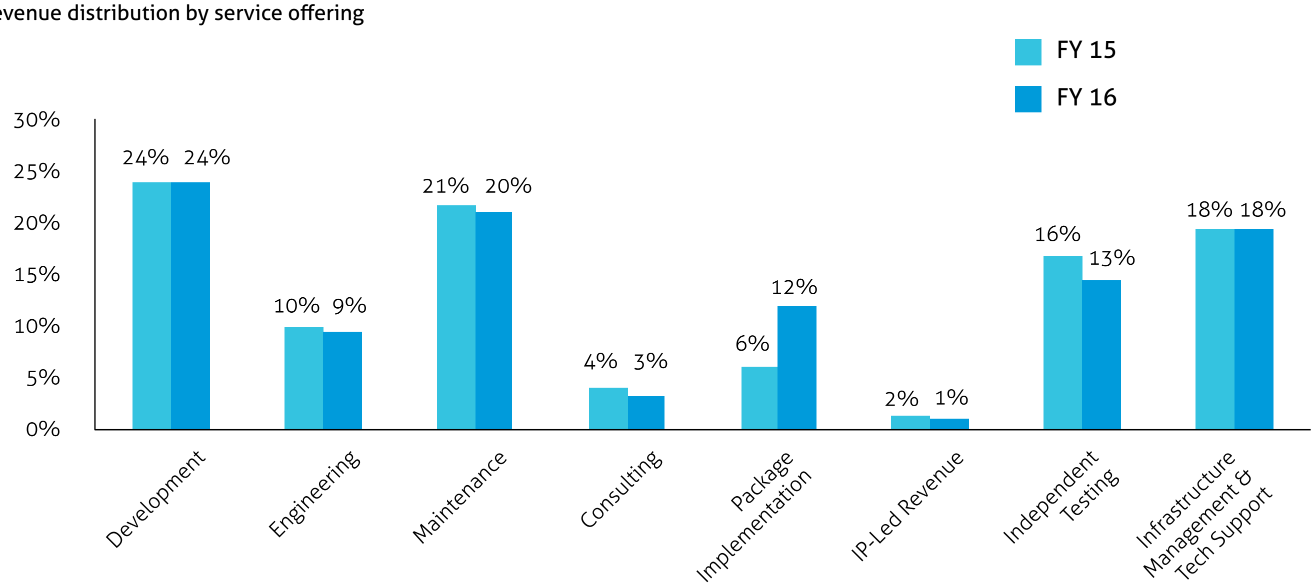
- Revenue by vertical: Among the verticals, BFSI grew by 28.9% in the current year followed by Technology, Media and Services, which grew by 15.9%.
- Revenue by geography: US revenue grew by 28.5% followed by Europe revenue which grew by 21.4%.
- Revenue by service offering: Our revenue from Package implementation grew by 143.3% year on year (mainly because of acquisition of Bluefin), followed by Development and Infrastructure management and tech support which grew by 21.2% and 18.7% respectively. Digital/ SMAC revenue has grown by 37.6%.
- Revenue by mix: Our onsite revenue grew by 43.3% in the current year as compared to a growth of 5% in offshore revenue.

A graphical presentation of revenue analysis based on various parameters is given below.

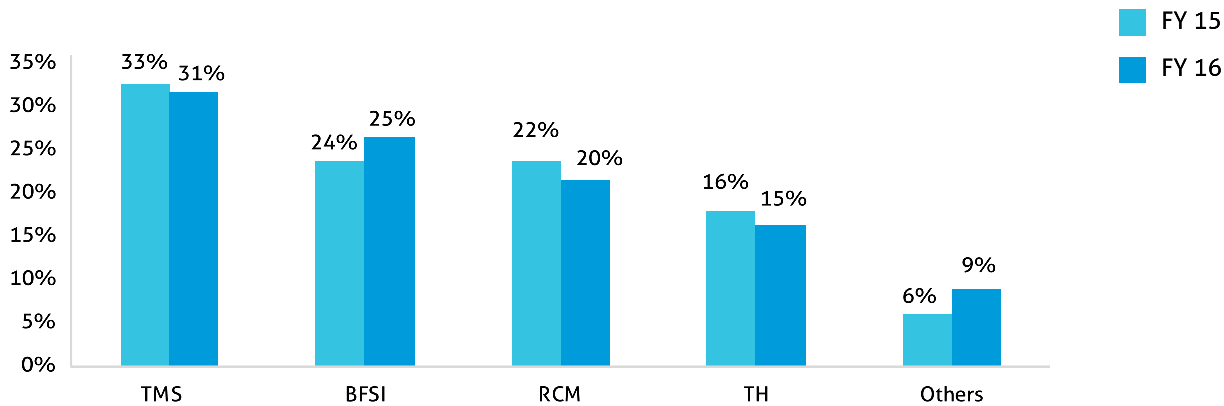
Revenue distribution by geography



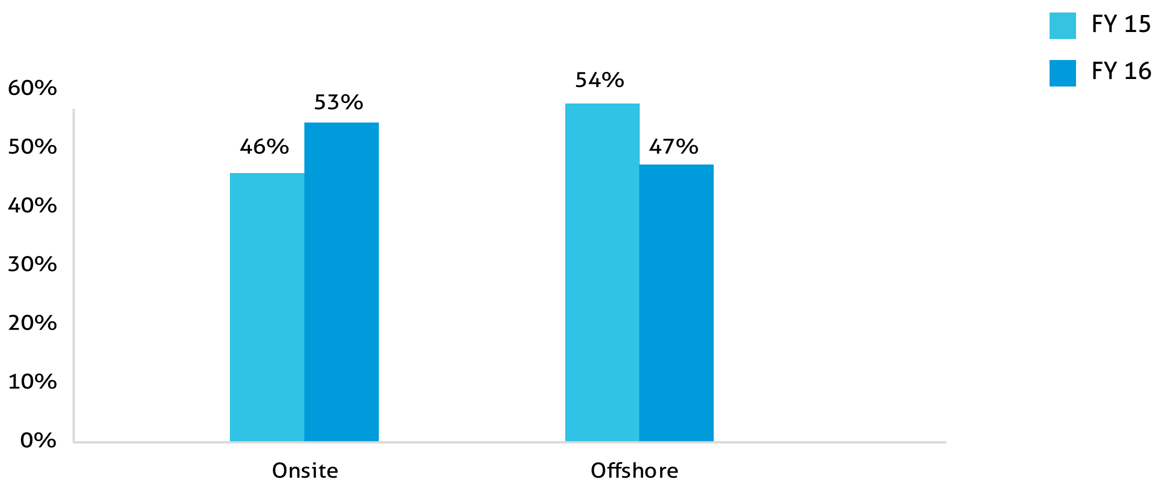
Revenue distribution by service offering



Revenue distribution by industry



Revenue distribution by mix



Our active customers list as at March 31, 2016 stands at 348.

During the year, one more of our clients crossed $50 million in revenue, increasing the number of clients with more than $50 million revenue to 2. Our $10 million clients increased from 14 to 15.

Other income (excluding foreign exchange gain)

Other income for the year ended March 31, 2016 is ₹ 412 million and has decreased by an amount of ₹ 244 million over the previous year (₹ 656 million). This is mainly due to decrease in investment income during the year due to reduction in current investments on account of payouts made for acquisitions.

Foreign exchange loss/ gain

Foreign exchange gain for the year ended March 31, 2016 is ₹ 393 million as compared to a gain of ₹ 179 million in the previous year. The gain is mainly on account of rupee depreciating from an average of ₹ 61.01 in FY 14-15 to an average of ₹ 65.55 in FY 15-16.

Expenses

Employee benefits expense

At 59.8% of total revenue, employee benefits expense are the biggest chunk of expenses. It includes the fixed as well as the variable components of employees' salaries, contribution to provident funds, gratuity, etc. Stock based compensation cost and staff welfare expenses incurred for the employees also form a part of this cost. Break-up of this head of expenses in comparison with previous year numbers is given below:

Employee benefits expense	For the year ended March 31,				Increase/ (Decrease) %
	2016		2015		
	₹ in million	% of revenue	₹ in million	% of revenue	
Salaries and wages	26,128	55.7%	19,312	54.2%	35.3%
Contribution to provident and other funds	1,623	3.5%	1,055	3.0%	53.8%
Expense on employee stock based compensation	90	0.2%	168	0.5%	-46.4%
Staff welfare expenses	185	0.4%	175	0.5%	5.7%
Total	**28,026**	**59.8%**	**20,710**	**58.1%**	**35.3%**

Total employee benefits expense have increased by 35.3%. In relation to revenues, employee benefits expense has increased by 1.7% from 58.1% to 59.8%.

Other expenses

Other expenses comprises of all other incidental costs apart from employee benefits costs like travel, rent, computer consumables, etc. The break-up of the same is as given below:

Other expenses	For the year ended March 31,				Increase/ (Decrease) %
	2016		2015		
	₹ in million	% of revenue	₹ in million	% of revenue	
Travel expenses	2,249	4.8%	1,740	4.9%	29.3%
Communication expenses	634	1.4%	436	1.2%	45.4%
Sub-contractor charges	2,969	6.3%	2,117	5.9%	40.2%
Computer consumables	651	1.4%	441	1.2%	47.6%
Legal & Professional charges	510	1.1%	412	1.2%	23.8%
Power and fuel	316	0.7%	275	0.8%	14.9%
Rent	752	1.6%	629	1.8%	19.6%
Repairs to buildings	58	0.1%	51	0.1%	13.7%
Repairs to machinery	47	0.1%	35	0.1%	34.3%
Insurance	67	0.1%	49	0.1%	36.7%
Rates and taxes	126	0.3%	95	0.3%	32.6%
Other expenses	2,187	4.7%	1,537	4.3%	42.3%
Total	**10,566**	**22.5%**	**7,817**	**21.9%**	**35.2%**

Other expenses, in relation to revenue has increased by 0.6% as compared to last year. Sub-contractor charges as a percentage of revenue have increased by 0.4%, communication expenses and computer consumables by 0.2%, forming the major components for increase. This is offset by decrease in rent by 0.2%.

On an overall level, other expenses have increased by 35.2% as compared to last year mainly due to increases in Sub-contractor charges, computer consumables and communication expenses which have increased by 40.2%, 47.6% and 45.4% respectively.

Profitability and Margins

- EBITDA margins have dropped from 19.9% to 17.7% in the current year. The decrease is primarily attributable to:
  - Lower margin profile of acquired entities
  - Increase in employee benefits expense
- Our effective tax rate has remained the same at 22.4% when compared to the previous year.
- PAT has decreased from 15.1% to 12.9% in the current year.

Segmental reporting

The Group's business are broadly classified under five business segments, Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Technology, Media and Services (TMS), formerly known as Hitech and Media Services, Travel and Hospitality (TH) and Others. During the year, the Group has classified results of Relational Solutions Inc. (new acquisition) under RCM, Bluefin Solutions Limited and Magnet 360 LLC (new acquisitions) under Others. The Group considers business segment as the primary segment and geographical segment based on the location of customers as the secondary segment.

The accounting principles consistently used in the preparation of the financial statements have also been consistently applied to record income and expenditure in individual segments.

Income and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income.

The assets of the Group are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

Business segments

Statement of profit and loss	For the year ended March 31,	
	2016	2015
Segment Revenue		
RCM	9,459	7,720
BFSI	11,599	8,378
TMS	14,502	11,641
TH	7,164	5,843
Others	4,172	2,037
Total	**46,896**	**35,619**
Segment operating income		
RCM	2,059	1,503
BFSI	1,499	939
TMS	2,674	2,721
TH	1,258	1,136
Others	814	793
Total	**8,304**	**7,092**
Unallocable expenses	(1,332)	(1,018)
Profit for the year before interest, other income and tax	**6,972**	**6,074**
Finance costs	(3)	(1)
Other income	805	835
Net profit before taxes	**7,774**	**6,908**
Income taxes	(1,741)	(1,545)
Net profit after taxes	**6,033**	**5,363**

Significant changes in Balance Sheet items

- Movement in reserves and surplus of ₹ 2,991 million is primarily due to the following:
  - Securities premium account decreased by ₹ 776 million mainly because of ₹ 839 million utilized for issue of bonus shares. This is offset by increase of ₹ 63 million on exercise of employee stock options/ restricted shares.
  - Balance in the statement of profit and loss increased from ₹ 15,720 million to ₹ 19,666 million due to current year profits, which is offset by declaration of dividend (including dividend distribution tax) of ₹ 2,087 million.
- Other long-term liabilities have increased to ₹ 1,072 million as compared to ₹ 334 million in the previous year mainly due to consideration payable for acquisition of businesses.
- Other current liabilities have increased by ₹ 1,259 million mainly because of increase in other liabilities (₹ 737 million), dividend payable (₹ 336 million) and Book overdraft (₹ 240 million). Increase in other liabilities is on account of consideration payable for acquisition of businesses.
- Short term provisions have increased by ₹ 166 million, due to increase in provision for discount (₹ 301 million) and provision for compensated absences (₹ 181 million). This is offset by decrease in dividend and dividend distribution tax by ₹ 402 million.
- Additions to fixed assets during the current year is ₹ 1,737 million (previous year ₹ 2,209 million) mainly on account of additions in computer systems and buildings.
- Our cash and investments (net of short term borrowings and book overdraft) have decreased from ₹ 8,946 million as at March 31, 2015 to ₹ 3,618 million as at March 31, 2016, mainly due to acquisition of businesses.
- The Days Sales Outstanding (DSO) as at March 31, 2016 is 74 days as compared to 67 days as at March 31, 2015.

Strengths & Opportunities

Digital and Automation

Digital continues to be great market opportunity for Mindtree for next several years. Mindtree is eager to contribute to the digital revolution happening around and gain greater market share. Mindtree was born digital. Currently, a third of our revenue is driven by providing digital services and we want to increase it to about 50 per cent in 3-5 years. Our company has shown significant strengths in digital service line by enabling its clients to grow their business as well as run it efficiently.

Digital is disrupting businesses and the way business is conducted across every industry. We are right at the epicenter of the "consumer age", spoilt for choices in the products and services we consume. Because of that, we as consumers are forcing every business entity to change - to offer that multitude of choices in a simple, ubiquitous and most importantly, in a personalized manner. The rapid changes that businesses will face are coming from three main areas: collaboration, personalization and the shift of power from marketers to consumers.

From an IT services industry perspective, Digital business is estimated to touch $225 billion by 2020 with $48 billion predicted for Indian IT Services firms. But the excitement stems from the optimist view that 90% of all incremental spend in the next five years on IT will be on Digital. Our vision is to "Make Businesses digital". In order to achieve our vision, we have positioned our Digital Business across four broad themes:

- creating digital customer experiences/ touch points that deliver outcomes
- digitizing the value chain across the front and back end
- developing "sense-and-respond" systems to make enterprises adaptive with data and insights
- shaping new, innovative business models and partnerships.

Mindtree has also reorganized its team with a focus on faster time to market and turnkey cloud based solutions to make Digital real for our customers.

Customers are demanding greater efficiency and productivity to drive down operational costs. Automation and newer approaches to service delivery are becoming key to winning the market share. It is Mindtree's desire to drive these changes with a human face.

Mindtree is engaging with best in class partners to bring in cutting edge technology which can be leveraged for our clients. We are continuously expanding our automation footprints in our client base in various service lines including application development and maintenance, managed services, testing and quality assurance services, package solution implementation and support services.

Expert Thinking

Mindtree brings robust skills and forward looking perspectives to solve customer challenges. Our Company uses proven knowledge to make recommendations and provide expert guidance to our customers. Mindtree has been recognized widely in the following areas:

- Mindtree launched its comprehensive IPv6 Stack and Smart Mesh Suite for Bluetooth Smart. The IPv6 Stack and Smart Mesh Suite will enable original equipment manufacturers (OEM) and semiconductor companies to add seamless cloud connectivity to their IoT products. The combination of IPv6 and Smart Mesh technology not only transmits data collected from remote sensor nodes to cloud analytics platforms, but also enables control of end devices over the internet. IPv6 enables internet access to millions of individual Bluetooth Smart devices, providing the essential IP infrastructure for applications such as smart homes, wearables, and connected medical devices. The Smart Mesh technology helps overcome range limitations in Bluetooth Smart, an important consideration for industrial and home automation.
- Leveraging its expertise in Retail and CPG industry, Mindtree launched its Flooresense platform to increase in store conversions for retailers. The solution will enable retailers to enhance customer experience and improve the productivity of store associates. Similarly for Insurance industry, the Company launched its Loss Control Platform, a cloud based solution for transforming the underwriting and risk assessment process for insurers and risk management companies. The solution will enable insurance companies to reduce business exposure due to more optimized risk selection and lower claim incidences. The Loss Control Platform is designed for the end-to-end life cycle of loss inspection and control. This comprehensive solution covers request management, assignment, risk assessment, tracking and publishing. It enables seamless collaboration among risk managers, risk engineers, underwriters, claims handlers, customers and other stakeholders.
- Mindtree has been featured in the overall leadership zone by Zinnov, a prominent globalization and market expansion advisory firm, in its recently released "Global Service Provider Report 2015". Mindtree has established its expertise in this space through a solid innovative culture, mature offerings and industry specialization. Investments in short range wireless technology, engineering development labs and unique client engagement models, have also contributed to the strong rating. Mindtree's expertise has been recognized across industries including semiconductor, consumer electronics, enterprise software, telecommunications and automotive. For the first time, the service provider ratings included embedded engineering as a separate category and Mindtree has been featured in the leadership quadrant. This reflects Mindtree's ability to innovate and come up with differentiated offerings from concept to go-to-market.

Alliance and partnerships

Mindtree believes in developing true partnerships. Our company engineers meaningful technology solutions to help not only businesses but also societies to flourish.

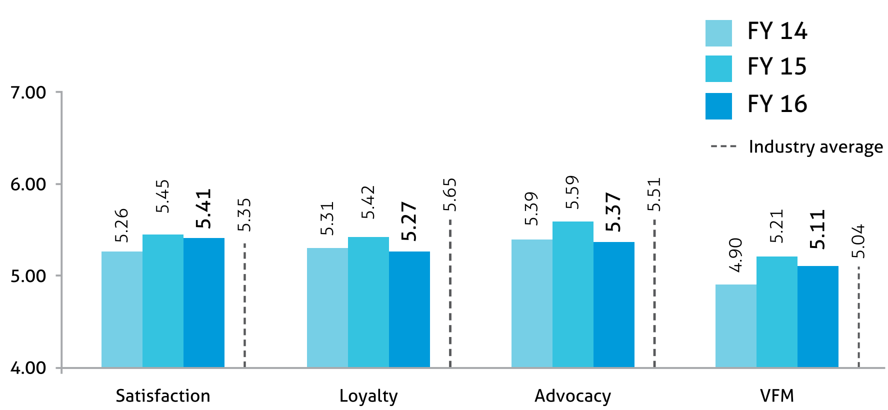
- Mindtree has joined Apigee's Digital Partner Program to strengthen its API first solution approach. This collaboration with Apigee, a leading provider of application program interface (API) management software, enables Mindtree clients to transform their digital user experience quickly and seamlessly. The Apigee – Mindtree collaboration will provide clients an approach that uses APIs to transform their user experience with agility while still connecting with their legacy, back-end data. This will allow clients to manage their transformation at two speeds – one, a rapid deployment of a new customer interface, and a second, slower transition of legacy systems, which are historically more embedded, and as a result, more time-consuming to update. As an Apigee Digital Partner Program member, Mindtree combines Apigee products with its technology expertise and services to design and implement digital solutions. This partnership with Apigee will allow Mindtree to enhance its industry-leading approach to digital transformation.

- Magnet 360 has been a Salesforce partner since 2004. Magnet 360, with its Platinum partnership with Salesforce, brings strong expertise across Salesforce Sales, Service and Marketing Cloud implementations. Magnet 360 works with some of the world's largest companies across the full suite of Salesforce solutions such as CRM, branded sites and communities, social campaign strategy and management, and marketing automation. This strengthens Mindtree's ongoing focus on delivering customer success by helping clients digitize their entire back-end value chains.
- Bluefin Solutions ('Bluefin') is a market leader specializing in SAP HANA solutions. Its partnership with SAP has helped Bluefin set an award-winning track record helping businesses manage digital transformations across the entire SAP portfolio. Headquartered in the UK, Bluefin delivers solutions to some of the world´s most prestigious companies and has earned multiple awards including the SAP Pinnacle Award, SAP HANA Partner of the Year, SAP CRM Partner of the Year and SAP BI Partner of the Year. Bluefin offers one of the industry's most highly regarded team of experts for transitioning to SAP HANA, digital and real-time-analytics. This partnership will accelerate Mindtree's ability to help its SAP clients digitize the value chain, ensuring there is harmony between the front-end customer experience and back-end systems as businesses transition to fully digital organizations. The partnership also creates an opportunity to expedite Bluefin's HANA expertise to the US market by leveraging Mindtree's broad presence.
- Startups and Innovation are becoming synonymous today. Customers expect us to bring not only Mindtree's collective expertise and experience, but all the innovation in the startup ecosystem to deal with the challenges faced and seek newer business opportunities. We see working in an intense manner with the startup ecosystem being critical to deliver on this. Mindtree will strive to create unique partnership model for us to work with the startups in the field of artificial intelligence, machine learning, automation, predictive analytics, etc. Mindtree has begun seeing results in these fields especially in areas related to automation.

Customer centricity

Our relentless focus on customer centricity has enabled us to become partner of choice to our clients. This reflects in growth of our $50 million, $10 million and $5 million customers. In FY2015-16, we have added another one $50 million client, increasing the count to 2 and our $25 million clients stand at 6. Our $10 million customers grew from 14 to 15, during the year and our $5 million customers grew from 28 to 31.

Our annual customer experience survey reflects our commitment to develop deep and engaging relationships with our customers. It clearly shows that our clients have cited our relationships with them, our willingness to go the extra mile and our effectiveness in cost and quality as key differentiators than the industry. While our customer satisfaction scores have dipped a little compared to last year we are committed to improving our customer experience and working to improve our customer satisfaction scores. We strive to get better than what we are today by continually engaging with our customers and third party service providers who help us reflect our customer experience.



Mindtree is proactive in understanding the customers' needs so as to provide pertinent amicable solutions. A recent study by Mindtree confirmed that among 2,300 global consumers who use online banking or insurance products, 42% are concerned with online payment and fraud, 37% are concerned with privacy and security, and 31% dislike having a less human experience. These all are significantly higher than responses when customers were asked about these issues in the retail, entertainment and travel industries. Mobile payments poised to reach a tipping point, banking and insurance have truly grown into the digital age. The finance industries and their customers have been slower to fully adopt digital technology, and for understandable reasons. Fears about digital privacy and security are natural for individuals engaging in any type of e-commerce, but these concerns are heightened when dealing with personal finances compared to just buying clothes or booking a hotel. Digital focus helps Mindtree to leverage these trends, take ideas to real life, co-create, collaborate with customers and serve customers' customer better.

Leadership and corporate governance

Our senior management comprises of some of the most seasoned global leaders in the industry from diverse backgrounds, geographies and with different areas of specialization in the IT industry. Their leadership and governance helped us deliver consistent superior performance. Some of the significant recognitions are as follows:

- Krishnakumar Natarajan (KK), Mindtree's outgoing CEO and MD, has been awarded Ernst & Young's Entrepreneur of the Year award in the Services category for the year 2015. The award salutes the ingenuity of exemplary thinkers, individuals who hold the power to transform. KK was also included among India's Top 100 CEOs in an annual study conducted by Business Today and PwC early this year.
- Mindtree awarded as the first runner up for Best Presented Annual Report for 2013-14, under the category of Communication and Information Technology sector by SAFA (South Asian Federation of Accountants) in January 2016.
- Mindtree won the "Best Corporate" in Technology sector within Asia. This award was announced by the Ethical Boardroom Corporation. The award recognizes the outstanding leadership from boards of public companies who have raised the bar to ensure that strong corporate governance plays an essential part in protecting and enhancing long-term value for all stakeholders.

People focus, learning and high performance culture

Making Mindtree a Great Place to Work

In our pursuit to transform Mindtree into a Great Place to work, we are bolstering our culture of partnering with Mindtree Minds in creating a congenial work environment. As part of Mindtree's people experience survey, MiVoice, we are embracing initiatives on the four identified themes (Care for a fellow Mindtree Mind, Bottom-Up Communication, Career Growth & Learning and Visibility and Recognition) from the MiVoice Survey. The online platform 'i belong' is created to provide an opportunity for Mindtree Minds to come forth and be part of the change. With these initiatives, we have ensured to list transforming Mindtree into a Great Place to Work among our key strategic goals for 2015-16.

Building Leadership Pipeline at all Levels

Mindtree always valued the importance of creating the talent pool by exploring and creating different avenues to nurture the leadership skills. We have embarked upon key learning journeys to upskill 50 leaders at an enterprise level, 100 women leaders and 50 leaders at an emerging leadership level. Building the leadership pipeline runs across the levels of the organization.

At Mindtree, a leader at the organization level is one who is agile in learning, self-aware and exhibits strengths in a few chosen areas. While nurturing talent, we also ensure to balance our talent pool by recruiting the right talent from the market. This enables to create a diverse pool of great talent.

Performance Management

Embracing "performance curve", giving away "bell curve" was a big step for Mindtree. To nurture and encourage all our Mindtree Minds and to exhibit their best performance, we use a system based on the power law distribution method, called the "long-tail" method, which is gaining ground globally. This method aims to identify hyper-high performers, high performers, and potential high performers and so on till it reaches the tail end, or low performers. Our attempts to build the leadership pipeline is aligned with identifying these Hi-Po minds using individual performance focused approach.

Headcount

The total number of Mindtree Minds as at March 31, 2016 was 16,623 as against 14,202 as at March 31, 2015.

Threats, Risks and Concerns

A summary of Threats, Risks & Concerns are provided below. For a more detailed view of Mindtree's risk management program, please refer to the Mindtree Risk Management Report.

RISK DESCRIPTION	RISK MANAGEMENT PLAN
Macro economic environment	
Economic uncertainties in our key markets like the United States (U.S.) and Europe can impact demand for IT services. The overall business environment continues to be prone to volatility. Recently China's economic turbulence had a ripple effect on overall global economy. The economic outlook for Europe continues to look grim with countries like Greece, Spain and Italy having stretched finances. In addition, uncertainties around UK being in the European zone can have further consequences. Such volatility in macro-economic environment can affect the business sentiments.	Business environment in the US is showing improvement. Large corporations are increasing their IT spend towards digital transformation of their existing business. At Mindtree, we are in the forefront of client's invested areas. Europe is showing better traction due to our leadership attention, new wins and our focus on stronger markets such as Germany, Belgium, Sweden & UK.

RISK DESCRIPTION	RISK MANAGEMENT PLAN
Legislation impacting outsourcing	
We continue to see restrictions on outsourcing from countries like the US, UK by increasing visa costs and tightening of visa related norms. This may impact our business as significant business is derived from these countries.	Industry body NASSCOM is continuing its efforts to disseminate the significant benefits of IT outsourcing to governments, administrations and policy makers in the USA and other geographies. We believe such legislative changes requires multiple level of concurrences and therefore may not take its full form of proposed intent. For Mindtree, such measures are likely to have small impacts on our margins as we are well entrenched in our clients' businesses. We continue to evaluate different business models to improve the onsite/ offshore delivery mix, further enhancements to global development centers, and significantly engaging with clients to provide a holistic value proposition.
Competition risk	
Pricing pressure continues in our traditional areas of business where we may face margin pressure. Capability risk may arise in case we lag behind in new age solutioning like digital, automation and Internet of Things (IoT). Client loss to a competitor may impact Mindtree's business.	Traditional business is getting commoditized and we are looking into newer ways of engaging with customers like offering integrated solutions. Mindtree's CTO organization is also focused on innovative ways of doing business like increasing productivity through automation and being in the forefront of the next wave of IT transformation. We are also providing new insights to our client teams and co-creating cutting edge solutions to solve their business problems. For our clients, we are invested in their areas of focus. These are critical assignments which are not easy to move. We also have focused senior level connects and stable long term relationships with top customers.
Foreign currency rate fluctuations	
A major portion of our revenues are in foreign currencies and a significant portion of our expenses are in Indian Rupees. The exchange rate between the Indian Rupee and the US Dollar as well as other currencies has been very volatile in recent years and may continue similarly in future. Our operating results are impacted by fluctuations in the exchange rate between the Indian Rupee and the US Dollar and other foreign currencies.	Mindtree has a formal Board-approved hedging strategy which is reviewed periodically. Judiciously hedging against adverse foreign exchange exposures helps to minimize the impact of exchange fluctuations. We continue to maintain a prudent and balanced forex management policy which we expect will help us manage this risk appropriately.
Compliance risks	
Adherence to laws, regulations and local statutes across the globe is a challenge to any IT company today. Every country has its own law with respect to immigration, travel, visa, social security, privacy, data protection etc. which needs a detailed assessment and compliance. There is a risk of non–compliance in the geographies where we operate in due to various regulatory changes from time to time.	Mindtree has a dedicated in-house Compliance team which manages this activity. We also engage with specialist consultants across the globe, who support us in adhering to country-specific compliance and regulatory requirements. Compliance content is periodically updated with the help of specialist consultants on a quarterly basis.
Business continuity risks	
Mindtree may be vulnerable to hazard risks. Recent events in Chennai have shown the potential of hazards to impact business operations and even pose a risk to employee safety.	Mindtree has a comprehensive Business Continuity Management (BCM) program that addresses disruptions at floor level, building level, city level and country level. In addition, Mindtree also has a detailed Disaster Recovery Plan (DRP) to minimize the impact of infrastructure outages. The BCM framework includes infrastructure redundancy, intra/ inter-city recovery sites, work-from-home and split-site operations. Critical corporate infrastructure has been moved to the cloud to provide additional resilience. The business continuity plan was activated during the Chennai floods and was successful in minimizing business impact as well as supporting employee safety requirements. Mindtree is also working with an external vendor to review Business Continuity Plan for organization and to incorporate industry best practices.

RISK DESCRIPTION	RISK MANAGEMENT PLAN
Mergers and acquisitions risks	
Inappropriate acquisitions or mismanaged integrations may result in non-realization of planned business benefits. Mindtree has announced the acquisitions of Discoverture Solutions, Relational Solutions, Bluefin Solutions and Magnet 360 in the recent past.	Acquisitions are a part of Mindtree's continuing strategy to establish deep expertise in targeted industry sectors. The acquisitions announced will enable Mindtree to become the leading provider of delivering digital transformational solutions to our clients by creating a full suite of world-class transformational technology offerings. In order to ensure business benefits of acquisitions are realized, Mindtree has developed a robust mergers and acquisitions framework which includes only focusing on clear defined areas for acquisitions, exhaustive due diligence and a well-structured integration planning process. The entire acquisition process is authorized, approved, monitored and reviewed by the Mindtree Board to ensure effective oversight. Mindtree also has a central team to manage business and process integration with acquired entities.
Cyber security risk	
Cyber Risk has emerged as a top risk across industries as organizations are moving to newer areas of engagement such as social, mobile computing, cloud computing, etc. Cyber risk is now firmly at the top of the international agenda as high-profile breaches raise fears that hacking attacks and other security failures could endanger the global economy.	Mindtree has Incident Resolution and Prevention Process. The purpose of this process is to ensure timely and effective resolution of reported incidents. It also ensures that preventive mechanisms are placed appropriately so that all contractual obligations are met. Mindtree leverages leading industry standard controls to secure its IT infrastructure environment. Some of the preventive measures in place are Intrusion Prevention System enabled perimeter firewalls, content filtering gateways, encryption for laptops and critical data at rest, regular software patching, etc. Mindtree also conducts periodic internal and external audits. Mindtree is ISO 27001 certified. Vulnerability assessments and penetration tests are conducted on critical resources and networks with the help of a third party agency.
Risk of Intellectual Property Rights (IPR) Infringements	
IP rights are violated when a software protected by IP laws is copied or otherwise used without having the proper authorization, permission from the person who owns those rights. Failure to address the problem could lead to legal case & can also cause huge reputational loss to an organization.	Mindtree has taken numerous steps to increase the awareness level of Mindtree Minds such as executive communication, presentations to senior managers, etc. Mindtree has also implemented third party tools to monitor any IP infringements.

Internal control systems and their adequacy

The CEO and CFO certification provided in the CEO and CFO certification section of the annual report discusses the adequacy of our internal control systems and procedures. The Auditors have also independently audited the internal financial controls over financial reporting as of March 31, 2016 and have opined that we have adequate internal controls over financial reporting and such controls were operating effectively.

Our strategy

Our overall strategy of achieving industry leading growth through deep domain expertise in our chosen verticals combined with technology depth, customized for our clients remain the same.

An enviable client list and a fantastic leadership team are two clear advantage areas for Mindtree and we intend to leverage them to engineer meaningful technology solutions to help businesses and societies flourish.

Following are the Mindtree strategic pillars which will enable our company to grow faster and generate higher returns to our stakeholders:

Mindtree Strategy Pillars

Digital Transformation
- Partner of choice for our valued customers
- Proactive offering-led deals
- Key partnership and alliances
- Wide and deep technology SME pool
- A strong base of "Digitally enabled" Mindtree Minds

Delivery Transformation
- Drive productivity focus
- Deepening customer engagement
- Increased usage of automation, DevOps and AI

Sales Transformation
- Proactive Sales training and kits
- Enhancing brand reputation -"best in class"
- Account based co-ordinated sales & marketing
- Sense and respond

People focus
- Mindtree culture
- Best places to work
- Innovation and Intrapreneurship

Outlook

Our focused approach helped us to deliver an industry leading performance with a revenue growth of 22.5% (in USD terms) for FY2015-16. The results validate our decision to transform Mindtree to be a valued, digital partner for our clients. In this, our expertise in Agile, DevOps, Analytics, Cloud and Internet of Things (IoT) is making a deep impact. We will continue to focus on delivering superior financial performance, innovation and industry leadership in our chosen verticals. We expect our relationship with our clients to become more strategic for each other. Mindtree is confident of delivering another industry leading and broad-based growth in FY2016-17.

Enterprise Risk Management Report

Our approach to risk management is supported by best-in-class Enterprise Risk Management framework and backed by a risk-aware culture across the organization.

Our risk management framework is based on standards such as COSO, ISO31000:2009 and IRM Risk Management Standard which enable us to structure our systems and mechanisms of risk management effectively.

Mindtree has been recognized as the "Firm of the Year" in the Information Technology sector of the CNBC-TV18 India Risk Management Awards. This award recognizes organizations that understand risk and consistently practice it with high integrity. Several sustainability risks are tracked under the risk segments within our framework such as strategic, operational, financial and compliance.

Mindtree ERM Framework

Risk Categories	Details
Strategic	Strategic risks are uncertainties impacting the strategic objectives of the organization and include competition, M&A, industry changes, strategic development, loss of large business, global economic fluctuations and disruptive innovations.
Operations	Operational risks include risks to efficient and effective utilization of resources (excluding financial resources) and ineffective internal controls leading to potential fraud in key operational areas. It covers the risks related to gaps in existing processes which could potentially make the function/process weak and vulnerable to exploitation. This category includes uncertainties faced by corporate enabling functions.
Financial	Financial risks include uncertainties and untapped opportunities in effective and efficient utilization of financial resources as well as uncertainties in currency fluctuation, liquidity & funding, capital management, credit risk and financial guidance.
Compliance	Compliance risk covers risks due to non-compliance to applicable laws, regulations or standards and risks arising from poor contract definition with clients, business partners and vendors as well as risks associated with contractual compliance with clients and business partners.

The risk management committee at Mindtree, chaired by the CEO with the CFO and CRO as permanent invitees to meetings, provides the supervision and direction. Every potential risk has designated risk owners who are responsible for risk treatment as per Mindtree's risk management policy. A detailed update of the significant risks across the organization are discussed along with risks that have emerged during the course of the year.

In 2015-16, we added initiatives such as:

- Risk index for new geographies based on security/safety, ease of doing business, corruption perception, political/economic/financial system stability.
- Implementation of process to provide security guides for Mindtree Minds on international travel.
- Along with the above, we enhanced other existing initiatives such as the quarterly account risk index, contract risk management, risk awareness, client acceptance procedures and credit risk analysis.

- We engaged an external partner to review and further enhance the Mindtree Business Continuity Plan, and incorporate industry best practices and align to ISO 22301 standards.

Disaster management: The Chennai Floods was an unprecedented event and put our Business Continuity to test. The situation was managed well, driven by our effective business continuity management, thereby ensuring minimal disruption for our clients. We ensured safety of our people and extended support to Mindtree Minds and support staff.

The cross-functional team addressed the emergency head-on. The Administration and Facilities function kept the office operational and at the same time relocated Mindtree Minds based on client need and safety. Our Finance team, People Function and People Shared Services function brought in timely support. Our Corporate Information System team ensured that desktops/laptops were arranged swiftly and also tackled the issues with networks and equipment. Space Management team accommodated the relocated teams into the workplace and the Delivery teams were involved in tracking the people and communicating relevant updates to our clients.

Our risk management function was constantly in touch with stakeholders and support functions for emergency assessment and redressal feedback.

Independent Auditor's Report to the Members of Mindtree Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Mindtree Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.

   e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

Bengaluru, April 18, 2016

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Mindtree Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company as of and for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

Bengaluru, April 18, 2016

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered conveyance deed/ approved building plan provided to us, we report that, the title deeds, comprising all the immovable properties of buildings which are freehold as at the balance sheet date, are held in the name of the Company. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of investments made. According to the information and explanations given to us, the Company has not granted any loan or provided any guarantees and securities.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits.

(vi) Having regard to the nature of the Company's business/ activities, reporting under clause (vi) of the Order with regard to cost records is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount Involved (₹ in millions)	Amount Unpaid (₹ in millions)
Income Tax Act, 1961	Income tax	Commissioner of Income Taxes (Appeals)	AY 2002-03 to 2004-05	324.75	202.29
			AY 2007-08 and 2008-09	21.26	3.14
			AY 2010-11	61.47	61.47
			AY 2013-14	15.30	15.30
		Income Tax Appellate Tribunal	AY 2005-06 to 2009-10	538.10	163.00
The Finance Act, 1994	Service tax	Customs, Excise and Service Tax Appellate Tribunal	July 2003 to May 2008	141.70	131.09
		Assistant Commissioner of Commercial Taxes (Recovery)	April 2008 to March 2009	4.80	4.80
The Karnataka Sales Tax Act, 1957	Value added tax	Assistant Commissioner of Commercial Taxes (Recovery)	Upto July 2004	0.79	0.29
The Central Sales Tax Act, 1956	Sales tax	Commissioner (Appeals)	2011-12	0.46	0.46

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans to bank and government. There are no borrowings from financial institutions and the Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or persons connected with them and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

Bengaluru, April 18, 2016

Balance Sheet

₹ in million

	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1.1	1,678	837
Reserves and surplus	3.1.2	22,486	19,271
		24,164	**20,108**
Share application money pending allotment	3.1.1 (g)	-	4
Non-current liabilities			
Long-term borrowings	3.2.1	18	23
Other long-term liabilities	3.2.2	1,072	334
		1,090	**357**
Current liabilities			
Short-term borrowings	3.3.1	400	-
Trade payables			
Payable to micro and small enterprises	3.20	4	-
Others		1,242	1,188
Other current liabilities	3.3.2	3,712	2,776
Short-term provisions	3.3.3	2,153	2,028
		7,511	**5,992**
		32,765	**26,461**
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	3.4.1	4,304	4,507
Intangible assets	3.4.1	92	119
Capital work-in-progress		232	354
Non-current investments	3.4.2	9,052	1,113
Deferred tax assets (net)	3.4.3	593	449
Long-term loans and advances	3.4.4	1,842	1,639
Other non-current assets	3.4.5	276	17
		16,391	**8,198**
Current assets			
Current investments	3.5.1	2,101	5,343
Trade receivables	3.5.2	8,825	6,798
Cash and bank balances	3.5.3	1,924	3,669
Short-term loans and advances	3.5.4	1,476	1,448
Other current assets	3.5.5	2,048	1,005
		16,374	**18,263**
		32,765	**26,461**

Significant accounting policies and notes to the accounts 2&3

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 008072S

For and on behalf of the Board of Directors of **Mindtree Limited**

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

V. Balaji
Partner
Membership No. 203685

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2016

Place: Bengaluru
Date: April 18, 2016

Statement of profit and loss

₹ in million, except share and per share data

Particulars	Note	For the year ended March 31, 2016	2015
Revenue from operations		43,565	35,474
Other income	3.6	939	831
Total revenues		**44,504**	**36,305**
Expenses:			
Employee benefits expense	3.7	25,766	20,608
Finance costs	3.7	3	1
Depreciation and amortisation expense	3.4.1	1,309	1,017
Other expenses	3.7	9,691	7,802
Total expenses		**36,769**	**29,428**
Profit before tax		**7,735**	**6,877**
Tax expense:	3.4.3		
Current tax		1,830	1,581
Deferred tax		(144)	(47)
Profit for the year		**6,049**	**5,343**
Earnings per equity share	3.17		
Equity shares of par value ₹ 10/- each			
Basic		36.08	31.95
Diluted		35.99	31.83
Weighted average number of equity shares used in computing earnings per share			
Basic		167,649,773	167,238,871
Diluted		168,091,689	167,893,221

Significant accounting policies and notes to the accounts 2&3

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 008072S

For and on behalf of the Board of Directors of **Mindtree Limited**

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

V. Balaji
Partner
Membership No. 203685

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2016

Place: Bengaluru
Date: April 18, 2016

Cash flow statement

₹ in million

	For the year ended March 31,	
	2016	**2015**
Cash flow from operating activities		
Profit before tax	7,735	6,877
Adjustments for :		
Depreciation and amortisation expense	1,309	1,017
Expense on employee stock based compensation	90	168
Finance costs	3	1
Interest/ dividend income	(400)	(294)
Profit on sale of fixed assets	(30)	(6)
Profit on sale of investments	(131)	(286)
Exchange difference on derivatives	(31)	(21)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(97)	9
Operating profit before working capital changes	8,448	7,465
Changes in trade receivables	(2,027)	(794)
Changes in loans and advances and other assets	(1,098)	(33)
Changes in liabilities and provisions	657	879
Net cash provided by operating activities before taxes	5,980	7,517
Income taxes paid	(1,929)	(1,540)
Net cash provided by operating activities	**4,051**	**5,977**
Cash flow from investing activities		
Purchase of fixed assets	(1,570)	(1,995)
Proceeds from sale of fixed assets	269	8
Investment in subsidiaries	(6,659)	(600)
Interest/ dividend received from investments	479	219
Purchase of investments	(10,062)	(9,982)
Sale/ maturities of investments	13,385	10,252
Net cash used in investing activities	**(4,158)**	**(2,098)**
Cash flow from financing activities		
Issue of share capital (net of issue expenses paid)	24	67
Finance costs	(3)	(1)
Repayment of borrowings	(5)	(4)
Proceeds from short-term loans	400	-
Dividends paid (including distribution tax)	(2,151)	(1,438)
Net cash used in financing activities	**(1,735)**	**(1,376)**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	97	(9)
Net (decrease)/increase in cash and cash equivalents	**(1,745)**	**2,494**
Cash and cash equivalents at the beginning of the year	3,669	1,175
Cash and cash equivalents at the end of the year (Refer note 3.5.3)	**1,924**	**3,669**

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 008072S

For and on behalf of the Board of Directors of **Mindtree Limited**

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

V. Balaji
Partner
Membership No. 203685

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2016

Place: Bengaluru
Date: April 18, 2016

Significant accounting policies and notes to the accounts for the year ended March 31, 2016
(₹ in millions, except share and per share data, unless otherwise stated).

1. Background

Mindtree Limited ('Mindtree' or 'the Company') is an international Information Technology consulting and implementation company that delivers business solutions through global software development. The Company is structured into five verticals – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Technology, Media and Services (TMS), Travel and Hospitality (TH) and Others. The Company offers services in the areas of agile, analytics and information management, application development and maintenance, business process management, business technology consulting, cloud, digital business's, independent testing, infrastructure management services, mobility, product engineering and SAP services.

The Company is headquartered in Bengaluru and has offices in India, United States of America, United Kingdom, Japan, Singapore, Malaysia, Australia, Germany, Switzerland, Sweden, UAE, Netherlands, Canada, Belgium, France and Ireland.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP, interalia comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act'), the provisions of the Act (to the extent notified and applicable) and guidelines issued by the Securities and Exchange Board of India (SEBI).

2.2 Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in future periods.

2.3 Fixed assets and depreciation

2.3.1 Fixed assets are carried at cost of acquisition (including directly attributable costs such as freight, installation, etc.) or construction less accumulated depreciation. Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

2.3.2 Acquired intangible assets are capitalised at the acquisition price. Internally generated intangible assets are recorded at cost that can be measured reliably during the development phase and when it is probable that future economic benefits that are attributable to the assets will flow to the Company.

2.3.3 Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.3.4 Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under capital advances. The cost of the fixed asset not ready for its intended use on such date, is disclosed under capital work-in-progress.

2.3.5 Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Company. Depreciation for assets purchased/ sold during a period is proportionately charged. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The Company estimates the useful lives for fixed assets as follows:

Asset classification	Useful life
Buildings	5-30 years
Computer systems	2-3 years
Computer software	2 years
Test equipment	3 years
Furniture and fixtures	5 years
Electrical installations	3 years
Office equipment	4 years
Motor vehicles	4 years
Plant and machinery	4 years
Intellectual property	5 years

The Company believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

2.3.6 The cost of leasehold land is amortised over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortised over the lease term or useful life, whichever is lower.

2.4 Investments

2.4.1 Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

2.4.2 Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is carried out separately in respect of each investment.

2.4.3 Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise of cash-in-hand and balance in bank in current accounts and deposit accounts that are highly liquid and are readily convertible to known amounts of cash.

2.6 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.7 Employee benefits

2.7.1 Gratuity is a defined benefit scheme and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Company has an employees' gratuity fund managed by ICICI Prudential Life Insurance Company, SBI Life Insurance Company and Life Insurance Corporation of India. Actuarial gains and losses are charged to the statement of profit and loss.

2.7.2 Compensated absences are a long-term employee benefit and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Company accrues for the expected cost of short-term compensated absences in the period in which the employee renders services.

2.7.3 Contributions payable to the social security plans, which are a defined contribution scheme, are charged to the statement of profit and loss in the period in which the employee renders services.

2.8 Revenue recognition

2.8.1 The Company derives its revenues primarily from software services. Revenue from software development on time-and-material basis is recognised as the related services are rendered. Revenue from fixed price contracts is recognised using the proportionate completion method, which is determined by relating the actual project cost of work performed to date to the estimated total project cost for each contract. Unbilled revenue represents cost and earnings in excess of billings while unearned revenue represents the billing in excess of cost and earnings. Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

Maintenance revenue is recognised ratably over the period of the maintenance contract.

2.8.2 Provision for discounts is recognised on an accrual basis in accordance with contractual terms of agreements with customers. Revenues are stated net of volume discount.

2.8.3 Dividend income is recognised when the right to receive payment is established.

2.8.4 Interest income is recognised using the time proportion method, based on the transactional interest rates.

2.9 Foreign exchange transactions

2.9.1 The Company is exposed to foreign currency transactions including foreign currency revenues, receivables and borrowings. With a view to minimize the volatility arising from fluctuations in currency rates, the Company enters into foreign exchange forward contracts and other derivative instruments.

2.9.2 Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the statement of profit and loss for the period.

2.9.3 Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

2.9.4 In respect of integral operations, monetary assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. Non-monetary items are translated at the historical rate. The items in the statement of profit and loss are translated at the rates prevailing on the dates of the respective transactions. The differences arising out of the translation are recognised in the statement of profit and loss.

2.9.5 Forward exchange contracts and other similar instruments that are not in respect of forecasted transactions are accounted for using the guidance in Accounting Standard ('AS') 11, 'The effects of changes in foreign exchange rates'. For such forward exchange contracts and other similar instruments covered by AS 11, based on the nature and purpose of the contract, either the contracts are recorded based on the forward rate/ fair value at the reporting date, or based on the spot exchange rate on the reporting date. For contracts recorded at the spot exchange rates, the premium or discount at the inception is amortized as income or expense over the life of the contract.

2.9.6 For forward exchange contracts and other derivatives that are not covered by AS 11 and that relate to a firm commitment or highly probable forecasted transactions, the Company has adopted Accounting Standard ('AS') 30, 'Financial Instruments: Recognition and Measurement' to the extent that the adoption did not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements. In accordance with AS 30, such derivative financial instruments, which qualify for cash flow hedge accounting and where the Company has met all the conditions of cash flow hedge accounting, are fair valued at balance sheet date and the resultant exchange loss/ gain is debited/ credited to the hedge reserve until the transaction is completed. Other derivative instruments are recorded at fair value at the reporting date and the resultant exchange loss/ gain is debited/ credited to statement of profit and loss.

2.10 Warranties

Warranty costs (i.e. post contract support services) are estimated by the management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the period of recognition of revenue.

2.11 Provision and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2.12 Taxation

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Company. Deferred tax charge or credit are recognised for the future tax consequences attributable to timing difference that result between the profit offered for income taxes and the profit as per the financial statements. Deferred tax in respect of timing difference which originate during the tax holiday period but reverse after the tax holiday period is recognised in the period in which the timing difference originate. For this purpose the timing differences which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realised.

Minimum alternate tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in the balance sheet if there is a convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant assets can be measured reliably. MAT credit entitlement can be carried forward and utilized for a period of ten years from the period in which such credit is availed.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

2.13 Earnings per share

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary item. The number of equity shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the period. The number of equity shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.14 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised. In respect of goodwill, impairment loss will be reversed only when it is caused by specific external events and their effects have been reversed by subsequent external events.

2.15 Employee stock based compensation

The Company measures the compensation cost relating to stock options, restricted shares and phantom stock options using the intrinsic value method. The compensation cost is amortised over the vesting/ service period.

2.16 Government grants

Grants from the government are recognised when there is reasonable assurance that:

(i) the Company will comply with the conditions attached to them; and

(ii) the grant will be received.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a nominal value.

3. Notes to the accounts

3.1 Shareholders' funds

3.1.1 Share Capital

a)

Particulars	As at March 31,	
	2016	2015
Authorised		
800,000,000 (March 31, 2015: 800,000,000) equity shares of ₹ 10/- each	8,000	8,000
Issued, subscribed and paid-up capital		
167,786,176 (March 31, 2015: 83,732,372) equity shares of ₹ 10/- each fully paid	1,678	837
Total	**1,678**	**837**

b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of shares	₹	No. of shares	₹
Number of shares outstanding at the beginning of the year	83,732,372	837	41,689,731	417
Add: Shares issued on exercise of stock options and restricted shares	160,716	2	276,980	2
Add: Bonus shares issued *	83,893,088	839	41,765,661	418
Number of shares outstanding at the end of the year	167,786,176	1,678	83,732,372	837

*Refer note 3.1.1 (e).

c) The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each.

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

The Company declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

The Board of Directors at its meeting held on July 16, 2015, October 15, 2015 and January 18, 2016 had declared an interim dividend of 30% (₹ 3 per equity share of par value ₹ 10/- each) for the quarter ended June 30, 2015, 40% (₹ 4 per equity share of par value ₹ 10/- each) for the quarter ended September 30, 2015 and 40% (₹ 4 per equity share of par value ₹ 10/- each) for the quarter ended December 31, 2015 respectively.

During the year, the Company has issued bonus shares in the ratio of 1:1 after approval of shareholders through postal ballot.

The Board of Directors at its meeting held on March 23, 2016, have declared an interim dividend of 20% (₹ 2 per equity share (after bonus issue) of par value of ₹ 10/- each) for the quarter ended March 31, 2016. Further, the Board of Directors at its meeting held on April 18, 2016 have recommended a final dividend of 30% (₹ 3 per equity share (after bonus issue) of par value ₹ 10/- each) for the year ended March 31, 2016.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Equity shareholder holding more than 5 percent of equity shares along with the number of equity shares held at the beginning and at the end of the year is as given below:

Sr. No.	Name of the shareholder	As at March 31, 2016*		As at March 31, 2015	
		No. of shares	%	No. of shares	%
1	Coffee Day Enterprises Limited	17,461,768	10.4%	8,730,884	10.4%
2	Nalanda India Fund Limited	15,796,356	9.4%	7,898,178	9.4%
3	Coffee Day Trading Limited	10,594,244	6.3%	5,297,122	6.3%

*Post bonus issue

e) In the period of five years immediately preceding March 31, 2016:

a. The Company has allotted 83,893,088 and 41,765,661 fully paid up equity shares during the quarter ended March 31, 2016 and June 30, 2014 respectively, pursuant to 1:1 bonus share issue approved by shareholders. Consequently, options/units granted under the various employee share based plans are adjusted for bonus share issue.

b. The Company has not bought back any equity shares.

c. The Company has not allotted any equity shares as fully paid up without payment being received in cash.

f) **Employee stock based compensation**

The Company instituted the Employees Stock Option Plan ('ESOP') in fiscal 2000, which was approved by the Board of Directors ('the Board'). The Company has various stock option programs, a restricted stock purchase plan and a phantom stock option plan.

Program 1 [ESOP 1999]

This plan was terminated on September 30, 2001 and there are no options outstanding as at the reporting date.

Program 2 [ESOP 2001]

Options under this program have been granted to employees at an exercise price of ₹ 50 per option (₹ 25 per option post bonus issue). All stock options have a four-year vesting term and vest and become fully exercisable at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant. Each option is entitled to 1 equity share of ₹ 10 each. This program extends to employees who have joined on or after October 1, 2001 or have been issued employment offer letters on or after August 8, 2001 or options granted to existing employees with grant date on or after October 1, 2001. This plan was terminated on April 30, 2006. The contractual life of each option is 11 years after the date of grant.

Particulars	Year ended March 31,	
	2016	2015
Outstanding options, beginning of the year	32,976*	54,777*
Granted during the year	-	-
Exercised during the year	10,894	29,401
Lapsed during the year	3,722	2,304
Forfeited during the year	-	-
Outstanding options, end of the year	**18,360**	**23,072**
Options vested and exercisable, end of the year	18,360	23,072

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 3 [ESOP 2006 (a)]

This plan was terminated on October 25, 2006 and there are no options outstanding as at the reporting dates.

Program 4 [ESOP 2006 (b)]

Options under this program are granted to employees at an exercise price periodically determined by the Nomination and Remuneration Committee. All stock options have a four-year vesting term and vest and become fully exercisable at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant. Each option is entitled to 1 equity share of ₹ 10 each. This program extends to employees to whom the options are granted on or after October 25, 2006. The contractual life of each option is 5 years after the date of grant.

Particulars	Year ended March 31,	
	2016	2015
Outstanding options, beginning of the year	74,000	213,750*
Granted during the year	-	-
Exercised during the year	74,000	92,000
Lapsed during the year	-	-
Forfeited during the year	-	47,750
Outstanding options, end of the year	**-**	**74,000**
Options vested and exercisable, end of the year	-	74,000

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 5 [ESOP 2008A]

Options under this program are granted to employees of erstwhile Aztecsoft Limited as per swap ratio of 2:11 as specified in the merger scheme. Each option is entitled to 1 equity share of ₹ 10/- each.

Particulars	Year ended March 31,	
	2016	**2015**
Outstanding options, beginning of the year	159,244*	168,295*
Granted during the year	-	-
Exercised during the year	6,908	51,293
Lapsed during the year	-	33,926
Forfeited during the year	-	-
Outstanding options, end of the year	**1,52,336**	**83,076**
Options vested and exercisable, end of the year	1,52,336	83,076

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Directors' Stock Option Plan, 2006 (DSOP 2006)

Options under this program have been granted to independent directors at an exercise price periodically determined by the Nomination and Remuneration Committee. All stock options vest and become fully exercisable equally over three year vesting term at the end of 1, 2 and 3 years respectively from the date of the grant. Each option is entitled to 1 equity share of ₹ 10/- each. The contractual life of each option is 4 years after the date of the grant.

Particulars	Year ended March 31,	
	2016	**2015**
Outstanding options, beginning of the year	60,000*	75,000*
Granted during the year	-	-
Exercised during the year	20,000	35,000
Lapsed during the year	-	-
Forfeited during the year	-	-
Outstanding options, end of the year	**40,000**	**40,000**
Options vested and exercisable, end of the year	40,000	26,666

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 7 [ESOP 2010A]

In-principle approvals for administering the seventh stock option program i.e. ESOP 2010 (A) has been received by the Company from the BSE and NSE for 1,135,000 equity shares of ₹ 10 each. No options have been granted under the program as at March 31, 2016.

Employee Restricted Stock Purchase Plan 2012 (ERSP 2012)

ERSP 2012 was instituted with effect from July 16, 2012 to issue equity shares of nominal value of ₹ 10/- each. Shares under this program are granted to employees at an exercise price of not less than ₹ 10/- per equity share or such higher price as determined by the Nomination and Remuneration Committee. Shares shall vest over such term as determined by the Nomination and Remuneration Committee not exceeding ten years from the date of the grant. All shares will have a minimum lock in period of one year from the date of allotment.

Particulars	Year ended March 31,	
	2016	**2015**
Outstanding shares, beginning of the year	-	-
Granted during the year	48,914	69,286
Exercised during the year	48,914	69,286
Lapsed during the year	-	-
Forfeited during the year	-	-
Outstanding shares, end of the year	-	-
Shares vested and exercisable, end of the year	-	-

Other stock based compensation arrangements

The Company has also granted phantom stocks and letter of intent to issue shares under ERSP 2012 plan to certain employees which is subject to certain vesting conditions. Details of the grant/issue as at March 31, 2016 are given below:

Particulars	Phantom stocks plan*
Total no. of units	1,195,000
Vested units	-
Lapsed units	-
Forfeited units	-
Cancelled units	-
Outstanding units as at the end of the year	1,195,000
Contractual life	2 years
Date of grant	21-Oct-15
Price per share/unit	Grant price of ₹ 686

Particulars	ERSP 2012 plan*
Outstanding units/shares, beginning of the year	308,000
Number of units/shares issued under letters of intent	94,250
Vested units/shares	38,102
Lapsed units/shares	4,448
Forfeited units/shares	17,000
Cancelled units/ shares	-
Outstanding units/ shares as at the end of the year	342,700
Contractual life	2-4 years
Date of grant**	Jul 18, 2013, May 12, 2015, Oct 21, 2015, Oct 27, 2015, Feb 25, 2016
Price per share/unit**	Exercise price of ₹ 10

*Adjusted for bonus issue. Refer note 3.1.1 (e).

**Based on Letter of Intent

The weighted average fair value of each unit under the above mentioned ERSP 2012 plan, granted during the year was ₹ 1,418 (₹ 705, after bonus issue) using the Black-Scholes model with the following assumptions:

Particulars	Pre bonus issue	Post bonus issue
Weighted average grant date share price	₹ 1,435	₹ 717
Weighted average exercise price	₹ 10	₹ 10
Dividend yield %	0.22%	0.31%
Expected life	1-4 years	1-4 years
Risk free interest rate	7.43%	7.43%
Volatility	45.53%	45.53%

The following table summarizes information about the weighted average exercise price of options/ shares exercised under various programs:

Amount in ₹

Particulars	Year ended March 31,	
	2016	2015
Program 2	25.00	30.25
Program 4	265.07	344.77
Program 5	239.25	201.88
DSOP 2006	309.50	560.00
ERSP 2012	10.00	10.00

The following tables summarize information about the options/ shares outstanding under various programs as at March 31, 2016 and March 31, 2015 respectively:

Particulars	As at March 31, 2016		
	Number of options/ shares*	Weighted average remaining contractual life (in years)	Weighted average exercise price* (in ₹)
Program 2	18,360	0.67	12.50
Program 5	152,336	1.33	106.50
DSOP 2006	40,000	0.04	123.25

*Adjusted for bonus issue. Refer note 3.1.1 (e).

Particulars	As at March 31, 2015		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in ₹)
Program 2	23,072	0.70	25.00
Program 4	74,000	0.32	265.07
Program 5	83,076	2.32	215.18
DSOP 2006	40,000	1.10	278.00

The Company has recorded compensation cost for all grants using the intrinsic value-based method of accounting.

Had stock based compensation been determined under the fair value approach described in the Guidance Note on, "Accounting for employee share-based payments" issued by ICAI, the Company's net profit and basic and diluted earnings per share would have reduced to the proforma amounts as indicated:

Particulars	Year ended March 31,	
	2016	2015
Net profit as reported	6,049	5,343
Add: Stock-based employee compensation expense (intrinsic value method)	90	168
Less: Stock-based employee compensation expense (fair value method)	(92)	(173)
Pro forma net profit	6,047	5,338
Basic earnings per share as reported	36.08	31.95
Pro forma basic earnings per share	36.07	31.92
Diluted earnings per share as reported	35.99	31.83
Pro forma diluted earnings per share	35.98	31.80

g) As at March 31, 2015, the Company had received ₹ 4 towards allotment of 15,000 equity shares and 276 equity shares at exercise prices of ₹ 285 each and ₹ 25 each respectively and it was shown under Share application money pending allotment. The Company made the allotment for these 15,276 equity shares during the year ended March 31, 2016.

3.1.2 Reserves and surplus

Particulars	As at March 31,	
	2016	2015
Capital reserve		
Opening balance	87	87
	87	**87**
Securities premium reserve		
Opening balance	1,898	2,208
Additions during the year	63	108
Less: Amount utilised for bonus shares	(839)	(418)
	1,122	**1,898**
General reserve		
Opening balance	1,542	1,542
	1,542	**1,542**
Share option outstanding account		
Opening balance	78	68
Additions during the year	29	10
	107	**78**
Hedge reserve		
Opening balance	-	49
Movement during the year	-	(49)
	-	-
Surplus (Balance in the statement of profit and loss)		
Opening balance	15,666	12,038
Add: Amount transferred from statement of profit and loss	6,049	5,343
Amount available for appropriations	**21,715**	**17,381**
Appropriations:		
Interim dividend	(1,258)	(586)
Final dividend	(504)	(838)
Dividend distribution tax (net)	(325)	(291)
	19,628	**15,666**
Total	**22,486**	**19,271**

3.2 Non-current liabilities

3.2.1 Long-term borrowings

Particulars	As at March 31,	
	2016	2015
(Unsecured)		
Other loans	18	23
Total	**18**	**23**

Long-term borrowings represent the amount received from Council for Scientific and Industrial Research (CSIR) to develop a project under "Development of Intelligent Video Surveillance Server (IVSS) system".

The loan is an unsecured loan carrying a simple interest of 3% p.a. on the outstanding amount of loan. Repayment of loan is in 10 equal annual installments from June 2011. Any delay in repayment entails a liability of 12% p.a. compounded monthly for the period of delay.

There is no continuing default in the repayment of the principal loan and interest amounts.

3.2.2 Other long-term liabilities

Particulars	As at March 31,	
	2016	2015
Other long-term liabilities*	1,072	334
Total	**1,072**	**334**

*Includes payable for acquisition of businesses ₹ 990 (As at March 31, 2015: ₹ 227)

3.3 Current liabilities

3.3.1 Short-term borrowings

Particulars	As at March 31,	
	2016	2015
(Secured)		
Other loans from banks	400	-
Total	**400**	**-**

Short-term borrowings represent the packing credit loan from bank secured against receivables.

3.3.2 Other current liabilities

Particulars	As at March 31,	
	2016	2015
Current maturities of long-term debt*	5	5
Interest accrued but not due on borrowings	1	1
Unearned income	230	225
Unpaid dividends	7	5
Dividend payable	336	-
Creditors for capital goods	185	218
Advances from customers	42	27
Employee related liabilities	1,091	1,462
Book overdraft	395	155
Gratuity payable (net)	138	18
Other liabilities**	1,282	660
Total	**3,712**	**2,776**

* The details of interest rates, repayment and other terms are disclosed under note 3.2.1.

** Includes derivative liability of ₹ 1 (As at March 31, 2015: ₹ 3) and payable for acquisition of businesses ₹ 714 (As at March 31, 2015: ₹ 269)

As at March 31, 2016, the Company has outstanding forward contracts amounting to USD 30.5 million (As at March 31, 2015: USD 32 million), GBP 1.5 million (As at March 31, 2015: GBP 2.25 million) and Euro 3.25 million (As at March 31, 2015: Euro 4.5 million). These derivative instruments have been entered to hedge highly probable forecasted sales.

The derivative instruments have been fair valued at the balance sheet date and resultant exchange gain ₹ 31 for the year ended March 31, 2016 respectively (for the year ended March 31, 2015: Exchange gain of ₹ 21) has been recorded in the statement of profit and loss.

The following table sets out the status of the gratuity plan as required under AS 15-Employee Benefits.

Particulars	As at March 31,	
	2016	2015
Change in projected benefit obligations		
Obligations at the beginning of the year	413	365
Service cost	91	81
Interest cost	29	29
Benefits settled	(50)	(55)
Actuarial (gain)/loss	30	(7)
Obligations at end of the year	**513**	**413**
Change in plan assets		
Plan assets at the beginning of the year, at fair value	395	363
Expected return on plan assets	32	29
Actuarial gain/(loss)	(6)	5
Contributions	4	53
Benefits settled	(50)	(55)
Plan assets at the end of the year, at fair value	**375**	**395**

Summary of the present value of the obligation, the fair value of the plan assets and experience adjustments

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Fair value of plan assets at the end of the year	375	395	363	313	275
Present value of defined obligations at the end of the year	(513)	(413)	(365)	(324)	(276)
Asset/ (liability) recognised in the balance sheet	**(138)**	**(18)**	**(2)**	**(11)**	**(1)**
Experience adjustment on plan liabilities	30	(7)	(23)	8	25
Experience adjustment on plan assets	(6)	5	-	1	38

Particulars	For the year ended March 31,	
	2016	2015
Gratuity cost		
Service cost	91	81
Interest cost	29	29
Expected return on plan assets	(32)	(29)
Actuarial (gain)/loss	36	(12)
Net gratuity cost	**124**	**69**
Actual return on plan assets	36	29
Assumptions		
Interest rate	7.70%	7.80%
Expected rate of return on plan assets	8.75%	8.75%
Salary increase	5.00%	6.00%
Attrition rate	14.23%	14.23%
Retirement age	60	60

The Company has invested the plan assets in the insurer managed funds. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of obligation. Expected contribution to the fund for the year ending March 31, 2017 is ₹ 138.

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

3.3.3 Short-term provisions

Particulars	As at March 31,	
	2016	2015
Provision for compensated absences	530	352
Provision for taxes, net of advance tax and tax deducted at source	270	227
Provision for discount	663	367
Dividend payable	504	837
Dividend distribution tax payable	103	172
Provision for post contract support services	7	5
Provision for disputed dues*	76	68
Total	**2,153**	**2,028**

*Represents disputed tax dues provided pursuant to unfavourable order received from the tax authorities against which the Company has preferred an appeal with the relevant authority. In respect of the provisions of AS 29, the disclosures required have not been provided in accordance with paragraph 72 of AS 29.

The disclosure of provisions movement as required under the provisions of AS 29 is as follows:-

Provision for discount

Particulars	For the year ended March 31,	
	2016	2015
Balance at the beginning of the year	367	270
Provisions made during the year	486	433
Utilisations during the year	(172)	(328)
Released during the year	(18)	(8)
Provision at the end of the year	663	367

Provision for post contract support services

Particulars	For the year ended March 31,	
	2016	2015
Balance at the beginning of the year	5	4
Provisions made during the year	2	2
Utilisations during the year	-	-
Released during the year	-	(1)
Provision at the end of the year	7	5

Provision for disputed dues

Particulars	For the year ended March 31,	
	2016	2015
Balance at the beginning of the year	68	62
Provisions made during the year	8	6
Utilisations during the year	-	-
Released during the year	-	-
Provision at the end of the year	76	68

3.4 Non-current assets

3.4.1 Fixed assets

Assets	Gross block				Accumulated depreciation				Net book value
	As at April 1, 2015	Additions during the year	Deletions during the year	As at March 31, 2016	As at April 1, 2015	For the year	Deletions during the year	As at March 31, 2016	As at March 31, 2016
Tangible assets									
Leasehold land	425	-	13	412	95	12	1	106	306
Buildings	3,621	417	992	3,046	1,105	216	360	961	2,085
Leasehold improvements	1,016	170	-	1,186	554	146	-	700	486
Computer systems	2,037	631	68	2,600	1,400	549	68	1,881	719
Test equipment	217	-	-	217	217	-	-	217	-
Furniture and Fixtures	257	139	49	347	166	36	49	153	194
Electrical installations	521	121	32	610	319	111	32	398	212
Office equipment	731	156	78	809	492	113	77	528	281
Motor vehicles	28	-	-	28	5	9	-	14	14
Plant and machinery	8	-	-	8	1	-	-	1	7
Total (A)	**8,861**	**1,634**	**1,232**	**9,263**	**4,354**	**1,192**	**587**	**4,959**	**4,304**
Intangible assets									
Intellectual property	67	-	-	67	65	2	-	67	-
Computer software	921	90	5	1,006	804	115	5	914	92
Total (B)	**988**	**90**	**5**	**1,073**	**869**	**117**	**5**	**981**	**92**
Total (A) + (B)	**9,849**	**1,724**	**1,237**	**10,336**	**5,223**	**1,309**	**592**	**5,940**	**4,396**

Assets	Gross block				Accumulated depreciation				Net book value
	As at April 1, 2014	Additions during the year	Deletions during the year	As at March 31, 2015	As at April 1, 2014	For the year	Deletions during the year	As at March 31, 2015	As at March 31, 2015
Tangible assets									
Leasehold land	425	-	-	425	83	12	-	95	330
Buildings	2,694	928	1	3,621	957	149	1	1,105	2,516
Leasehold improvements	819	197	-	1,016	428	126	-	554	462
Computer systems	1,570	569	102	2,037	1,085	416	101	1,400	637
Test equipment	218	-	1	217	217	1	1	217	-
Furniture and Fixtures	191	71	5	257	157	14	5	166	91
Electrical installations	360	167	6	521	256	69	6	319	202
Office equipment	600	155	24	731	436	80	24	492	239
Motor vehicles	2	27	1	28	1	5	1	5	23
Plant and machinery	8	-	-	8	1	-	-	1	7
Total (A)	**6,887**	**2,114**	**140**	**8,861**	**3,621**	**872**	**139**	**4,354**	**4,507**
Intangible assets									
Intellectual property	67	-	-	67	52	13	-	65	2
Computer software	892	94	65	921	737	132	65	804	117
Total (B)	**959**	**94**	**65**	**988**	**789**	**145**	**65**	**869**	**119**
Total (A) + (B)	**7,846**	**2,208**	**205**	**9,849**	**4,410**	**1,017**	**204**	**5,223**	**4,626**

3.4.2 Non-current investments

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in non-convertible bonds (quoted)	50	-
Trade investments (unquoted)		
- Investment in equity instruments	4,813	16
- Investment in preference shares	7	7
- Investment in Limited Liability Company	4,183	1,091
Less: Provision for diminution in value of investments	(1)	(1)
Total	**9,052**	**1,113**
Aggregate amount of quoted investments	50	-
Aggregate market value of quoted investments	50	-
Aggregate amount of unquoted investments	9,003	1,114

Details of investment in non-convertible bonds are as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
50 secured redeemable non-convertible bonds of ₹ 1 million in the nature of promissory notes in PNB Housing Finance Limited	50	-
Total	**50**	**-**

Details of investment in equity instruments are as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in equity instruments of wholly owned subsidiaries		
Mindtree Software (Shanghai) Co., Ltd ('MSSCL')	14	14
1,104,124 (previous year: Nil) fully paid equity shares of £ 0.001 each in Bluefin Solutions Limited	4,236	-
1,000 (previous year: Nil) fully paid equity shares in Relational Solutions, Inc.	561	-
Investment in equity instruments of other companies		
2,400 (previous year: 2,400) equity shares in Career Community.com Limited	1	1
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited	-	-
950,000 (previous year: 950,000) equity shares of ₹1 each in NuvePro Technologies Private Limited	1	1
Total	**4,813**	**16**

The Company has acquired 100% of the equity interest in Bluefin Solutions Limited ('Bluefin'), a leading UK based IT solutions provider specializing in SAP HANA solutions, in an all cash transaction for GBP 42.3 million. The consideration includes an upfront payment of GBP 34 million and earn out of GBP 8.3 million payable over the next three years. The transfer of equity interests and control of Bluefin is effective July 16, 2015 and consequently, Bluefin has become a 100% subsidiary of the Company effective that date.

The Company has also acquired 100% of the equity interest in Relational Solutions, Inc a US based IT solutions provider specializing in technology services to the consumer goods industry, in an all cash transaction for USD 8.6 million. The consideration includes an upfront payment of USD 7.1 million and earn out of USD 1.5 million payable over the next two years. The transfer of equity interests and control of Relational Solutions, Inc is effective July 16, 2015 and consequently, Relational Solutions, Inc has become a 100% subsidiary of the Company effective that date.

Details of investment in preference shares are as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
643,790 (previous year: 643,790) 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
Total	**7**	**7**

Details of investment in Limited Liability Company is as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in wholly owned subsidiary		
Discoverture Solutions L.L.C	1,091	1,091
Magnet 360 L.L.C.	3,092	-
Total	**4,183**	**1,091**

The Company acquired 100% membership interest in Discoverture Solutions L.L.C. (Discoverture), a US based IT solution provider to the insurance industry, for a consideration of USD 17 million during the year ended March 31, 2015. The consideration includes future payments which are based on achievement of certain specific milestones which have currently been provided for based on best estimate of the Company. The transfer of membership interests and control of Discoverture is effective February 13, 2015 and consequently, Discoverture has become a 100% subsidiary of the Company effective that date.

The Company has also acquired 100% membership interest in Magnet 360, LLC, a US based platinum salesforce partner specializing in multi-cloud solutions, consulting services and implementation, in an all cash transaction for USD 45.9 million. The consideration includes an upfront payment of USD 37.3 million and earn out of up to USD 8.6 million over the next two years. The transfer of membership interests and control of Magnet 360, LLC is effective January 19, 2016 and consequently, Magnet 360, LLC, has become a 100% subsidiary of the Company effective that date.

3.4.3 Taxes

Particulars	For the year ended March 31,	
	2016	2015
Tax expense		
Current tax	1,880	1,581
- MAT credit entitlement	(50)	-
	1,830	1,581
Deferred Tax	(144)	(47)
Total	**1,686**	**1,534**

The Company has units at Bengaluru, Hyderabad, Chennai and Bhubaneshwar registered as Special Economic Zone (SEZ) units which are entitled to a tax holiday under Section 10AA of the Income Tax Act, 1961.

The Company also has STPI units at Bengaluru and Pune which are registered as a 100 percent Export Oriented Unit, which were earlier entitled to a tax holiday under Section 10B and Section 10A of the Income Tax Act, 1961.

Deferred tax assets (net):

Deferred tax assets included in the balance sheet comprises the following:

Particulars	As at March 31,	
	2016	2015
Excess of depreciation as per books over depreciation allowed under Income Tax Act, 1961	250	205
Provision for doubtful trade receivables	22	16
Provision for compensated absence	201	117
Provision for volume discount	73	39
Others	47	72
Total deferred tax assets	**593**	**449**

3.4.4 Long-term loans and advances

Particulars	As at March 31,	
	2016	2015
(Unsecured considered good)		
Capital advances	42	107
Security deposits*	560	546
Advance tax and tax deducted at source, net of provision for taxes	926	834
Service tax credit receivable	138	-
MAT credit entitlement	148	110
Other loans and advances	28	42
Total	**1,842**	**1,639**

* Includes dues from related parties ₹ 298 as at March 31, 2016. (As at March 31, 2015 ₹ 391) (Refer note 3.15)

3.4.5 Other non-current assets

Particulars	As at March 31,	
	2016	2015
(Unsecured considered good)		
Other non-current assets	276	17
Total	**276**	**17**

3.5 Current assets

3.5.1 Current investments

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in mutual funds (quoted)	1,751	4,643
Investment in non-convertible bonds (quoted)	100	-
Term deposits (unquoted)	250	700
Total	**2,101**	**5,343**
Aggregate carrying amount of quoted investments	1,851	4,643
Aggregate market value of quoted investments	2,016	4,790
Aggregate amount of unquoted investments	250	700

Details of investment in mutual funds are as given below:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of units	Amount	No. of units	Amount
ICICI Prudential Mutual Fund	17,401,890	296	28,722,324	472
IDFC Mutual Fund	16,285,532	192	37,530,726	433
UTI Mutual Fund	3,456,138	58	13,456,138	158
Franklin Templeton Mutual Fund	-	-	11,695,643	290
DSP Blackrock Mutual Fund	-	-	14,790,537	351
Birla Sun Life Mutual Fund	14,185,302	212	20,007,295	454
Reliance Mutual Fund	17,651,564	303	23,725,772	428
Tata Mutual Fund	21,243,549	325	36,229,022	422
DWS Mutual Fund	-	-	4,483,697	45
SBI Mutual Fund	5,597,950	87	13,787,278	358
HDFC Mutual Fund	3,635,659	178	27,872,023	424
Axis Mutual Fund	-	-	100,840	104
Bank of India AXA Mutual Fund	10,000,000	100	10,000,000	100
Kotak Mutual Fund	-	-	5,681,936	58
JP Morgan India Mutual Fund	-	-	16,989,901	189
L & T Mutual Fund	-	-	98,576	100
IDBI Mutual Fund	-	-	254,281	257
Total		**1,751**		**4,643**

Details of investment in non-convertible bonds are as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
50 secured redeemable non-convertible debentures of ₹ 1 million in Kotak Mahindra Prime Limited	50	-
50 secured redeemable non-convertible debentures of ₹ 1 million in Kotak Mahindra Investments Limited	50	-
Total	**100**	**-**

Details of investment in term deposits are as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
HDFC Limited	-	700
IL&FS Limited	100	-
Bajaj Finance Limited	50	-
Kotak Mahindra Investments Limited	50	-
LIC Housing Finance Limited	50	-
Total	**250**	**700**

3.5.2 Trade receivables

Particulars	As at March 31,	
	2016	2015
(Unsecured)		
Receivables overdue for a period exceeding six months		
- considered good	34	62
- considered doubtful	82	72
Other receivables		
- considered good	8,791	6,736
- considered doubtful	20	9
Less: Provision for doubtful receivables	(102)	(81)
Total	**8,825**	**6,798**

3.5.3 Cash and bank balances

Particulars	As at March 31,	
	2016	2015
Balances with banks in current and deposit accounts*	1581	3,664
Cash on hand	-	-
Other bank balances**	343	5
Total	**1,924**	**3,669**

* The deposits maintained by the Company with banks comprises time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

** Other bank balances represent earmarked balances in respect of unpaid dividends and dividend payable.

3.5.4 Short-term loans and advances

Particulars	As at March 31,	
	2016	2015
(Unsecured considered good)		
Security deposits	36	143
MAT credit entitlement	49	36
Advances recoverable in cash or in kind or for value to be received*	1,411	1,289
Less: Provision for doubtful advances	(20)	(20)
Total	**1,476**	**1,448**

* Includes dues from related parties ₹ Nil as at March 31, 2016. (As at March 31, 2015 ₹ 94) (Refer note 3.15)

This also includes amounts pertaining to housing deposits, vehicles, medical emergencies, travel and salary advances given to employees to the extent of ₹ 431 as at March 31, 2016. (As at March 31, 2015: ₹ 287)

3.5.5 Other current assets

Particulars	As at March 31,	
	2016	2015
Unbilled revenue	1,830	981
Other current assets*	218	24
Total	**2,048**	**1,005**

* Includes derivative asset of ₹ 53 (As at March 31, 2015: ₹ 24)

3.6 Other income

Particulars	For the year ended March 31,	
	2016	2015
Interest income	165	140
Dividend income from current investments	73	154
Dividend income from subsidiaries	162	-
Net gain on sale of current investments	131	286
Foreign exchange gain	365	177
Other non-operating income	43	74
Total	**939**	**831**

3.7 Expenses

Employee benefits expense	For the year ended March 31,	
	2016	2015
Salaries and wages	24,126	19,215
Contribution to provident and other funds**	1,375	1,050
Expense on employee stock based compensation*	90	168
Staff welfare expenses	175	175
Total	**25,766**	**20,608**

Finance Costs	For the year ended March 31,	
	2016	2015
Interest Expense	3	1
Total	**3**	**1**

Other expenses	For the year ended March 31,	
	2016	2015
Travel expenses	2,086	1,732
Communication expenses	615	436
Sub-contractor charges	2,599	2,107
Computer consumables	617	441
Legal and professional charges	478	406
Power and fuel	316	275
Rent (Refer note 3.16)	689	625
Repairs to buildings	52	51
Repairs to machinery	47	35
Insurance	57	48
Rates and taxes	123	93
Other expenses	2,012	1,553
Total	**9,691**	**7,802**

* Refer note 3.1.1 (f)
**Includes contribution to defined contribution plans ₹ 1,251 (For the year ended March 31, 2015: ₹ 981)

3.8 Contingent liabilities

a) The Company has received an income tax assessment for the financial year 2008-09 wherein demand of ₹ 24 has been raised against the Company on account of certain disallowances, adjustments made by the income tax department. A significant portion of this amount arises from the manner of adjustment of brought forward losses in arriving at the taxable profits of the Company and disallowance of portion of profit earned outside India from the STP and SEZ units.

Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demands received.

The Company has received a favourable order from the Commissioner of Income Tax (Appeals) for majority of grounds and considering the order passed, there will not be any demand on the Company. On the other grounds which are not favourable, the Company has filed an appeal before the Income Tax Appellate Tribunal ('ITAT').

b) The Company has received income tax assessments for financial years 2006-07 and 2007-08 for the erstwhile subsidiary Mindtree Technologies Private Limited (MTPL) with demands amounting to ₹ 11 and ₹ 10 on account of certain disallowances/ adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demand received. The Company has not deposited the amount of demand with the department. The department has adjusted pending refunds amounting to ₹ 18 against these demands.

c) The Company has received income tax assessments under Section 143(3) of the Income-tax Act 1961 pertaining to erstwhile subsidiary Aztecsoft Limited for the financial years 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 wherein demand of ₹ 215, ₹ 49, ₹ 61, ₹ 28, ₹ 58, ₹ 119, ₹ 214 and ₹ 63 respectively has been raised against the Company. These demands have arisen mainly on account of transfer pricing adjustments made in the order. The Company has not accepted these orders and has been advised by its legal counsel/ advisors to prefer appeals before appellate authorities and accordingly the Company has filed appeals before the Commissioner of Income Tax (Appeals) and ITAT. The Company has deposited ₹ 15 with the department against these demands. The department has adjusted pending refunds amounting to ₹ 478 against these demands.

The Company received a favourable order from the Commissioner of Income Tax (Appeals) for the year 2001-02 wherein the Commissioner of Income Tax (Appeals) accepted the Company's contentions and quashed the demand raised. The Income tax department appealed against the above mentioned order with ITAT. ITAT, in an earlier year passed an order setting aside both the orders of the Commissioner of Income Tax (Appeals) as well as the Assessing Officer and remanded the matter back to the Assessing Officer for re-assessment. The Company preferred an appeal with the Hon'ble High Court of Karnataka against the order of the ITAT.

The Hon'ble High Court of Karnataka has dismissed the appeal filed against the order of ITAT and upheld the order passed by the ITAT and accordingly the case is pending before Assessing Officer for re-assessment. The Deputy Commissioner of Income Tax has completed the reassessment & has issued a Final assessment order with a revised demand amounting to ₹ 202 due to transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals).

The Company has received the order from the Commissioner of Income Tax (Appeals) for the year 2004-05 and on the unfavorable grounds, the Company has filed an appeal with ITAT.

The Company has appealed against the demands received for financial years 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09. Based on favourable order received by the Company for the financial year 2001-02 from the Commissioner of Income Tax (Appeals) and an evaluation of the facts and circumstances, no provision has been made against the above orders in the financial statements.

d) The Company received an assessment order for financial year 2006-07 for the erstwhile subsidiary Mindtree Wireless Private Limited from the Assistant Commissioner of Income-tax ('ACIT') with a demand amounting to ₹ 39 on account of certain other disallowances/ transfer pricing adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals) against the demand received.

The Company has received the order from the Commissioner of Income Tax (Appeals) wherein the Commissioner of Income Tax (Appeals) accepted the grounds in part and in respect of unfavorable grounds, the Company has filed an appeal before Income Tax Appellate Tribunal. The final order giving effect by the Assessing Officer is completed and the demand is reduced to ₹ 33. The Company has deposited ₹ 5 with the department against this demand.

e) The Company has received a final assessment order for financial year 2009-10 from the Deputy Commissioner of Income Tax with a demand amounting to ₹ 61 due to non-adjustment of brought forward losses and transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals).

f) The Company has received a final assessment order for financial year 2012-13 from the Deputy Commissioner of Income Tax with a demand amounting to ₹ 15 on account of certain disallowances. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals).

3.9 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2016 is ₹ 262 (March 31, 2015: ₹ 508).

3.10 Value of imports on CIF basis

Particulars	For the year ended March 31,	
	2016	2015
Capital goods	270	339
Total	**270**	**339**

3.11 Expenditure in foreign currency

Particulars	For the year ended March 31,	
	2016	2015
Branch office expenses	20,635	15,822
Travel expenses	269	244
Professional charges	60	52
Others	295	363
Total	**21,259**	**16,481**

3.12 Earnings in foreign currency

Particulars	For the year ended March 31,	
	2016	2015
Income from software development	42,566	34,452
Dividend income from subsidiaries	162	-
Other income	9	31
Total	**42,737**	**34,483**

3.13 During the year ended March 31, 2016, the Company has remitted in foreign currency dividend of ₹ 38 (year ended March 31, 2015: ₹ 29)

Particulars	For the year ended March 31, 2016	2015
Number of shares held		
Final dividend 2014-15	1,870,100	-
First interim dividend 2015-16	1,870,600	-
Second interim dividend 2015-16	1,796,998	-
Third interim dividend 2015-16	1,695,047	-
Third interim dividend 2013-14	-	1,119,693
Final and special dividend 2013-14	-	2,150,288
First interim dividend 2014-15	-	1,870,871
Second interim dividend 2014-15	-	1,878,172
Number of shareholders		
Final dividend 2014-15	55	-
First interim dividend 2015-16	55	-
Second interim dividend 2015-16	52	-
Third interim dividend 2015-16	52	-
Third interim dividend 2013-14	-	53
Final and special dividend 2013-14	-	51
First interim dividend 2014-15	-	52
Second interim dividend 2014-15	-	56
Amount Remitted (in ₹)		
Final dividend 2014-15	19	-
First interim dividend 2015-16	5	-
Second interim dividend 2015-16	7	-
Third interim dividend 2015-16	7	-
Third interim dividend 2013-14	-	6
Final and special dividend 2013-14	-	10
First interim dividend 2014-15	-	6
Second interim dividend 2014-15	-	7

3.14 Segmental reporting

The Company is structured into five verticals – RCM, BFSI, TMS, TH and Others. The Company considers business segment as the primary segment and geographical segment based on the location of customers as the secondary segment.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

Income and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income.

The assets of the Company are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

Business segments

Statement of profit and loss	For the year ended March 31, 2016	2015
Segment revenue		
RCM	9,346	7,720
BFSI	10,979	8,233
TMS	14,505	11,641
TH	7,164	5,843
Others	1,571	2,037
Total	**43,565**	**35,474**
Segment operating income		
RCM	2,040	1,503
BFSI	1,455	912
TMS	2,681	2,738
TH	1,255	1,136
Others	677	793
Total	**8,108**	**7,082**
Unallocable expenses	(1,309)	(1,035)
Profit for the year before interest, other income and tax	**6,799**	**6,047**
Finance costs	(3)	(1)
Other income	939	831
Net profit before taxes	**7,735**	**6,877**
Income taxes	(1,686)	(1,534)
Net profit after taxes	**6,049**	**5,343**

Other information	For the year ended March 31, 2016	2015
Depreciation and Amortisation (Unallocable)	1,309	1,017
Other significant non-cash expense (Allocable)		
RCM	15	-
BFSI	8	-
TMS	33	-
TH	8	11
Others	-	-

Geographical segments

Revenues	For the year ended March 31, 2016	2015
America	29,296	21,921
Europe	9,717	8,964
India	1,411	1,350
Rest of World	3,141	3,239
Total	**43,565**	**35,474**

3.15 Related party transactions

Name of related party	Nature of relationship
Mindtree Software (Shanghai) Co., Ltd ('MSSCL'), Republic of China	Subsidiary
Discoverture Solutions L.L.C.	Subsidiary with effect from February 13, 2015
Discoverture Solutions U.L.C.*	Subsidiary with effect from February 13, 2015
Discoverture Solutions Europe Limited**	Subsidiary with effect from February 13, 2015
Janaagraha Centre for Citizenship & Democracy	Entity with common key managerial person
Mindtree Foundation	Entity with common key managerial person
Bluefin Solutions Limited	Subsidiary with effect from July 16, 2015
Bluefin Solutions Inc.	Subsidiary with effect from July 16, 2015
Bluefin Solutions Sdn Bhd	Subsidiary with effect from July 16, 2015
Blouvin (Pty) Limited	Subsidiary with effect from July 16, 2015
Bluefin Solutions Pte Ltd	Subsidiary with effect from July 16, 2015
Relational Solutions, Inc	Subsidiary with effect from July 16, 2015
Magnet 360, LLC	Subsidiary with effect from January 19, 2016

Name of related party	Nature of relationship
Reside, LLC	Subsidiary with effect from January 19, 2016
M360 Investments, LLC	Subsidiary with effect from January 19, 2016
Numerical Truth, LLC	Subsidiary with effect from January 19, 2016
Coffee Day Global Limited Tanglin Developments Limited ('TDL') Mysore Amalgamated Coffee Estate Ltd	These entities are part of Coffee Day Group which through various entities and its promoters holds 19.72% equity stake in Mindtree.

*Dissolved with effect from November 19, 2015.
**Application for dissolution filed on March 24, 2016.

Transactions with the above related parties during the year were:

Name of related party	Nature of transaction	For the year ended March 31,	
		2016	2015
Mindtree Software (Shanghai) Co., Ltd	Software services received	20	19
Relational Solutions, Inc	Software license fees paid	3	-
Discoverture Solutions L.L.C.	Software services rendered	248	22
	Software services received	92	-
Bluefin Solutions Limited	Software services rendered	4	-
	Software services received	7	-
Mysore Amalgamated Coffee Estate Ltd	Reimbursement of travel expenses	1	-
Mindtree Foundation	Donation paid	36	13
Janaagraha Centre for Citizenship & Democracy	Software services rendered	-	1
	Donation paid	4	4
Coffee Day Global Limited	Procurement of supplies	23	17
	Software services rendered	27	-
Tanglin Developments Limited	Leasing office buildings and land	375	321
	Advances/ deposits paid		
	- towards electricity deposit/ charges	-	9
	Advance/ deposits received back:		
	- towards electricity deposit/ charges	16	51
	- towards lease rentals	172	156
	Interest on advance towards electricity charges/ deposit		
	- amount recovered	-	7
	- amount accrued	-	4

Balances payable to related parties are as follows:

Name of related party	As at March 31,	
	2016	2015
Mindtree Software (Shanghai) Co., Ltd	1	6
Discoverture Solutions L.L.C.	15	-
Bluefin Solutions Limited	4	-
Coffee Day Global Limited	1	-

Balances receivable from related parties are as follows:

Name of related party	Nature of transactions	As at March 31,	
		2016	2015
Discoverture Solutions L.L.C.	Trade receivables	98	22
Bluefin Solutions Limited	Trade receivables	4	-
Coffee Day Global Limited	Trade receivables	25	-
Tanglin Developments Limited	*Short-term loans and advances :* Rental Advance	-	94
	Long-term loans and advances : Advance towards electricity charges	-	16
	Security deposit (including electricity deposit) returnable on termination of lease	298	375

Key managerial personnel:

Subroto Bagchi***	Executive Chairman
Krishnakumar Natarajan^	CEO & Managing Director
N.S. Parthasarathy	Executive Director, President and Chief Operating Officer
Rostow Ravanan^	Executive Director, Head – Europe, Service lines and Key Accounts
Dr. Albert Hieronimus	Non-Executive Vice Chairman and Independent Director
Apurva Purohit	Independent Director
Manisha Girotra	Independent Director
Prof. Pankaj Chandra	Independent Director
Ramesh Ramanathan	Independent Director
V.G. Siddhartha	Non-Executive Director
Jagannathan Chakravarthi*	Chief Financial Officer
Vedavalli Sridharan**	Company Secretary

* Appointed with effect from April 1, 2015.
** Appointed with effect from June 22, 2015.
*** Effective April 1, 2016, Subroto Bagchi ceased to be the Executive Chairman and will continue as Non-executive director.
^ Effective April 1, 2016, Krishnakumar Natarajan has been elevated as Executive Chairman and Rostow Ravanan, as CEO & Managing Director.

Remuneration to key managerial personnel during the year ended March 31, 2016 amounts to ₹ 135 (for the year ended March 31, 2015 amounts to ₹ 224).

The above remuneration excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

Dividends paid to directors during the year ended March 31, 2016 amounts to ₹ 230 (for year ended March 31, 2015 amounts to ₹ 173).

3.16 Lease transactions

Lease rental expense under non-cancellable operating lease during the year ended March 31, 2016 amounted to ₹ 419 (for the year ended March 31, 2015 : ₹ 361). Future minimum lease payments under non-cancellable operating lease are as below:

Particulars	As at March 31,	
	2016	2015
Payable – Not later than one year	297	390
Payable – Later than one year and not later than five years	317	541
Payable – Later than five years	89	106

Additionally, the Company leases office facilities and residential facilities under cancellable operating leases. The rental expense under cancellable operating lease during the year ended March 31, 2016 was ₹ 270 (for the year ended March 31, 2015: ₹ 264)

3.17 Earnings per equity share

Reconciliation of number of equity shares used in the computation of basic and diluted earnings per share is set out below:

Particulars	For the year ended March 31,			
	2016		2015*	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	167,649,773	167,649,773	167,238,871	167,238,871
Weighted average number of equity shares resulting from assumed exercise of employee stock options	-	441,916	-	654,350
Weighted average number of equity shares for calculation of earnings per share	167,649,773	168,091,689	167,238,871	167,893,221

* In accordance with Accounting Standard 20 on 'Earnings Per Share', basic and diluted earnings per share is adjusted for bonus issue for previous period presented.

3.18 Auditor's remuneration

Particulars	For the year ended March 31,	
	2016	2015
Audit	20	15
Taxation matters	1	1
Other services	1	1
Reimbursement of expenses and levies	1	1
Total	**23**	**18**

3.19 The Company has a development center at Gainesville, Florida, US. The State of Florida has offered various incentives targeted to the needs of the development center. The nature and extent of the government grant is as given below:

Nature of expenses	For the year ended March 31,	
	2016	2015
Grant towards workforce training	15	24
Total	**15**	**24**

The Company had availed a non-monetary grant of USD 950,000 for renovation of project facility. This grant is subject to fulfillment of certain conditions such as creation of minimum employment with specified average salary and capital investment at the development center at Gainesville, Florida, US.

3.20 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2016 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	For the year ended March 31,	
	2016	2015
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	4	Nil
The amount of interest paid by the buyer under the Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
The amount of interest due and payable for the year (where the principal has been paid but interest under the Act not paid);	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year; and	Nil	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

3.21 Total of expenditure incurred on Corporate Social Responsibility activities during the year ended March 31, 2016 is ₹ 94 (during the year ended March 31, 2015 is ₹ 40).

3.22 The financial statements are presented in ₹ in million. Those items which are required to be disclosed and which are not presented in the financial statement due to rounding off to the nearest ₹ in million are given as follows:

Balance Sheet items Amount in ₹

Particulars	As at March 31,	
	2016	2015
Share application money pending allotment	42,300	4,281,900
Provision for foreseeable losses on contracts	277,996	275,752
Cash on hand	15,350	21,148
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited	126,400	126,400

Statement of Profit and Loss items Amount in ₹

Particulars	For the year ended March 31,	
	2016	2015
Adjustment to the carrying amount of investments	(319,056)	3,259,370

3.23 As of the balance sheet date, the Company's net foreign currency exposure that is not hedged by a derivative instrument is given below:

Particulars	As at March 31,	
	2016	2015
Receivable	10,347	6,483
Payable	(3,281)	(164)

3.24 The company has filed an application before the Hon'ble High Court of Karnataka for a composite scheme of amalgamation ("the scheme") of Discoverture Solutions L.L.C. and Relational Solutions Inc., wholly owned subsidiaries of the Company, with the Company with an appointed date of April 1, 2015. Pending the requisite approvals, no effect has been given for the scheme in these financial statements.

3.25 Corresponding figures for the previous year presented have been regrouped, where necessary, to conform to the current year's classification.

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 008072S

V. Balaji
Partner
Membership No. 203685

Place: Bengaluru
Date: April 18, 2016

For and on behalf of the Board of Directors of **Mindtree Limited**

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2016

Independent Auditor's Report to the Members of Mindtree Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Mindtree Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditor's report of the Holding Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

   ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

Bengaluru, April 18, 2016

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Mindtree Limited (hereinafter referred to as "the Holding Company") as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

Bengaluru, April 18, 2016

Consolidated balance sheet

₹ in million

	Note	As at March 31,	
		2016	2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1.1	1,678	837
Reserves and surplus	3.1.2	22,278	19,287
		23,956	**20,124**
Share application money pending allotment	3.1.1 (g)	-	4
Non-current liabilities			
Long-term borrowings	3.2.1	18	23
Other long-term liabilities	3.2.2	1,072	334
		1,090	**357**
Current liabilities			
Short-term borrowings	3.3.1	415	-
Trade payables			
Payable to micro and small enterprises	3.22	4	-
Others		1,675	1,227
Other current liabilities	3.3.2	4,051	2,792
Short-term provisions	3.3.3	2,211	2,045
		8,356	**6,064**
		33,402	**26,549**
ASSETS			
Non-current assets			
Goodwill on consolidation		7,606	922
Fixed assets			
Tangible assets	3.4.1	4,367	4,513
Intangible assets	3.4.1	258	120
Capital work-in-progress		232	354
Non-current investments	3.4.2	58	8
Deferred tax assets (net)	3.4.3	602	449
Long-term loans and advances	3.4.4	1,855	1,640
Other non-current assets	3.4.5	276	17
		15,254	**8,023**
Current assets			
Current investments	3.5.1	2,101	5,343
Trade receivables	3.5.2	9,728	6,963
Cash and bank balances	3.5.3	2,332	3,763
Short-term loans and advances	3.5.4	1,570	1,451
Other current assets	3.5.5	2,417	1,006
		18,148	**18,526**
		33,402	**26,549**

Significant accounting policies and notes to the accounts 2&3

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 008072S

For and on behalf of the Board of Directors of **Mindtree Limited**

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

V. Balaji
Partner
Membership No. 203685

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2016

Place: Bengaluru
Date: April 18, 2016

Consolidated statement of profit and loss

₹ in million, except share and per share data

Particulars	Note	For the year ended March 31, 2016	2015
Revenue from operations		46,896	35,619
Other income	3.6	805	835
Total revenues		**47,701**	**36,454**
Expense:			
Employee benefits expense	3.7	28,026	20,710
Finance costs	3.7	3	1
Depreciation and amortisation expense	3.4.1	1,332	1,018
Other expenses	3.7	10,566	7,817
Total expenses		**39,927**	**29,546**
Profit before tax		**7,774**	**6,908**
Tax expense:	3.4.3		
Current tax		1,894	1,592
Deferred tax		(153)	(47)
Profit for the year		**6,033**	**5,363**
Earnings per equity share	3.11		
Equity shares of par value ₹ 10/- each			
Basic		35.99	32.07
Diluted		35.89	31.94
Weighted average number of equity shares used in computing earnings per share			
Basic		167,649,773	167,238,871
Diluted		168,091,689	167,893,221

Significant accounting policies and notes to the accounts 2&3

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 008072S

For and on behalf of the Board of Directors of **Mindtree Limited**

N. Krishnakumar
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CEO & Managing Director

V. Balaji
Partner
Membership No. 203685

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2016

Place: Bengaluru
Date: April 18, 2016

Consolidated cash flow statement

₹ in million

	For the year ended March 31,	
	2016	2015
Cash flow from operating activities		
Profit before tax	7,774	6,908
Adjustments for:		
Depreciation and amortisation expense	1,332	1,018
Expense on employee stock based compensation	90	168
Finance costs	3	1
Interest/ dividend income	(238)	(294)
Profit on sale of fixed assets	(30)	(6)
Profit on sale of investments	(131)	(286)
Exchange difference on derivatives	(31)	(21)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(105)	6
Operating profit before working capital changes	8,664	7,494
Changes in trade receivables	(1,804)	(742)
Changes in loans and advances and other assets	(1,058)	(35)
Changes in liabilities and provisions	619	805
Net cash provided by operating activities before taxes	6,421	7,522
Income taxes paid	(1,939)	(1,539)
Net cash provided by operating activities	**4,482**	**5,983**
Cash flow from investing activities		
Purchase of fixed assets	(1,584)	(1,995)
Proceeds from sale of fixed assets	269	8
Investment in subsidiaries	(6,659)	(600)
Interest/ dividend received from investments	318	219
Purchase of investments	(10,062)	(9,982)
Sale/ maturities of investments	13,385	10,252
Net cash used in investing activities	**(4,333)**	**(2,098)**
Cash flow from financing activities		
Issue of share capital (net of issue expenses paid)	24	67
Finance costs	(3)	(1)
Repayment of borrowings	(5)	(4)
Proceeds from short-term loans	415	-
Dividends paid (including distribution tax)	(2,151)	(1,438)
Net cash used in financing activities	**(1,720)**	**(1,376)**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	92	(6)
Net (decrease)/ increase in cash and cash equivalents	**(1,479)**	**2,503**
Opening cash balance in Discoverture Solutions L.L.C. (Refer note 3.14)	-	76
Opening cash balance in Bluefin Solutions Limited (Refer note 3.15)	15	-
Opening cash balance in Relational Solutions Inc (Refer note 3.16)	23	-
Opening cash balance in Magnet 360 L.L.C (Refer note 3.17)	10	-
Cash and cash equivalents at the beginning of the year	3,763	1,184
Cash and cash equivalents at the end of the year (Refer note 3.5.3)	**2,332**	**3,763**

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 008072S

V. Balaji
Partner
Membership No. 203685

Place: Bengaluru
Date: April 18, 2016

For and on behalf of the Board of Directors of **Mindtree Limited**

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2016

Significant accounting policies and notes to the accounts for the year ended March 31, 2016
(₹ in millions, except share and per share data, unless otherwise stated)

1. Background

Mindtree Limited ('Mindtree' or 'the Company') together with its subsidiaries Mindtree Software (Shanghai) Co. Ltd, Discoverture Solutions L.L.C., Bluefin Solutions Limited, Bluefin Solutions Inc., Bluefin Solutions Sdn Bhd, Blouvin (Pty) Limited, Bluefin Solutions Pte Ltd, Relational Solutions Inc., Magnet 360, L.L.C., Reside L.L.C., M360 Investments, L.L.C., and Numercial Truth, L.L.C., collectively referred to as 'the Group' is an international Information Technology consulting and implementation Group that delivers business solutions through global software development. The Group is structured into five verticals – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Technology, Media and Services (TMS), Travel and Hospitality (TH) and Others. The Group offers services in the areas of agile, analytics and information management, application development and maintenance, business process management, business technology consulting, cloud, digital business's, independent testing, infrastructure management services, mobility, product engineering and SAP services.

The Group is head quartered in Bengaluru and has offices in India, United States of America, United Kingdom, Japan, Singapore, Malaysia, Australia, Germany, Switzerland, Sweden, UAE, Netherlands, Canada, Belgium, France, Ireland, South Africa and Republic of China.

2. Significant accounting policies

2.1 Basis of preparation of consolidated financial statements

These financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP, interalia comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act'), the provisions of the Act (to the extent notified and applicable) and guidelines issued by the Securities and Exchange Board of India (SEBI).

2.2 Principles of consolidation

The consolidated financial statements include the financial statements of Mindtree and its subsidiaries as set out below.

Name of the subsidiary	Country of incorporation	Proportion of interest
Mindtree Software (Shanghai) Co. Ltd.	Republic of China	100%
Discoverture Solutions L.L.C.*	U.S.A.	100%
Discoverture Solutions U.L.C.*^	Canada	100%
Discoverture Solutions Europe Limited*^^	U.K.	100%
Bluefin Solutions Limited**	U.K.	100%
Bluefin Solutions Inc.,**	U.S.A.	100%
Bluefin Solutions Sdn Bhd**	Malaysia	100%
Blouvin (Pty) Limited**	South Africa	100%
Bluefin Solutions Pte Ltd**	Singapore	100%
Relational Solutions Inc.,**	U.S.A.	100%
Magnet 360, L.L.C.***	U.S.A.	100%
Reside, L.L.C.***	U.S.A.	100%
M360 Investments, L.L.C.***	U.S.A.	100%
Numerical Truth, L.L.C.***	U.S.A.	100%

*Consolidated with effect from February 13, 2015.
**Consolidated with effect from July 16, 2015.
***Consolidated with effect from January 19, 2016.
^Dissolved with effect from November 19, 2015.
^^Application for dissolution filed on March 24, 2016.

The financial statements of Mindtree and its wholly owned and controlled subsidiaries have been combined on a line-by-line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating all inter-company balances/ transactions and the resultant unrealized gain/ loss from the date the parent company acquired control of those subsidiaries. The excess/ deficit of cost to the Company of its investment in the subsidiaries over its portion of equity at the respective dates on which investment in such entities were made is recognised in the consolidated financial statements as goodwill/ capital reserve. The parent Company's portion of equity in such entities is determined on the basis of the book values of assets and liabilities as per the financial statements of such entities as on the date of investment and if not available, the financial statements for the immediately preceding period are adjusted for the effects of significant transactions, up to the date of investment.

The consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances.

2.3 Use of estimates

The preparation of consolidated financial statements in conformity with the Generally Accepted Accounting Principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of the consolidated financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in future periods.

2.4 Fixed assets and depreciation

2.4.1 Fixed assets are carried at cost of acquisition (including directly attributable costs such as freight, installation, etc.) or construction less accumulated depreciation. Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

2.4.2 Acquired intangible assets are capitalised at the acquisition price. Internally generated intangible assets are recorded at cost that can be measured reliably during the development phase and when it is probable that future economic benefits that are attributable to the assets will flow to the Group.

2.4.3 Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

2.4.4 Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under capital advances. The cost of the fixed asset not ready for its intended use on such date, is disclosed under capital work-in-progress.

2.4.5 Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Group. Depreciation for assets purchased/ sold during a period is proportionately charged. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use. The Group estimates the useful lives for fixed assets as follows:

Asset classification	Useful life
Buildings	5-30 years
Computer systems	2-3 years
Computer software	2-3 years
Test equipment	3 years
Furniture and fixtures	3-7 years
Electrical installations	3 years
Office equipment	3-5 years
Motor vehicles	4 years
Plant and machinery	4 years
Intellectual property	5 years

The Group believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary.

2.4.6 The cost of leasehold land is amortised over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortised over the lease term or useful life, whichever is lower.

2.5 Investments

2.5.1 Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

2.5.2 Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is carried out separately in respect of each investment.

2.5.3 Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment.

2.6 Cash and cash equivalents

Cash and cash equivalents in the consolidated cash flow statement comprises cash in hand and balance in bank in current accounts and deposit accounts that are highly liquid and are readily convertible to known amounts of cash.

2.7 Consolidated cash flow statement

Cash flows are reported using the indirect method, whereby consolidated net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated.

2.8 Employee benefits

2.8.1 Gratuity is a defined benefit scheme and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Group has an employees' gratuity fund managed by ICICI Prudential Life Insurance Company, SBI Life Insurance Company and Life Insurance Corporation of India. Actuarial gains and losses are charged to the consolidated statement of profit and loss.

2.8.2 Compensated absences are a long-term employee benefit and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Group accrues for the expected cost of short-term compensated absences in the period in which the employee renders services.

2.8.3 Contributions payable to the social security plans, which are a defined contribution scheme, are charged to the consolidated statement of profit and loss in the period in which the employee renders services.

2.9 Revenue recognition

2.9.1 The Group derives its revenues primarily from software services. Revenue from software development on time-and-material basis is recognised as the related services are rendered. Revenue from fixed price contracts is recognised using the proportionate completion method, which is determined by relating the actual project cost of work performed to date to the estimated total project cost for each contract. Unbilled revenue represents cost and earnings in excess of billings while unearned revenue represents the billing in excess of cost and earnings. Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

Maintenance revenue is recognised ratably over the period of the maintenance contract.

2.9.2 Provision for discounts is recognised on an accrual basis in accordance with contractual terms of agreements with customers. Revenues are stated net of volume discount.

2.9.3 Dividend income is recognised when the right to receive payment is established.

2.9.4 Interest income is recognised using the time proportion method, based on the transactional interest rates.

2.10 Foreign exchange transactions

2.10.1 The Group is exposed to foreign currency transactions including foreign currency revenues, receivables and borrowings. With a view to minimize the volatility arising from fluctuations in currency rates, the Group enters into foreign exchange forward contracts and other derivative instruments.

2.10.2 Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the consolidated statement of profit and loss for the period.

2.10.3 Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the consolidated statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

2.10.4 In respect of integral operations, monetary assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. Non-monetary items are translated at the historical rate. The items in the consolidated statement of profit and loss are translated at the rates prevailing on the dates of the respective transactions. The differences arising out of the translation are recognised in the consolidated statement of profit and loss.

2.10.5 In respect of non-integral operations, assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the consolidated statement of profit and loss are translated at the average exchange rate during the period. The differences arising out of the translation are transferred to foreign currency translation reserve.

2.10.6 Forward exchange contracts and other similar instruments that are not in respect of forecasted transactions are accounted for using the guidance in Accounting Standard ('AS') 11, 'The effects of changes in foreign exchange rates'. For such forward exchange contracts and other similar instruments covered by AS 11, based on the nature and purpose of the contract, either the contracts are recorded based on the forward rate/ fair value at the reporting date, or based on the spot exchange rate on the reporting date. For contracts recorded at the spot exchange rates, the premium or discount at the inception is amortised as income or expense over the life of the contract.

2.10.7 For forward exchange contracts and other derivatives that are not covered by AS 11 and that relate to a firm commitment or highly probable forecasted transactions, the Group has adopted Accounting Standard ('AS') 30, 'Financial Instruments: Recognition and Measurement' to the extent that the adoption did not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements. In accordance with AS 30, such derivative financial instruments, which qualify for cash flow hedge accounting and where Group has met all the conditions of cash flow hedge accounting, are fair valued at balance sheet date and the resultant exchange loss/ (gain) is debited/ credited to the hedge reserve until the transaction is completed. Other derivative instruments are recorded at fair value at the reporting date and the resultant exchange loss/ (gain) has been debited/ credited to consolidated statement of profit and loss.

2.11 Warranties

Warranty costs (i.e. post contract support services) are estimated by the management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of recognition of revenue.

2.12 Provision and contingent liabilities

The Group creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2.13 Taxation

The current income tax charge is determined in accordance with the relevant tax regulations applicable to respective entities within the Group. Deferred tax charge or credit are recognised for the future tax consequences attributable to timing difference that result between the profit offered for income taxes and the profit as per the financial statements. Deferred tax in respect of timing difference which originate during the tax holiday period but reverse after the tax holiday period is recognised in the period in which the timing difference originate. For this purpose the timing differences which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain to be realised.

Minimum alternate tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in the balance sheet if there is a convincing evidence that the Group will pay normal tax after the tax holiday period and the resultant assets can be measured reliably. MAT credit entitlement can be carried forward and utilized for a period of ten years from the period in which such credit is availed.

The entities within the Group offset, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

2.14 Earnings per share

In determining earnings per share, the Group considers the consolidated net profit after tax and includes the post-tax effect of any extra-ordinary item. The number of equity shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the period. The number of equity shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.15 Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the consolidated statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised. In respect of goodwill, impairment loss will be reversed only when it is caused by specific external events and their effects have been reversed by subsequent external events.

2.16 Employee stock based compensation

The Group measures the compensation cost relating to employee stock options, restricted shares and phantom stock options using the intrinsic value method. The compensation cost is amortised over the vesting/ service period.

2.17 Goodwill

Goodwill arising on consolidation/ acquisition of assets is not amortised. It is tested for impairment on a periodic basis and written off to the extent of impairment, if any.

2.18 Government grants

Grants from the government are recognised when there is reasonable assurance that:

(i) the Group will comply with the conditions attached to them; and

(ii) the grant will be received.

Government grants related to revenue are recognised on a systematic basis in the consolidated statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. Where the Group receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a nominal value.

3. Notes to the accounts

3.1 Shareholders' funds

3.1.1 Share capital

a)

Particulars	As at March 31,	
	2016	2015
Authorised		
800,000,000 (March 31, 2015: 800,000,000) equity shares of ₹ 10 each	8,000	8,000
Issued, subscribed and paid-up capital		
167,786,176 (March 31, 2015: 83,732,372) equity shares of ₹ 10 each fully paid	1,678	837
Total	**1,678**	**837**

b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of shares	₹	No. of shares	₹
Number of shares outstanding at the beginning of the year	83,732,372	837	41,689,731	417
Add: Shares issued on exercise of stock options and restricted shares	160,716	2	276,980	2
Add: Bonus shares issued*	83,893,088	839	41,765,661	418
Number of shares outstanding at the end of the year	167,786,176	1,678	83,732,372	837

*Refer note 3.1.1 (e).

c) The Group has only one class of shares referred to as equity shares having a par value of ₹ 10 each.

Each holder of the equity share, as reflected in the records of the Group as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

The Group declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

The Board of Directors at its meeting held on July 16, 2015, October 15, 2015 and January 18, 2016 had declared an interim dividend of 30% (₹ 3 per equity share of par value ₹ 10/- each) for the quarter ended June 30, 2015, 40% (₹ 4 per equity share of par value ₹ 10/- each) for the quarter ended September 30, 2015 and 40% (₹ 4 per equity share of par value ₹ 10/- each) for the quarter ended December 31, 2015 respectively.

During the year, the Group has issued bonus shares in the ratio of 1:1 after approval of shareholders through postal ballot.

The Board of Directors at its meeting held on March 23, 2016, have declared an interim dividend of 20% (₹ 2 per equity share (after bonus issue) of par value of ₹ 10/- each) for the quarter ended March 31, 2016. Further, the Board of Directors at its meeting held on April 18, 2016 have recommended a final dividend of 30% (₹ 3 per equity share (after bonus issue) of par value ₹ 10/- each) for the year ended March 31, 2016.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive any of the remaining assets of the Group after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Equity shareholder holding more than 5 percent of equity shares along with the number of equity shares held at the beginning and at the end of the year is as given below:

Sl. No.	Name of the shareholder	As at March 31, 2016*		As at March 31, 2015	
		No. of shares	%	No. of shares	%
1	Coffee Day Enterprises Limited	17,461,768	10.4%	8,730,884	10.4%
2	Nalanda India Fund Limited	15,796,356	9.4%	7,898,178	9.4%
3	Coffee Day Trading Limited	10,594,244	6.3%	5,297,122	6.3%

*Post bonus issue

e) In the period of five years immediately preceding March 31, 2016:

   a. The Group has allotted 83,893,088 and 41,765,661 fully paid up equity shares during the quarter ended March 31, 2016 and June 30, 2014 respectively, pursuant to 1:1 bonus share issue approved by shareholders. Consequently, options/ units granted under the various employee share based plans are adjusted for bonus share issue.

   b. The Group has not bought back any equity shares.

   c. The Group has not allotted any equity shares as fully paid up without payment being received in cash.

f) **Employee stock based compensation**

The Group instituted the Employees Stock Option Plan ('ESOP') in fiscal 2000, which was approved by the Board of Directors ('the Board'). The Group has various stock option programs, a restricted stock purchase plan and a phantom stock options plan.

Program 1 [ESOP 1999]

This plan was terminated on September 30, 2001 and there are no options outstanding as at the reporting date.

Program 2 [ESOP 2001]

Options under this program have been granted to employees at an exercise price of ₹ 50 per option (₹ 25 per option post bonus issue). All stock options have a four-year vesting term and vest and become fully exercisable at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant. Each option is entitled to 1 equity share of ₹ 10 each. This program extends to employees who have joined on or after October 1, 2001 or have been issued employment offer letters on or after August 8, 2001 or options granted to existing employees with grant date on or after October 1, 2001. This plan was terminated on April 30, 2006. The contractual life of each option is 11 years after the date of grant.

Particulars	Year ended March 31,	
	2016	2015
Outstanding options, beginning of the year	32,976*	54,777*
Granted during the year	-	-
Exercised during the year	10,894	29,401
Lapsed during the year	3,722	2,304
Forfeited during the year	-	-
Outstanding options, end of the year	**18,360**	**23,072**
Options vested and exercisable, end of the year	18,360	23,072

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 3 [ESOP 2006 (a)]

This plan was terminated on October 25, 2006 and there are no options outstanding as at the reporting dates.

Program 4 [ESOP 2006 (b)]

Options under this program are granted to employees at an exercise price periodically determined by the Nomination and Remuneration Committee. All stock options have a four-year vesting term and vest and become fully exercisable at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant. Each option is entitled to 1 equity share of ₹ 10 each. This program extends to employees to whom the options are granted on or after October 25, 2006. The contractual life of each option is 5 years after the date of grant.

Particulars	Year ended March 31,	
	2016	2015
Outstanding options, beginning of the year	74,000	213,750*
Granted during the year	-	-
Exercised during the year	74,000	92,000
Lapsed during the year	-	-
Forfeited during the year	-	47,750
Outstanding options, end of the year	**-**	**74,000**
Options vested and exercisable, end of the year	-	74,000

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 5 [ESOP 2008A]

Options under this program are granted to employees of erstwhile Aztecsoft Limited as per swap ratio of 2:11 as specified in the merger scheme. Each option is entitled to 1 equity share of ₹ 10 each.

Particulars	Year ended March 31,	
	2016	2015
Outstanding options, beginning of the year	159,244*	168,295*
Granted during the year	-	-
Exercised during the year	6,908	51,293
Lapsed during the year	-	33,926
Forfeited during the year	-	-
Outstanding options, end of the year	**1,52,336**	**83,076**
Options vested and exercisable, end of the year	1,52,336	83,076

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Directors' Stock Option Plan, 2006 (DSOP 2006)

Options under this program have been granted to independent directors at an exercise price periodically determined by the Nomination and Remuneration Committee. All stock options vest and become fully exercisable equally over three year vesting term at the end of 1, 2 and 3 years respectively from the date of the grant. Each option is entitled to 1 equity share of ₹ 10 each. The contractual life of each option is 4 years after the date of the grant.

Particulars	Year ended March 31,	
	2016	2015
Outstanding options, beginning of the year	60,000*	75,000*
Granted during the year	-	-
Exercised during the year	20,000	35,000
Lapsed during the year	-	-
Forfeited during the year	-	-
Outstanding options, end of the year	**40,000**	**40,000**
Options vested and exercisable, end of the year	40,000	26,666

*Adjusted for bonus issue. Refer note 3.1.1 (e)

Program 7 [ESOP 2010A]

In-principle approvals for administering the seventh stock option program i.e. ESOP 2010 (A) has been received by the Group from the BSE and NSE for 1,135,000 equity shares of ₹ 10 each. No options have been granted under the program as at March 31, 2016.

Employee Restricted Stock Purchase Plan 2012 (ERSP 2012)

ERSP 2012 was instituted with effect from July 16, 2012 to issue equity shares of nominal value of ₹ 10 each. Shares under this program are granted to employees at an exercise price of not less than ₹ 10 per equity share or such higher price as determined by the Nomination and Remuneration Committee. Shares shall vest over such term as determined by the Nomination and Remuneration Committee not exceeding ten years from the date of the grant. All shares will have a minimum lock in period of one year from the date of allotment.

Particulars	Year ended March 31,	
	2016	2015
Outstanding shares, beginning of the year	-	-
Granted during the year	48,914	69,286
Exercised during the year	48,914	69,286
Lapsed during the year	-	-
Forfeited during the year	-	-
Outstanding shares, end of the year	**-**	**-**
Shares vested and exercisable, end of the year	-	-

Other stock based compensation arrangements

The Group has also granted phantom stocks and letter of intent to issue shares under ERSP 2012 plan to certain employees which is subject to certain vesting conditions. Details of the grant/ issue as at March 31, 2016 are given below:

Particulars	Phantom stocks plan*
Total no. of units	1,195,000
Vested units	-
Lapsed units	-
Forfeited units	-
Cancelled units	-
Outstanding units as at the end of the year	1,195,000
Contractual life	2 years
Date of grant	Oct 21, 2015
Price per share/ unit	Grant price of ₹ 686

Particulars	ERSP 2012 plan*
Outstanding units/ shares, beginning of the year	308,000
Number of units/shares issued under letters of intent	94,250
Vested units/ shares	38,102
Lapsed units/ shares	4,448
Forfeited units/ shares	17,000
Cancelled units/ shares	-
Outstanding units/ shares as at the end of the year	342,700
Contractual life	2-4 years
Date of grant**	Jul 18, 2013, May 12, 2015, Oct 21, 2015, Oct 27, 2015, Feb 25, 2016
Price per share/ unit**	Exercise price of ₹ 10

*Adjusted for bonus issue. Refer note 3.1.1 (e).

**Based on Letter of Intent

The weighted average fair value of each unit under the above mentioned ERSP 2012 plan, granted during the year was ₹ 1,418 (₹ 705, after bonus issue) using the Black-Scholes model with the following assumptions:

	Pre bonus issue	Post bonus issue
Weighted average grant date share price	₹ 1,435	₹ 717
Weighted average exercise price	₹ 10	₹ 10
Dividend yield %	0.22%	0.31%
Expected life	1-4 years	1-4 years
Risk free interest rate	7.43%	7.43%
Volatility	45.53%	45.53%

The following table summarizes information about the weighted average exercise price of options/ shares exercised under various programs:

Amount in ₹

Particulars	Year ended March 31,	
	2016	2015
Program 2	25.00	30.25
Program 4	265.07	344.77
Program 5	239.25	201.88
DSOP 2006	309.50	560.00
ERSP 2012	10.00	10.00

The following table summarize information about the options/ shares outstanding under various programs as at March 31, 2016 and March 31, 2015 respectively:

Particulars	As at March 31, 2016		
	Number of options/ shares*	Weighted average remaining contractual life (in years)	Weighted average exercise price* (in ₹)
Program 2	18,360	0.67	12.50
Program 5	152,336	1.33	106.50
DSOP 2006	40,000	0.04	123.25

*Adjusted for bonus issue. Refer note 3.1.1 (e).

Particulars	As at March 31, 2015		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in ₹)
Program 2	23,072	0.70	25.00
Program 4	74,000	0.32	265.07
Program 5	83,076	2.32	215.18
DSOP 2006	40,000	1.10	278.00

The Group has recorded compensation cost for all grants using the intrinsic value-based method of accounting.

Had stock based compensation cost been determined according to the fair value approach described in the Guidance Note on "Accounting for employee share-based payments" issued by ICAI, the Group's net profit and EPS as reported would have been adjusted to the pro-forma amounts indicated below:

Particulars	Year ended March 31,	
	2016	2015
Net profit as reported	6,033	5,363
Add: Stock-based employee compensation expense (intrinsic value method)	90	168
Less: Stock-based employee compensation expense (fair value method)	(92)	(173)
Pro-forma net profit	6,031	5,358
Basic earnings per share as reported	35.99	32.07
Pro-forma basic earnings per share	35.98	32.04
Diluted earnings per share as reported	35.89	31.94
Pro-forma diluted earnings per share	35.88	31.91

g) As at March 31, 2015, the Group had received ₹ 4 towards allotment of 15,000 equity shares and 276 equity shares at exercise prices of ₹ 285 each and ₹ 25 each respectively and it was shown under Share application money pending allotment. The Group made the allotment for the 15,276 equity shares during the year ended March 31, 2016.

3.1.2 Reserves and surplus

Particulars	As at March 31,	
	2016	2015
Capital reserve		
Opening balance	87	87
	87	**87**
Securities premium reserve		
Opening balance	1,860	2,170
Additions during the year	63	108
Less: Amount utilised for bonus shares	(839)	(418)
	1,084	**1,860**
General reserve		
Opening balance	1,542	1,542
	1,542	**1,542**
Share option outstanding account		
Opening balance	78	68
Additions during the year	29	10
	107	**78**
Hedge reserve		
Opening balance	-	49
Movement during the year	-	(49)
	-	-
Foreign currency translation reserve*		
Opening balance	-	-
Movement during the year	(208)	-
	(208)	**-**
Surplus (Balance in the consolidated statement of profit and loss)		
Opening balance	15,720	12,072
Add: Amount transferred from consolidated statement of profit and loss	6,033	5,363
Amount available for appropriations	21,753	17,435
Appropriations:		
Interim dividend	(1,258)	(586)
Final dividend	(504)	(838)
Dividend distribution tax (net)	(325)	(291)
	19,666	**15,720**
Total	**22,278**	**19,287**

*Refer note 2.10.5

3.2 Non-current liabilities

3.2.1 Long-term borrowings

Particulars	As at March 31,	
	2016	2015
(Unsecured)		
Other loans	18	23
Total	**18**	**23**

Long-term borrowings represent the amount received from Council for Scientific and Industrial Research (CSIR) to develop a project under "Development of Intelligent Video Surveillance Server (IVSS) system".

The loan is an unsecured loan carrying a simple interest of 3% p.a. on the outstanding amount of loan. Repayment of loan is in 10 equal annual installments from June 2011. Any delay in repayment entails a liability of 12% p.a. compounded monthly for the period of delay.

There is no continuing default in the repayment of the principal loan and interest amounts.

3.2.2 Other long-term liabilities

Particulars	As at March 31,	
	2016	2015
Other long-term liabilities*	1,072	334
Total	**1,072**	**334**

*Includes payable for acquisition of businesses ₹ 990 (As at March 31, 2015: ₹ 227)

3.3 Current liabilities

3.3.1 Short-term borrowings

Particulars	As at March 31,	
	2016	2015
(Secured)		
Other loans from bank	415	-
Total	**415**	**-**

Short-term borrowings represent the packing credit loan from bank secured against receivables.

3.3.2 Other current liabilities

Particulars	As at March 31,	
	2016	2015
Current maturities of long-term debt*	5	5
Interest accrued but not due on borrowings	1	1
Unearned income	344	225
Unpaid dividends	7	5
Dividend payable	336	-
Creditors for capital goods	186	218
Advances from customers	44	27
Employee related liabilities	1,197	1,477
Book overdraft	395	155
Gratuity payable (net)	138	18
Other liabilities**	1,398	661
Total	**4,051**	**2,792**

*The details of interest rates, repayment and other terms are disclosed under note 3.2.1.

**Includes derivative liability of ₹ 1 (As at March 31, 2015: ₹ 3) and payable for acquisition of businesses ₹ 714 (As at March 31, 2015: ₹ 269)

As at March 31, 2016, the Group has outstanding forward contracts amounting to USD 30.5 million (As at March 31, 2015: USD 32 million), GBP 1.5 million (As at March 31, 2015: GBP 2.25 million) and Euro 3.25 million (As at March 31, 2015: Euro 4.5 million). These derivative instruments have been entered to hedge highly probable forecasted sales.

The derivative instruments have been fair valued at the balance sheet date and resultant exchange gain ₹ 31 for the year ended March 31, 2016 (for the year ended March 31, 2015: Exchange gain of ₹ 21) has been recorded in the consolidated statement of profit and loss.

The following table sets out the status of the gratuity plan as required under AS 15 -Employee Benefits.

Particulars	As at March 31,	
	2016	2015
Change in projected benefit obligations		
Obligations at the beginning of the year	413	365
Service cost	91	81
Interest cost	29	29
Benefits settled	(50)	(55)
Actuarial (gain)/ loss	30	(7)
Obligations at end of the year	**513**	**413**
Change in plan assets		
Plan assets at the beginning of the year, at fair value	395	363
Expected return on plan assets	32	29
Actuarial gain/ (loss)	(6)	5
Contributions	4	53
Benefits settled	(50)	(55)
Plan assets at the end of the year, at fair value	**375**	**395**

Summary of the present value of the obligation, the fair value of the plan assets and experience adjustments.

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Fair value of plan assets at the end of the year	375	395	363	313	275
Present value of defined obligations at the end of the year	(513)	(413)	(365)	(324)	(276)
Asset/ (liability) recognised in the balance sheet	**(138)**	**(18)**	**(2)**	**(11)**	**(1)**
Experience adjustment on plan liabilities	30	(7)	(23)	8	25
Experience adjustment on plan assets	(6)	5	-	1	38

Particulars	For the year ended March 31,	
	2016	2015
Gratuity cost		
Service cost	91	81
Interest cost	29	29
Expected return on plan assets	(32)	(29)
Actuarial (gain)/ loss	36	(12)
Net gratuity cost	**124**	**69**
Actual return on plan assets	36	29
Assumptions		
Interest rate	7.70%	7.80%
Expected rate of return on plan assets	8.75%	8.75%
Salary increase	5.00%	6.00%
Attrition rate	14.23%	14.23%
Retirement age	60	60

The Group has invested the plan assets in the insurer managed funds. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of obligation. Expected contribution to the fund for the year ending March 31, 2017 is ₹ 138.

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

3.3.3 Short-term provisions

Particulars	As at March 31,	
	2016	2015
Provision for compensated absences	538	357
Provision for taxes, net of advance tax and tax deducted at source	315	239
Provision for discount	668	367
Dividend payable	504	837
Dividend distribution tax payable	103	172
Provision for post contract support services	7	5
Provision for disputed dues*	76	68
Total	**2,211**	**2,045**

*Represents disputed tax dues provided pursuant to unfavourable order received from the tax authorities against which the Group has preferred an appeal with the relevant authority. In respect of the provisions of AS 29, the disclosures required have not been provided in accordance with paragraph 72 of AS 29.

The disclosure of provisions movement as required under the provisions of AS 29 is as follows:

Provision for discount

Particulars	For the year ended March 31,	
	2016	2015
Balance at the beginning of the year	367	270
Provisions made during the year	491	433
Utilisations during the year	(172)	(328)
Released during the year	(18)	(8)
Provision at the end of the year	668	367

Provision for post contract support services

Particulars	For the year ended March 31,	
	2016	2015
Balance at the beginning of the year	5	4
Provisions made during the year	2	2
Utilisations during the year	-	-
Released during the year	-	(1)
Provision at the end of the year	7	5

Provision for disputed dues

Particulars	For the year ended March 31,	
	2016	2015
Balance at the beginning of the year	68	62
Provisions made during the year	8	6
Utilisations during the year	-	-
Released during the year	-	-
Provision at the end of the year	76	68

3.4 Non-current assets

3.4.1 Fixed assets

Assets	Gross block						Accumulated depreciation						Net book value
	As at April 1, 2015	Additions on account of acquisition*	Additions during the year	Translation adjustment	Deletions during the year	As at March 31, 2016	As at April 1, 2015	Additions on account of acquisition*	For the year	Translation adjustment	Deletions during the year	As at March 31, 2016	As at March 31, 2016
Tangible assets													
Leasehold land	425	-	-	-	13	412	95	-	12	-	1	106	306
Buildings	3,621	-	417	-	993	3,045	1,105	-	216	-	360	961	2,084
Leasehold improvements	1,016	26	170	-	-	1,212	554	13	147	-	-	714	498
Computer systems	2,047	133	644	(4)	69	2,751	1,406	99	564	(4)	69	1,996	755
Test equipment	217	-	-	-	-	217	217	-	-	-	-	217	-
Furniture and fixtures	261	41	139	-	49	392	168	27	39	(1)	49	184	208
Electrical installations	521	-	121	-	32	610	319	-	111	-	32	398	212
Office equipment	734	19	156	(1)	78	830	496	16	114	(1)	77	548	282
Motor vehicles	29	-	-	-	-	29	5	-	9	-	-	14	15
Plant and machinery	8	-	-	-	-	8	1	-	-	-	-	1	7
Total (A)	**8,879**	**219**	**1,647**	**(5)**	**1,234**	**9,506**	**4,366**	**155**	**1,212**	**(6)**	**588**	**5,139**	**4,367**
Intangible assets													
Intellectual property	67	-	-	-	-	67	65	-	2	-	-	67	-
Computer software	935	16	90	-	5	1,036	817	8	118	-	5	938	98
Goodwill**	-	160	-	-	-	160	-	-	-	-	-	-	160
Total (B)	**1,002**	**176**	**90**	**-**	**5**	**1,263**	**882**	**8**	**120**	**-**	**5**	**1,005**	**258**
Total (A) + (B)	**9,881**	**395**	**1,737**	**(5)**	**1,239**	**10,769**	**5,248**	**163**	**1,332**	**(6)**	**593**	**6,144**	**4,625**

*Refer note 3.15, 3.16 and 3.17

**Refer note 2.17

Assets	Gross block					Accumulated depreciation					Net book value
	As at April 1, 2014	Additions on account of acquisition*	Additions during the year	Deletions during the year	As at March 31, 2015	As at April 1, 2014	Additions on account of acquisition*	For the year	Deletions during the year	As at March 31, 2015	As at March 31, 2015
Tangible assets											
Leasehold land	425	-	-	-	425	83	-	12	-	95	330
Buildings	2,694	-	928	1	3,621	957	-	149	1	1,105	2,516
Leasehold improvements	819	-	197	-	1,016	428	-	126	-	554	462
Computer systems	1,570	10	569	102	2,047	1,085	6	416	101	1,406	641
Test equipment	218	-	-	1	217	217	-	1	1	217	-
Furniture and fixtures	191	4	71	5	261	157	2	14	5	168	93
Electrical installations	360	-	167	6	521	256	-	69	6	319	202
Office equipment	600	3	155	24	734	436	3	81	24	496	238
Motor vehicles	2	-	28	1	29	1	-	5	1	5	24
Plant and machinery	8	-	-	-	8	1	-	-	-	1	7
Total (A)	**6,887**	**17**	**2,115**	**140**	**8,879**	**3,621**	**11**	**873**	**139**	**4,366**	**4,513**
Intangible assets											
Intellectual property	67	-	-	-	67	52	-	13	-	65	2
Computer software	892	14	94	65	935	737	13	132	65	817	118
Total (B)	**959**	**14**	**94**	**65**	**1,002**	**789**	**13**	**145**	**65**	**882**	**120**
Total (A) + (B)	**7,846**	**31**	**2,209**	**205**	**9,881**	**4,410**	**24**	**1,018**	**204**	**5,248**	**4,633**

*Refer note 3.1

3.4.2 Non-current investments

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in non-convertible bonds (quoted)	50	-
Trade investments (unquoted)		
- Investment in equity instruments	2	2
- Investment in preference shares	7	7
Less: Provision for diminution in value of investments	(1)	(1)
Total	**58**	**8**
Aggregate amount of quoted investments	50	-
Aggregate market value of quoted investments	50	-
Aggregate amount of unquoted investments	9	9

Details of investment in non-convertible bonds are as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
50 secured redeemable non-convertible bonds of ₹ 1 million in the nature of promissory notes in PNB Housing Finance Limited	50	-
Total	**50**	**-**

Details of investment in equity instruments are as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
2,400 (previous year: 2,400) equity shares in Career Community.com Limited	1	1
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited	-	-
950,000 (previous year: 950,000) equity shares of ₹ 1 each in NuvePro Technologies Private Limited	1	1
Total	**2**	**2**

Details of investment in preference shares are as given below:

Particulars	As at March 31, 2016	As at March 31, 2015
643,790 (previous year: 643,790) 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
Total	**7**	**7**

3.4.3 Taxes

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Tax expense		
Current tax	1,944	1,592
- MAT credit entitlement	(50)	-
	1,894	1,592
Deferred tax	(153)	(47)
Total	**1,741**	**1,545**

The Group has units at Bengaluru, Hyderabad, Chennai and Bhubaneshwar registered as Special Economic Zone (SEZ) units which are entitled to a tax holiday under Section 10AA of the Income Tax Act, 1961.

The Group also has STPI units at Bengaluru and Pune which are registered as a 100 percent Export Oriented Unit, which were earlier entitled to a tax holiday under Section 10B and Section 10A of the Income Tax Act, 1961.

Deferred tax assets (net)

Deferred tax assets included in the balance sheet comprises the following:

Particulars	As at March 31, 2016	As at March 31, 2015
Excess of depreciation as per books over depreciation allowed under Income Tax Act, 1961	254	205
Provision for doubtful trade receivables	22	16
Provision for compensated absence	203	117
Provision for volume discount	73	39
Others	50	72
Total deferred tax assets	**602**	**449**

3.4.4 Long-term loans and advances

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured considered good)		
Capital advances	42	107
Security deposits*	564	547
Advance tax and tax deducted at source, net of provision for taxes	934	834
Service tax credit receivable	139	-
MAT credit entitlement	148	110
Other loans and advances	28	42
Total	**1,855**	**1,640**

*Includes dues from related parties ₹ 298 as at March 31, 2016. (As at March 31, 2015: ₹ 391) (Refer note 3.9).

3.4.5 Other non-current assets

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured considered good)		
Other non-current assets	276	17
Total	**276**	**17**

3.5 Current assets

3.5.1 Current investments

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in mutual funds (quoted)	1,751	4,643
Investment in non-convertible bonds (quoted)	100	-
Term deposits (unquoted)	250	700
Total	**2,101**	**5,343**
Aggregate carrying amount of quoted investments	1,851	4,643
Aggregate market value of quoted investments	2,016	4,790
Aggregate amount of unquoted investments	250	700

Details of investment in mutual funds are as given below:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of units	Amount	No. of units	Amount
ICICI Prudential Mutual Fund	17,401,890	296	28,722,324	472
IDFC Mutual Fund	16,285,532	192	37,530,726	433
UTI Mutual Fund	3,456,138	58	13,456,138	158
Franklin Templeton Mutual Fund	-	-	11,695,643	290
DSP Blackrock Mutual Fund	-	-	14,790,537	351
Birla Sun Life Mutual Fund	14,185,302	212	20,007,295	454
Reliance Mutual Fund	17,651,564	303	23,725,772	428
Tata Mutual Fund	21,243,549	325	36,229,022	422
DWS Mutual Fund	-	-	4,483,697	45
SBI Mutual Fund	5,597,950	87	13,787,278	358
HDFC Mutual Fund	3,635,659	178	27,872,023	424
Axis Mutual Fund	-	-	100,840	104
Bank of India AXA Mutual Fund	10,000,000	100	10,000,000	100
Kotak Mutual Fund	-	-	5,681,936	58
JP Morgan India Mutual Fund	-	-	16,989,901	189
L & T Mutual Fund	-	-	98,576	100
IDBI Mutual Fund	-	-	254,281	257
Total		**1,751**		**4,643**

Details of investment in non-convertible bonds are as given below:

Particulars	As at March 31,	
	2016	**2015**
50 secured redeemable non-convertible debentures of ₹ 1 million in Kotak Mahindra Prime Limited	50	-
50 secured redeemable non-convertible debentures of ₹ 1 million in Kotak Mahindra Investments Limited	50	-
Total	**100**	**-**

Details of investment in term deposits are as given below:

Particulars	As at March 31,	
	2016	**2015**
HDFC Limited	-	700
IL&FS Limited	100	-
Bajaj Finance Limited	50	-
Kotak Mahindra Investments Limited	50	-
LIC Housing Finance Limited	50	-
Total	**250**	**700**

3.5.2 Trade receivables

Particulars	As at March 31,	
	2016	**2015**
(Unsecured)		
Receivables overdue for a period exceeding six months		
- considered good	37	62
- considered doubtful	105	75
Other receivables		
- considered good	9,691	6,901
- considered doubtful	21	8
Less: Provision for doubtful receivables	(126)	(83)
Total	**9,728**	**6,963**

3.5.3 Cash and bank balances

Particulars	As at March 31,	
	2016	2015
Balances with banks in current and deposit accounts*	1,988	3,758
Cash on hand	1	-
Other bank balances**	343	5
Total	**2,332**	**3,763**

*The deposits maintained by the Group with banks comprises time deposits, which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

**Other bank balances represent earmarked balances in respect of unpaid dividends and dividend payable.

3.5.4 Short-term loans and advances

Particulars	As at March 31,	
	2016	2015
(Unsecured considered good)		
Security deposits	36	143
MAT credit entitlement	49	36
Advances recoverable in cash or in kind or for value to be received*	1,505	1,292
Less: Provision for doubtful advances	(20)	(20)
Total	**1,570**	**1,451**

*Includes dues from related parties ₹ Nil as at March 31, 2016. (As at March 31, 2015: ₹ 94) (Refer note 3.9)

This also includes amounts pertaining to housing deposits, vehicles, medical emergencies, travel and salary advances given to employees to the extent of ₹ 430 as at March 31, 2016. (As at March 31, 2015: ₹ 287).

3.5.5 Other current assets

Particulars	As at March 31,	
	2016	2015
Unbilled revenue	2,131	982
Other current assets*	286	24
Total	**2,417**	**1,006**

*Includes derivative asset of ₹ 53 (As at March 31, 2015: ₹ 24)

3.6 Other income

Particulars	For the year ended March 31,	
	2016	2015
Interest income	165	140
Dividend income from current investments	73	154
Net gain on sale of current investments	131	286
Foreign exchange gain/ (loss)	393	179
Other non-operating income	43	76
Total	**805**	**835**

3.7 Expenses

Employee benefits expense	For the year ended March 31,	
	2016	2015
Salaries and wages	26,128	19,312
Contribution to provident and other funds**	1,623	1,055
Expense on employee stock based compensation*	90	168
Staff welfare expenses	185	175
Total	**28,026**	**20,710**

Finance Costs	For the year ended March 31,	
	2016	2015
Interest expense	3	1
Total	**3**	**1**

Other expenses	For the year ended March 31,	
	2016	2015
Travel expenses	2,249	1,740
Communication expenses	634	436
Sub-contractor charges	2,969	2,117
Computer consumables	651	441
Legal and Professional charges	510	412
Power and fuel	316	275
Rent (Refer note 3.10)	752	629
Repairs to buildings	58	51
Repairs to machinery	47	35
Insurance	67	49
Rates and taxes	126	95
Other expenses	2,187	1,537
Total	**10,566**	**7,817**

*Refer note 3.1.1 (f)

**Includes contribution to defined contribution plans ₹ 1,499 (For the year ended March 31, 2015: ₹ 986)

3.8 Contingent liabilities

a) The Group has received an income tax assessment for the financial year 2008-09 wherein demand of ₹ 24 has been raised against the Group on account of certain disallowances, adjustments made by the income tax department. A significant portion of this amount arises from the manner of adjustment of brought forward losses in arriving at the taxable profits of the Group and disallowance of portion of profit earned outside India from the STP and SEZ units.

Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Group has filed an appeal against the demands received.

The Group has received a favourable order from the Commissioner of Income tax (Appeals) for majority of grounds and considering the order passed, there will not be any demand on the Group. On the other grounds which are not favourable, the Group has filed an appeal before the Income Tax Appellate Tribunal ('ITAT').

b) The Group has received income tax assessments for financial years 2006-07 and 2007-08 for the erstwhile subsidiary Mindtree Technologies Private Limited (MTPL) with demands amounting to ₹ 11 and ₹ 10 on account of certain disallowances/ adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Group has filed an appeal against the demand received. The Group has not deposited the amount of demand with the department. The department has adjusted pending refunds amounting to ₹ 18 against these demands.

c) The Group has received income tax assessments under Section 143(3) of the Income-tax Act 1961 pertaining to erstwhile subsidiary Aztecsoft Limited for the financial years 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 wherein demand of ₹ 215, ₹ 49, ₹ 61, ₹ 28, ₹ 58, ₹ 119, ₹ 214 and ₹ 63 respectively has been raised against the Group. These demands have arisen mainly on account of transfer pricing adjustments made in the order. The Group has not accepted these orders and has been advised by its legal counsel/ advisors to prefer appeals before appellate authorities and accordingly the Group has filed appeals before the Commissioner of Income Tax (Appeals) and ITAT. The Group has deposited ₹ 15 with the department against these demands. The department has adjusted pending refunds amounting to ₹ 478 against these demands.

The Group received a favourable order from the Commissioner of Income Tax (Appeals) for the year 2001-02 where in the Commissioner of Income Tax (Appeals) accepted the Group's contentions and quashed the demand raised. The Income tax department appealed against the above mentioned order with ITAT. ITAT, in an earlier year passed an order setting aside both the orders of the Commissioner of Income Tax (Appeals) as well as the Assessing Officer and remanded the matter back to the Assessing Officer for re-assessment. The Group preferred an appeal with the Hon'ble High Court of Karnataka against the order of the ITAT. The Hon'ble High Court of Karnataka has dismissed the appeal filed against the order of ITAT and upheld the order passed by the ITAT and accordingly the case is pending before Assessing Officer for re-assessment. The Deputy Commissioner of Income tax has completed the reassessment & has issued a Final assessment order with a revised demand amounting to ₹ 202 due to transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Group has filed an appeal with Commissioner of Income Tax (Appeals).

The Group has received the order from the Commissioner of Income Tax (Appeals) for the year 2004-05 and on the unfavorable grounds, the Group has filed an appeal with ITAT.

The Group has appealed against the demands received for financial years 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09. Based on favourable order received by the Group for the financial year 2001-02 from the Commissioner of Income Tax (Appeals) and an evaluation of the facts and circumstances, no provision has been made against the above orders in the financial statements.

d) The Group received an assessment order for financial year 2006-07 for the erstwhile subsidiary Mindtree Wireless Private Limited from the Assistant Commissioner of Income-tax ('ACIT') with a demand amounting to ₹ 39 on account of certain other disallowances/ transfer pricing adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Group has filed an appeal with Commissioner of Income Tax (Appeals) against the demand received.

The Group has received the order from the Commissioner of Income Tax (Appeals) wherein the Commissioner of Income Tax (Appeals) accepted the grounds in part and in respect of unfavorable grounds, the Group has filed an appeal before Income Tax Appellate Tribunal. The final order giving effect by the Assessing Officer is completed and the demand is reduced to ₹ 33. The Group has deposited ₹ 5 with the department against this demand.

e) The Group has received a final assessment order for financial year 2009-10 from the Deputy Commissioner of Income Tax with a demand amounting to ₹ 61 due to non-adjustment of brought forward losses and transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Group has filed an appeal with Commissioner of Income Tax (Appeals).

f) The Group has received a final assessment order for financial year 2012-13 from the Deputy Commissioner of Income Tax with a demand amounting to ₹ 15 on account of certain disallowances. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Group has filed an appeal with Commissioner of Income Tax (Appeals).

3.8.1 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2016 is ₹ 262 (March 31, 2015: ₹ 508).

3.8.2 Segmental reporting

The Group is structured into five verticals – RCM, BFSI, TMS, TH and Others. The Group considers business segment as the primary segment and geographical segment based on the location of customers as the secondary segment.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

Income and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income.

The assets of the Group are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

Business segments

Statement of profit and loss	For the year ended March 31,	
	2016	2015
Segment revenue		
RCM	9,459	7,720
BFSI	11,599	8,378
TMS	14,502	11,641
TH	7,164	5,843
Others	4,172	2,037
Total	**46,896**	**35,619**
Segment operating income		
RCM	2,059	1,503
BFSI	1,499	939
TMS	2,674	2,721
TH	1,258	1,136
Others	814	793
Total	**8,304**	**7,092**
Unallocable expenses	(1,332)	(1,018)
Profit for the year before interest, other income and tax	**6,972**	**6,074**
Finance Costs	(3)	(1)
Other income	805	835
Net profit before taxes	**7,774**	**6,908**
Income taxes	(1,741)	(1,545)
Net profit after taxes	**6,033**	**5,363**

Other information	For the year ended March 31,	
	2016	2015
Depreciation and Amortisation (Unallocable)	1,332	1,018
Other significant non-cash expense (Allocable)		
RCM	15	-
BFSI	29	1
TMS	33	-
TH	8	11
Others	-	-

Geographical segments

Revenues	For the year ended March 31,	
	2016	2015
America	29,889	22,059
Europe	12,343	8,967
India	1,412	1,350
Rest of World	3,252	3,243
Total	**46,896**	**35,619**

3.9 Related party transactions

Name of related party	Nature of relationship
Mindtree Foundation	Entity with common key managerial person
Janaagraha Centre for Citizenship & Democracy	Entity with common key managerial person
Coffee Day Global Limited Tanglin Developments Limited ('TDL') Mysore Amalgamated Coffee Estate Ltd	These entities are part of Coffee Day Group which through various entities and its promoters holds 19.72% equity stake in Mindtree.

Transactions with the above related parties during the year were:

Name of related party	Nature of transaction	For the year ended March 31,	
		2016	2015
Mysore Amalgamated Coffee Estate Ltd	Reimbursement of travel expenses	1	-
Mindtree Foundation	Donation paid	36	13
Janaagraha Centre for Citizenship & Democracy	Donation paid Software services rendered	4 -	4 1
Coffee Day Global Limited	Procurement of supplies Software services rendered	23 27	17 -
Tanglin Developments Limited	Leasing office buildings and land Advances/ deposits paid: - towards electricity deposit/ charges Advance/ deposits received back: - towards electricity deposit/ charges - towards lease rentals Interest on advance towards electricity charges/ deposit - amount recovered - amount accrued	375 - 16 172 - -	321 9 51 156 7 4

Balances payable to related parties are as follows:

Name of related party	As at March 31,	
	2016	2015
Coffee Day Global Limited	1	-

Balances receivable from related parties are as follows:

Name of related party	Nature of transaction	As at March 31,	
		2016	2015
Coffee Day Global Limited	Trade Receivables	25	-
Tanglin Developments Limited	Short-term loans and advances: - Rental advance Long-term loans and advances: - Advance towards electricity charges Security deposit (including electricity deposit) returnable on termination of lease	 - - 298	 94 16 375

Key managerial personnel:

Subroto Bagchi***	Executive Chairman
Krishnakumar Natarajan^	CEO and Managing Director
N.S. Parthasarathy	Executive Director, President and Chief Operating Officer
Rostow Ravanan^	Executive Director, Head – Europe, Service lines and Key Accounts
Dr. Albert Hieronimus	Non-Executive Vice Chairman and Independent Director
Apurva Purohit	Independent Director
Manisha Girotra	Independent Director
Prof. Pankaj Chandra	Independent Director
Ramesh Ramanathan	Independent Director
V.G. Siddhartha	Non-Executive Director
Jagannathan Chakravarthi*	Chief Financial Officer
Vedavalli Sridharan**	Company Secretary

* Appointed with effect from April 1, 2015.

** Appointed with effect from June 22, 2015.

*** Effective April 1, 2016, Subroto Bagchi ceased to be the Executive Chairman and will continue as Non-executive director.

^ Effective April 1, 2016, Krishnakumar Natarajan has been elevated as Executive Chairman and Rostow Ravanan, as CEO and Managing Director.

Remuneration to key managerial personnel during the year ended March 31, 2016 amounts to ₹ 135 (for the year ended March 31, 2015 amounts to ₹ 224).

The above remuneration excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

Dividends paid to directors during the year ended March 31, 2016 amounts to ₹ 230 (for the year ended March 31, 2015 amounts to ₹ 173).

3.10 Lease transactions

Lease rental expense under non-cancellable operating lease during the year ended March 31, 2016 amounted to ₹ 447 (for the year ended March 31, 2015: ₹ 363). Future minimum lease payments under non-cancellable operating lease are as below:

Particulars	As at March 31,	
	2016	2015
Payable -- Not later than one year	361	403
Payable -- Later than one year and not later than five years	433	543
Payable -- Later than five years	89	106

Additionally, the Group leases office facilities and residential facilities under cancellable operating leases. The rental expense under cancellable operating lease during the year ended March 31, 2016 was ₹ 305 (for the year ended March 31, 2015: ₹ 266).

3.11 Earnings per share

Reconciliation of number of equity shares used in the computation of basic and diluted earnings per share is set out below:

Particulars	For the year ended March 31,			
	2016		2015*	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	167,649,773	167,649,773	167,238,871	167,238,871
Weighted average number of equity shares resulting from assumed exercise of employee stock options	-	441,916	-	654,350
Weighted average number of equity shares for calculation of earnings per share	167,649,773	168,091,689	167,238,871	167,893,221

*In accordance with Accounting Standard 20 on 'Earnings Per Share', basic and diluted earnings per share is adjusted for bonus issue for previous period presented.

3.12 The Group has a development center at Gainesville, Florida, US. The state of Florida has offered various incentives targeted to the needs of the development center. The nature and the extent of the government grant is given below:

Nature of expenses	For the year ended March 31,	
	2016	2015
Grant towards workforce training	15	24
Total	**15**	**24**

The Group has availed a non-monetary grant of USD 950,000 for renovation of project facility in the previous year. This grant is subject to fulfillment of certain conditions such as creation of minimum employment with specified average salary and capital investment at the development center at Gainesville, Florida, US.

The Group's subsidiary Bluefin has claimed R&D tax relief under UK corporation tax rules. Bluefin undertakes R&D activities and incurs qualifying revenue expenditure which is entitled to an additional deduction under UK corporation tax rules, details of which are given below.

Particulars	For the year ended March 31,	
	2016	2015
Grant towards R & D credit	59	-
Total	**59**	**-**

As at March 31, 2016, the grant recognized in the balance sheet is ₹ 59. (As at March 31, 2015: Nil)

3.13 Total of expenditure incurred on Corporate Social Responsibility activities during the year ended March 31, 2016 is ₹ 94 (during the year ended March 31, 2015 is ₹ 40).

3.14 The Group acquired 100% membership interest in Discoverture Solutions L.L.C. (Discoverture), a US based IT solution provider to the insurance industry, for a consideration of USD 17 million. The consideration includes future payments which are based on achievement of certain specific milestones which have currently been provided for based on best estimate of the Group. The transfer of membership interests and control of Discoverture is effective February 13, 2015 and consequently, Discoverture has become a 100% subsidiary of the Group effective that date. From the date of acquiring control, assets, liabilities, income and expenses are consolidated on a line by line basis. The consolidation has resulted in a goodwill of USD 14.9 million. Results from this acquisition are grouped under BFSI in the segmental reporting given above.

3.15 The Group has acquired 100% of the equity interest in Bluefin Solutions Limited ('Bluefin'), a leading UK based IT solutions provider specializing in SAP HANA solutions, in an all cash transaction for GBP 42.3 million. The consideration includes an upfront payment of GBP 34 million and earn out of GBP 8.3 million payable over the next three years. The transfer of equity interests and control of Bluefin is effective July 16, 2015 and consequently, Bluefin has become a 100% subsidiary of the Group effective that date. From the date of acquiring control, assets, liabilities, income and expenses are consolidated on a line by line basis. The consolidation has resulted in a goodwill of GBP 35.8 million. Results from this acquisition are grouped under Others in the segmental reporting given above.

The effect of acquisition of subsidiaries on the financial position and results as included in the consolidated financial statements is given below:

Particulars	Bluefin Solutions Limited
Liabilities as at March 31, 2016	
Current liabilities	470
Assets as at March 31, 2016	
Non-current assets	60
Current assets	1,112

Particulars	Bluefin Solutions Limited
Details for the period ended March 31, 2016	
Revenue	2,197
Expenses	2,040
Profit before tax	157
Profit after tax	157

3.16 The Group has also acquired 100% of the equity interest in Relational Solutions, Inc, a US based IT solutions provider specializing in technology services to the consumer goods industry, in an all cash transaction for USD 8.6 million. The consideration includes an upfront payment of USD 7.1 million and earn out of USD 1.5 million payable over the next two years. The transfer of equity interests and control of Relational Solutions, Inc is effective July 16, 2015 and consequently, Relational Solutions, Inc has become a 100% subsidiary of the Group effective that date. From the date of acquiring control, assets, liabilities, income and expenses are consolidated on a line by line basis. The consolidation has resulted in a goodwill of USD 8.8 million. Results from this acquisition are grouped under RCM in the segmental reporting given above.

The effect of acquisition of subsidiaries on the financial position and results as included in the consolidated financial statements is given below:

Particulars	Relational Solutions Inc
Liabilities as at March 31, 2016	
Current liabilities	37
Assets as at March 31, 2016	
Current assets	44

Particulars	Relational Solutions Inc
Details for the period ended March 31, 2016	
Revenue	115
Expenses	108
Profit before tax	7
Profit after tax	7

3.17 The Group has also acquired 100% membership interest in Magnet 360, LLC, a US-based platinum salesforce partner specializing in multi-cloud solutions, consulting services and implementation, in an all cash transaction for USD 45.9 million. The consideration includes an upfront payment of USD 37.3 million and earn out of up to USD 8.6 million over the next two years. The transfer of membership interests and control of Magnet 360, LLC is effective January 19, 2016 and consequently, Magnet 360, LLC has become a 100% subsidiary of the Group effective that date. From the date of acquiring control, assets, liabilities, income and expenses are consolidated on a line by line basis. The consolidation has resulted in a goodwill of USD 40.5 million. Results from this acquisition are grouped under Others in the segmental reporting given above.

The effect of acquisition of subsidiaries on the financial position and results as included in the consolidated financial statements is given below:

Particulars	Magnet 360 LLC
Liabilities as at March 31, 2016	
Current liabilities	283
Assets as at March 31, 2016	
Non-current assets	504
Current assets	421

Particulars	Magnet 360 LLC
Details for the period ended March 31, 2016	
Revenue	428
Expenses	444
Profit/ (loss) before tax	(16)
Profit/ (loss) after tax	(16)

3.18 The Company has filed an application before the Hon'ble High Court of Karnataka for a composite scheme of amalgamation ("the scheme") of Discoverture Solutions L.L.C. and Relational Solutions Inc., wholly owned subsidiaries of the Company, with the Company with an appointed date of April 1, 2015. Pending the requisite approvals, no effect has been given for the scheme in these financial statements.

3.19 Auditor's remuneration

Particulars	For the year ended March 31,	
	2016	2015
Audit	20	15
Taxation matters	1	1
Other services	1	1
Reimbursement of expenses and levies	1	1
Total	**23**	**18**

3.20 The consolidated financial statements are presented in ₹ in million. Those items which are required to be disclosed and which were not presented in the consolidated financial statement due to rounding off to the nearest ₹ in million are given as follows:

Balance Sheet items — Amount in ₹

Particulars	As at March 31,	
	2016	2015
Share application money pending allotment	42,300	4,281,900
Provision for foreseeable losses on contracts	277,996	275,752
Cash on hand	706,147	21,148
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited	126,400	126,400

Statement of Profit and Loss items — Amount in ₹

Particulars	For the year ended March 31,	
	2016	2015
Adjustment to the carrying amount of investments	319,056	3,836,625

3.21 As of the balance sheet date, the Group's net foreign currency exposure that is not hedged by a derivative instrument is given below:

Particulars	As at March 31,	
	2016	2015
Receivable	11,638	6,669
Payable	(3,584)	(225)

3.22 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2016 has been made in the financial statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	For the year ended March 31,	
	2016	2015
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	4	Nil
The amount of interest paid by the buyer under the Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
The amount of interest due and payable for the year (where the principal has been paid but interest under the Act not paid);	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year; and	Nil	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

3.23 Statement of Net assets and Profit or loss attributable to owners and minority interest

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss for the year ended March 31, 2016	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent				
Mindtree Limited*	93.82%	22,476	97.30%	5,871
Foreign subsidiaries				
Mindtree Software (Shanghai) Co. Ltd	0.05%	12	0.02%	1
Discoverture Solutions LLC (consolidated)	0.49%	117	0.22%	13
Relational Solutions Inc.	0.03%	7	0.12%	7
Bluefin Solutions Limited (consolidated)	2.93%	702	2.61%	157
Magnet 360 LLC (consolidated)	2.68%	642	(0.27%)	(16)
Total	**100%**	**23,956**	**100%**	**6,033**

* After adjusting inter company transactions and balances.

3.24 Corresponding figures for the previous year presented have been regrouped, where necessary, to conform to the current year's classification.

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 008072S

For and on behalf of the Board of Directors of **Mindtree Limited**

N. Krishnakumar
Chairman

Rostow Ravanan
CEO & Managing Director

V. Balaji
Partner
Membership No. 203685

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2016

Place: Bengaluru
Date: April 18, 2016

Independent Auditor's Report to the Board of Directors of Mindtree Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Mindtree Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Statement of Financial Position as at March 31, 2016, the Consolidated Statements of Income and Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give a true and fair view in conformity with IFRS, of the consolidated financial position of the Group as at March 31, 2016, and its consolidated financial performance, consolidated changes in equity and consolidated cash flows for the year then ended.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

Bengaluru, April 18, 2016

Consolidated statement of financial position

₹ in million, except share data

	Note	As at March 31, 2016	As at March 31, 2015
Assets			
Goodwill	5b, 24, 25, 26 & 27	4,815	740
Property, plant and equipment	4	4,383	4,651
Intangible assets	5a, 24, 25, 26 & 27	2,632	316
Available-for-sale financial assets	6	62	12
Deferred tax assets		432	493
Non-current tax assets		934	834
Other non-current assets	9	1,212	934
Total non-current assets		**14,470**	**7,980**
Trade receivables	7	9,728	6,963
Other current assets	9	2,017	2,152
Unbilled revenues		2,132	982
Available-for-sale financial assets	6	2,016	4,790
Derivative assets		53	24
Cash and cash equivalents	8	2,332	3,763
Total current assets		**18,278**	**18,674**
Total assets		**32,748**	**26,654**
Equity			
Share capital		1,678	837
Share premium		1,376	2,152
Retained earnings		21,148	18,114
Other components of equity		(23)	177
Equity attributable to owners of the Company		24,179	21,280
Non-controlling interests		-	-
Total equity		**24,179**	**21,280**
Liabilities			
Loans and borrowings	10	14	18
Other non-current liabilities	12	832	337
Total non-current liabilities		**846**	**355**
Loans and borrowings and book overdraft	10	815	160
Trade payables and accrued expenses	11	1,889	1,709
Unearned revenue		344	225
Current tax liabilities		315	239
Derivative liabilities		1	3
Employee benefit obligations	13	672	371
Other current liabilities	12	2,937	1,872
Provisions	12	750	440
Total current liabilities		**7,723**	**5,019**
Total liabilities		**8,569**	**5,374**
Total equity and liabilities		**32,748**	**26,654**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of income

₹ in million, except share data

	Note	Year ended March 31, 2016	Year ended March 31, 2015
Revenues		46,730	35,461
Cost of revenues	17	(31,591)	(23,125)
Gross profit		**15,139**	**12,336**
Selling, general and administrative expenses	17	(8,577)	(6,346)
Results from operating activities		**6,562**	**5,990**
Foreign exchange gain		392	179
Finance expenses		(161)	(2)
Finance and other income	19	421	697
Profit before tax		**7,214**	**6,864**
Income tax expense	15	(1,691)	(1,542)
Profit for the year		**5,523**	**5,322**
Attributable to:			
Owners of the Company		5,523	5,322
Non-controlling interests		-	-
		5,523	**5,322**
Earnings per equity share:	20		
Basic		32.94	31.82
Diluted		32.86	31.70
Weighted average number of equity shares used in computing earnings per share:			
Basic		167,649,773	167,238,871
Diluted		168,091,689	167,893,221

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

₹ in million, except share data

	Year ended March 31,	
	2016	**2015**
Profit for the year	5,523	5,322
Other comprehensive income, net of taxes		
Items that will not be reclassified to profit or loss		
- Defined benefit plan actuarial gains/(losses)	(27)	8
Items that may be reclassified subsequently to profit or loss		
- Foreign currency translation difference relating to foreign operations	(217)	-
- Net change in fair value of cash flow hedges	-	(39)
- Net change in fair value of available-for-sale financial assets	15	(7)
Total other comprehensive income, net of taxes	(229)	(38)
Total comprehensive income for the year	**5,294**	**5,284**
Attributable to:		
Owners of the Company	5,294	5,284
Non-controlling interests	-	-
	5,294	**5,284**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

₹ in million, except share data

Particulars	No. of shares	Share capital	Share premium	Retained earnings	Share based payment reserve	Other components of equity			Equity attributable to owners of the Company	Non-controlling interests	Total equity
						Cash flow hedging reserve	Other reserves	Foreign Currency Translation Reserve			
Balance as at April 1, 2014	41,689,731	417	2,429	14,230	34	39	146	-	17,295	-	17,295
Issue of equity shares on exercise of options/ restricted shares	276,980	2	141	-	-	-	-	-	143	-	143
Issue of Bonus shares	41,765,661	418	-	-	-	-	-	-	418	-	418
Amount utilised for bonus shares		-	(418)	-	-	-	-	-	(418)	-	(418)
Profit for the year		-	-	5,322	-	-	-	-	5,322	-	5,322
Other comprehensive income		-	-	-	-	(39)	1	-	(38)	-	(38)
Compensation cost related to employee share based payment transaction		-	-	-	(4)	-	-	-	(4)	-	(4)
Cash dividend paid (including dividend tax thereon)		-	-	(1,438)	-	-	-	-	(1,438)	-	(1,438)
As at March 31, 2015	**83,732,372**	**837**	**2,152**	**18,114**	**30**	**-**	**147**	**-**	**21,280**	**-**	**21,280**
Balance as at April 1, 2015	83,732,372	837	2,152	18,114	30	-	147	-	21,280	-	21,280
Issue of equity shares on exercise of options/restricted shares	160,716	2	63	-	-	-	-	-	65	-	65
Issue of Bonus shares	83,893,088	839	-	-	-	-	-	-	839	-	839
Amount utilised for bonus shares		-	(839)	-	-	-	-	-	(839)	-	(839)
Profit for the year		-	-	5,523	-	-	-	-	5,523	-	5,523
Other comprehensive income		-	-	-	-	-	(12)	-	(12)	-	(12)
Compensation cost related to employee share based payment transaction		-	-	-	29	-	-	-	29	-	29
Cash dividend paid (including dividend tax thereon)		-	-	(2,489)	-	-	-	-	(2,489)	-	(2,489)
Exchange differences on translation of foreign operations		-	-	-	-	-	-	(217)	(217)	-	(217)
As at March 31, 2016	**167,786,176**	**1,678**	**1,376**	**21,148**	**59**	**-**	**135**	**(217)**	**24,179**	**-**	**24,179**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flow

₹ in million, except share data

	Year ended March 31,	
	2016	**2015**
Cash flow from operating activities		
Profit for the year	5,523	5,322
Adjustments for :		
Depreciation & amortisation	1,339	1,014
Amortisation of intangibles	309	10
Amortisation of stock compensation	90	186
Finance expenses	161	2
Income tax expense	1,691	1,542
Interest / dividend income	(277)	(334)
Loss/ (gain) on sale of property, plant and equipment	54	(6)
Gain on sale of available-for-sale financial assets	(131)	(286)
Unrealised exchange difference on derivatives	(31)	(21)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(105)	6
Changes in operating assets and liabilities		
Trade receivables	(1,804)	(742)
Unbilled revenues	(1,150)	32
Other assets	131	(24)
Trade payables and accrued expenses	(126)	841
Unearned revenues	119	125
Other liabilities	379	(238)
Net cash provided by operating activities before taxes	6,172	7,429
Income taxes paid	(1,972)	(1,537)
Net cash provided by operating activities	**4,200**	**5,892**
Cash flow from investing activities		
Expenditure on property, plant and equipment	(1,584)	(1,995)
Proceeds from sale of property, plant and equipment	269	8
Purchase of business/ acquisition (net of cash acquired ₹ 48)	(6,578)	(505)
Interest /dividend received from available-for-sale financial assets	327	219
Inter-corporate deposits	450	(300)
Investments in available-for-sale financial assets	(10,062)	(9,685)
Redemption of available-for-sale financial assets	12,935	10,252
Net cash used in investing activities	**(4,243)**	**(2,006)**
Cash flow from financing activities		
Issue of share capital (net of issue expenses paid)	24	67
Finance expenses	(3)	(1)
Repayment of loans and borrowings	(5)	-
Proceeds from short-term borrowings	415	-
Dividends paid (including distribution tax)	(2,151)	(1,438)
Net cash used in financing activities	**(1,720)**	**(1,372)**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	92	(6)
Net (decrease)/ increase in cash and cash equivalents	**(1,671)**	**2,508**
Cash and cash equivalents at the beginning of the year	3,608	1,100
Cash and cash equivalents at the end of the year (Note 8)	**1,937**	**3,608**

The accompanying notes form an integral part of these consolidated financial statements.

Notes to the consolidated financial statement
(₹ in millions, except share and per share data, unless otherwise stated)

1. Company overview

Mindtree Limited ('Mindtree' or 'the Company') together with its subsidiaries Mindtree Software (Shanghai) Co. Ltd, Discoverture Solutions L.L.C., Bluefin Solutions Limited, Bluefin Solutions Inc., Bluefin Solutions Sdn Bhd, Blouvin (Pty) Limited, Bluefin Solutions Pte Ltd, Relational Solutions, Inc. and Magnet 360, LLC, Reside LLC, M360 Investments, LLC and Numercial Truth, LLC, collectively referred to as 'the Group' is an international Information Technology consulting and implementation Group that delivers business solutions through global software development. The Group is structured into five verticals – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Technology, Media and Services (TMS), Travel and Hospitality (TH) and Others. The Group offers services in the areas of agile, analytics and information management, application development and maintenance, business process management, business technology consulting, cloud, digital business, independent testing, infrastructure management services, mobility, product engineering and SAP services.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Bengaluru, Karnataka, India and has offices in India, United States of America, United Kingdom, Japan, Singapore, Malaysia, Australia, Germany, Switzerland, Sweden, South Africa, UAE, Netherlands, Canada, Belgium, France, Ireland and Republic of China. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The consolidated financial statements were authorized for issuance by the Company's Board of Directors and Audit Committee on April 18, 2016.

2. Basis of preparation of financial statements

(a) Statement of compliance

The consolidated financial statements as at and for the year ended March 31, 2016 have been prepared in accordance with International Financial Reporting Standards and its interpretations ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

(b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant IFRS:

i. Derivative financial instruments;

ii. Available-for-sale financial assets;

iii. Share based payment transactions;

iv. Defined benefit and other long-term employee benefits; and

v. Assets and liabilities related to business combinations.

(c) Functional and presentation currency

The consolidated financial statements are presented in Indian rupees, which is the functional currency of the parent company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest million except share and per share data.

(d) Use of estimates and judgment

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

i) *Revenue recognition:* The Group uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the year in which the loss becomes probable.

ii) *Income taxes:* The Company's two major tax jurisdictions are India and the U.S., though the Company also files tax returns in other foreign jurisdictions. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Also refer to Note 15.

iii) *Other estimates:* The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the uncollectability of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

3. Significant accounting policies

(i) Basis of consolidation

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Parent Company and entities controlled by the Parent Company (its subsidiaries).

Control exists when the parent has power over an investee, exposure or rights to variable returns its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including un-realized gain/ loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group.

(ii) Functional and presentation currency

Items included in the consolidated financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of Mindtree Limited.

(iii) Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(iv) Financial instruments

Financial instruments of the Group are classified in the following categories : non-derivative financial instruments comprising of loans and receivables, available-for-sale financial assets and trade and other liabilities; derivative financial instruments under the category of financial assets or financial liabilities at fair value through profit or loss. The classification of financial instruments depends on the purpose for which those were acquired. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial instruments

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Loans and receivables are represented by trade receivables, unbilled revenue, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or are not classified in any of the other categories. Available-for-sale financial assets are recognized initially at fair value plus transaction costs. Subsequent to initial recognition these are measured at fair value and changes therein, other than impairment losses and foreign exchange gains and losses on available-for-sale monetary items are recognized in other comprehensive income and presented within equity. When an investment is derecognized, the cumulative gain or loss in equity is transferred to the statement of income.

(iii) Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

b) Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction cost are recognized in statement of income as cost.

(i) Cash flow hedges: Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of income. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of income upon the occurrence of the related forecasted transaction.

(ii) Others: Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges and the ineffective portion of cash flow hedges are recognized in the statement of income and reported within foreign exchange gains/(losses), net under results from operating activities.

(v) Property, plant and equipment

a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

b) Depreciation

The Group depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life or the related lease term. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Category	Useful life
Buildings	25 to 30 years
Computer systems	2 to 3 years
Furniture, fixtures and equipment	3 to 7 years
Vehicles	4 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of income when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of income.

Deposits and advances paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

(vi) Business combination, Goodwill and Intangible assets

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs incurred in connection with a business combination are expensed as incurred.

a) Goodwill

The excess of the cost of acquisition over the Company's share in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognized as goodwill. If the excess is negative, a bargain purchase gain is recognized immediately in the statements of income.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairments. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangibles are as follows:

Category	Useful life
Intellectual property	5 years
Computer software	2 to 3 years
Business alliance relationships	4 years
Customer relationships	3 years
Vendor relationship	5 years
Trade name	10 years
Technology	10 years
Non-compete agreement	5 years

(vii) Leases

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of income over the lease term.

(viii) Impairment

a) Financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(i) Loans and receivables

Impairment losses on trade and other receivables are recognized using separate allowance accounts.

(ii) Available-for-sale financial asset

When the fair value of available-for-sale financial assets declines below acquisition cost and there is objective evidence that the asset is impaired, the cumulative loss that has been recognized in other comprehensive income, a component of equity in other reserve is transferred to the statement of income. An impairment loss may be reversed in subsequent periods, if the indicators for the impairment no longer exist. Such reversals are recognized in other comprehensive income.

b) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows.

c) Reversal of impairment loss

An impairment loss for financial assets is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss in respect of goodwill is not reversed. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss for an asset other than goodwill and available- for-sale financial assets that are equity securities is recognized in the statement of income. For available-for-sale financial assets that are equity securities, the reversal is recognized in other comprehensive income.

(ix) Employee Benefit

The Group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Group has the following employee benefit plans:

a) Social security plans

Employees Contributions payable to the social security plans, which are a defined contribution scheme, are charged to the statement of profit and loss in the period in which the employee renders services.

b) Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the Life Insurance Corporation of India (LIC), ICICI Prudential Life Insurance Company and SBI Life Insurance Company. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Group has applied IAS 19 (as revised in June 2011) Employee Benefits ('IAS 19R') and the related consequential amendments effective April 1, 2013. As a result, all actuarial gains or losses are immediately recognized in other comprehensive income and permanently excluded from profit or loss. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

c) Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Group recognizes actuarial gains and losses immediately in the statement of income.

(x) Share based payment transaction

Employees of the Group receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognized in the statement of income with a corresponding increase to the share based payment reserve, a component of equity.

The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The stock compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

The fair value of the amount payable to the employees in respect of SARs, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the liability are recognized in statement of income.

(xi) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

(xii) Revenue

The Group derives revenue primarily from software development and related services.

The Group recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:

a) Time and materials contracts

Revenues and costs relating to time and materials contracts are recognized as the related services are rendered.

b) Fixed-price contracts

Revenues from fixed-price contracts are recognized using the "percentage-of-completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity.

If the Group does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of income in the period in which such losses become probable based on the current contract estimates.

'Unbilled revenues' represent cost and earnings in excess of billings as at the end of the reporting period.

'Unearned revenues' represent billing in excess of revenue recognized. Advance payments received from customers for which no services are rendered are presented as 'Advance from customers'.

c) Maintenance contracts

Revenue from maintenance contracts is recognized ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight line basis over the specified period or under some other method that better represents the stage of completion.

In arrangements for software development and related services and maintenance services, the Group has applied the guidance in IAS 18, Revenue, by applying the revenue recognition criteria for each separately identifiable component of a single transaction. The arrangements generally meet the criteria for considering software development and related services as separately identifiable components. For allocating the consideration, the Group has measured the revenue in respect of each separable component of a transaction at its fair value, in accordance with principles given in IAS 18.

The Group accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale.

Revenues are shown net of sales tax, value added tax, service tax and applicable discounts and allowances.

The Group accrues the estimated cost of post contract support services at the time when the revenue is recognized. The accruals are based on the Group's historical experience of material usage and service delivery costs.

(xiii) Finance income and expense

Finance income consists of interest income on funds invested (including available-for-sale financial assets), dividend income and gains on the disposal of available-for-sale financial assets. Interest income is recognized as it accrues in the statement of income, using the effective interest method.

Dividend income is recognized in the statement of income on the date that the Group's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings and impairment losses recognized on financial assets (other than trade receivables). Borrowing costs are recognized in the statement of income using the effective interest method.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

(xiv) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of income except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(xv) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

(xvi) Government grants

Grants from the government are recognised when there is reasonable assurance that:
(i) the Group will comply with the conditions attached to them; and
(ii) the grant will be received.

Government grants related to revenue are recognised on a systematic basis in the statement of income over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. Where the Group receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a nominal value.

New standards and interpretations not yet adopted.

a) IFRS 9 Financial Instruments

In November 2009, the IASB issued IFRS 9, Financial Instruments: Recognition and Measurement, to reduce the complexity of the current rules on financial instruments as mandated in IAS 39.

IFRS 9 has fewer classification and measurement categories as compared to IAS 39 and has eliminated the categories of held to maturity, available for sale and loans and receivables. Further, it eliminates the rule-based requirement of segregating embedded derivatives and tainting rules pertaining to held-to maturity investments. For an investment in an equity instrument which is not held for trading, IFRS 9 permits an irrevocable election, on initial recognition, on an individual share-by-share basis, to present all fair value changes from the investment in other comprehensive income. No amount recognized in other comprehensive income would ever be reclassified to profit or loss. IFRS 9, was further amended in October 2010, and such amendment introduced requirements on accounting for financial liabilities. This amendment addresses the issue of volatility in the profit or loss due to changes in the fair value of an entity's own debt. It requires the entity, which chooses to measure a liability at fair value, to present the portion of the fair value change attributable to the entity's own credit risk in the other comprehensive income.

The effective date for adoption of IFRS 9 is annual periods beginning on or after 1 January 2018, though early adoption is permitted. The Company is currently evaluating the requirements of IFRS 9, and has not yet determined the impact on the consolidated interim financial statements.

b) IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers. The standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue – Barter Transactions Involving Advertising Services.

The new standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions - and retrospectively adjust each comparative period. Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application - and make no adjustments to its comparative information. The chosen transition option can have a significant effect on revenue trends in the financial statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs.

The standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted under IFRS. The company is currently evaluating the requirements of IFRS 15, and has not yet determined the impact on the consolidated financial statements.

c) IFRS 16 Leases

On January 13, 2016, the International Accounting Standards Board issued the final version of IFRS 16, Leases. IFRS 16 will replace the existing leases Standard, IAS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of comprehensive income. The Standard also contains enhanced disclosure requirements for lessees. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. The effective date for adoption of IFRS 16 is annual periods beginning on or after January 1, 2019, though early adoption is permitted for companies applying IFRS 15 Revenue from Contracts with Customers. The Group is yet to evaluate the requirements of IFRS 16 and the impact on the consolidated financial statements.

4. Property, plant and equipment

Particulars	Land	Building	Computer Systems	Furniture, fixtures and equipment	Vehicles	Total
Gross carrying value:						
As at April 1, 2014	97	1,911	1,571	2,977	2	6,558
Additions	-	929	563	591	28	2,111
Disposal/ adjustments	-	1	103	35	1	140
Acquisition through business combination	-	-	10	2	-	12
As at March 31, 2015	97	2,839	2,041	3,535	29	8,541
Accumulated depreciation/ impairment:						
As at April 1, 2014	6	348	1,082	2,078	1	3,515
Depreciation	1	150	416	295	5	867
Disposal/ adjustments	-	1	101	35	1	138
As at March 31, 2015	7	497	1,397	2,338	5	4,244
Capital work-in-progress						354
Net carrying value as at March 31, 2015	**90**	**2,342**	**644**	**1,197**	**24**	**4,651**
Gross carrying value:						
As at April 1, 2015	97	2,839	2,041	3,535	29	8,541
Additions	-	417	644	586	-	1,647
Disposal/ adjustments	13	993	69	159	-	1,234
Translation Adjustment Loss/ (Gain)	-	-	4	1	-	5
Acquisition through business combination	-	-	133	86	-	219
As at March 31, 2016	84	2,263	2,745	4,047	29	9,168
Accumulated depreciation/ impairment:						
As at April 1, 2015	7	497	1,397	2,338	5	4,244
Depreciation	1	216	567	419	9	1,212
Disposal/ adjustments	1	360	69	158	-	588
Translation Adjustment Loss/ (Gain)	-	-	4	2	-	6
Acquisition through business combination	-	-	99	56	-	155
As at March 31, 2016	7	353	1,990	2,653	14	5,017
Capital work-in-progress						232
Net carrying value as at March 31, 2016	**77**	**1,910**	**755**	**1,394**	**15**	**4,383**

The depreciation expense for the year ended March 31, 2016 and March 31, 2015 is included in the following line items in the statement of income.

Particulars	Year ended March 31,	
	2016	**2015**
Cost of revenues	1,075	789
Selling, general and administrative expenses	137	78
Total	**1,212**	**867**

The Carrying value of land includes ₹ 66 and ₹ 58 as at March 31, 2016 and March 31, 2015 towards deposits paid under lease agreement to use the land for 90-95 years and the ownership of the land does not vest with the Group after the lease period.

Further carrying value of land includes ₹ 11 towards deposit paid for use of land for 95 years with an option of renewing the lease subject to fulfillment of certain conditions and restrictions.

5. Intangible assets and Goodwill

a) Intangible assets

Particulars	Intellectual Property	Computer Software	Business Alliance Relationships	Customer Relationships	Non compete agreement	Vendor Relationship	Trade Name	Technology	Total
Gross carrying value:									
As at April 1, 2014	67	892	-	-	-	-	-	-	959
Additions	-	94	-	-	-	-	-	-	94
Disposal/ adjustments	-	65	-	-	-	-	-	-	65
Acquisition through business combination	-	1	71	111	24	-	-	-	207
As at March 31, 2015	67	922	71	111	24	-	-	-	1,195
Accumulated amortisation/impairment:									
As at April 1, 2014	52	735	-	-	-	-	-	-	787
Amortisation	13	134	3	6	1	-	-	-	157
Disposal/ adjustments	-	65	-	-	-	-	-	-	65
As at March 31, 2015	65	804	3	6	1	-	-	-	879
Net carrying value as at March 31, 2015	**2**	**118**	**68**	**105**	**23**	**-**	**-**	**-**	**316**
Gross carrying value:									
As at April 1, 2015	67	922	71	111	24	-	-	-	1,195
Additions	-	90	-	-	-	-	-	-	90
Disposal/ adjustments	-	5	-	-	-	-	-	-	5
Translation Adjustment Loss/(Gain)	-	-	-	44	-	11	9	(11)	53
Acquisition through business combination	-	16	-	1,346	30	739	327	257	2,715
As at March 31, 2016	67	1,023	71	1,413	54	728	318	268	3,942
Accumulated amortisation/impairment:									
As at April 1, 2015	65	804	3	6	1	-	-	-	879
Amortisation	1	118	18	205	6	50	19	19	436
Disposal/ adjustments	-	5	-	-	-	-	-	-	5
Translation Adjustment Loss/(Gain)	-	-	-	7	-	2	1	(1)	9
Acquisition through business combination	-	9	-	-	-	-	-	-	9
As at March 31, 2016	66	926	21	204	7	48	18	20	1,310
Net carrying value as at March 31, 2016	**1**	**97**	**50**	**1,209**	**47**	**680**	**300**	**248**	**2,632**

The amortisation expense for the year ended March 31, 2016 and March 31, 2015 is included in the following line items in the statement of income.

Particulars	Year ended March 31,	
	2016	2015
Cost of revenues	396	143
Selling, general and administrative expenses	40	14
Total	**436**	**157**

b) Goodwill

Particulars	2016	2015
Balance at the beginning of the year	740	-
Translation Adjustment Loss/(Gain)	204	-
Acquisition through business combination	4,279	740
Balance at the end of the year	**4,815**	**740**

6. Available-for-sale financial assets

Investments in liquid and short term mutual fund units, non-convertible bonds, unlisted equity securities and preference shares are classified as available-for-sale financial assets.

Cost and fair value of the above are as follows:

Particulars	2016	2015
Non-current		
Investment in non-convertible bonds, unlisted equity securities and preference shares		
Cost	59	9
Gross unrealised holding gains	3	3
Fair value	62	12
Current		
Investment in non-convertible bonds, liquid and short term mutual funds		
Cost	1,855	4,646
Gross unrealised holding gains	164	148
Gross unrealised holding (losses)	(3)	(4)
Fair value	2,016	4,790
Total available-for-sale financial assets	**2,078**	**4,802**

Net change in fair value of available-for-sale financial assets reclassified to the statement of income was ₹ 88 and ₹ 54 for the year ended March 31, 2016 and March 31, 2015 respectively.

7. Trade receivables

Particulars	2016	2015
Trade receivables	9,853	7,046
Allowance for doubtful trade receivable	(125)	(83)
Total	**9,728**	**6,963**

8. Cash and cash equivalents

Cash and cash equivalents consist of the following:

Particulars	2016	2015
Cash balances	1	-
Current and time deposits with banks #	2,331	3,763
Cash and cash equivalents on statement of financial position	**2,332**	**3,763**
Book overdrafts used for cash management purposes	(395)	(155)
Cash and cash equivalents in the cash flow statement	**1,937**	**3,608**

#Balance with banks amounting to ₹ 343 and ₹ 5 as of March 31, 2016 and March 31, 2015 includes unpaid dividends.

The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

9. Other assets

Particulars	As at March 31,	
	2016	2015
Non-current		
Capital advances	42	107
Security deposits	655	614
Prepaid expenses	171	196
Service tax credit receivable	138	-
Others	206	17
	1,212	**934**
Current		
Interest bearing deposits with corporates	250	700
Prepaid expenses	820	526
Advance to employees	417	232
Advance to suppliers	94	249
Interest accrued and not due	19	99
Deposits	38	136
Others	379	210
	2,017	**2,152**
Total	**3,229**	**3,086**

10. Loans and borrowings and book overdraft

A summary of loans and borrowings and book overdraft is as follows:

Particulars	As at March 31,	
	2016	2015
Non-current		
Unsecured long-term loan and borrowings	14	18
	14	**18**
Current		
Current portion of unsecured long-term loan and borrowings	5	5
Secured bank loans	415	-
Book overdraft	395	155
	815	**160**
Total	**829**	**178**

Unsecured long term borrowings represent the amount received from Council for Scientific and Industrial Research (CSIR) to develop a project under "Development of Intelligent Video Surveillance Server (IVSS) system".

The Non-current loan is an unsecured loan carrying a simple interest of 3% p.a. on the outstanding amount of loan. Repayment of loan is in 10 equal annual installments commencing from June 2011. The project implementation period was a moratorium period ending May 2011 and the Company was not liable for repayment of installments and interest during the said period. However, the interest accrued during the period is amortized and is payable in 3 equal annual installments commencing from June 2011. Any delay in repayment entails a liability of 12% p.a. compounded monthly for the period of delay.

11. Trade payables and accrued expenses

Trade payables and accrued expenses consist of the following:

Particulars	As at March 31,	
	2016	2015
Trade payables	734	753
Accrued expenses	1,155	956
Total	**1,889**	**1,709**

12. Other liabilities and provisions

Particulars	As at March 31,	
	2016	2015
Non-current		
Others	832	337
	832	**337**
Current		
Advances from customers	44	27
Dividend payable	336	-
Employee and other liabilities	1,192	1,438
Statutory dues payable	469	249
Other liabilities	896	158
	2,937	**1,872**
Total	**3,769**	**2,209**
Current		
Provisions		
Provision for discount	667	367
Provision for post contract support services	7	5
Others	76	68
Total	**750**	**440**

Non-current

Provision for discount

Provision for discount are for volume discounts and pricing incentives to customers accounted for by reducing the amount of revenue recognized at the time of sale.

Particulars	Year ended March 31,	
	2016	2015
Balance as at beginning of the year	-	39
Provision made during the year	-	-
Utilisations during the year	-	(39)
Released during the year	-	-
Provision at the end of the year	-	-

Current

Provision for discount

Particulars	Year ended March 31,	
	2016	2015
Balance as at beginning of the year	367	231
Provision made during the year	490	433
Utilisations during the year	(172)	(289)
Released during the year	(18)	(8)
Provision at the end of the year	667	367

Provision for post contract support services

Provision for post contract support services represents cost associated with providing sales support services which are accrued at the time of recognition of revenues and are expected to be utilized within a period of 1 year.

Particulars	Year ended March 31,	
	2016	2015
Balance as at beginning of the year	5	4
Provision made during the year	2	2
Released during the year	-	(1)
Provision at the end of the year	7	5

Other provisions

Other provisions primarily represent provision for tax related contingencies and litigations. The timing of cash flows in respect of these provisions cannot be reasonably determined.

Particulars	Year ended March 31,	
	2016	2015
Balance as at beginning of the year	68	66
Provision made during the year	8	2
Released during the year	-	-
Provision as at the end of the year	76	68

13. Employee benefit obligations

Employee benefit obligations comprises of following:

Particulars	As at March 31,	
	2016	2015
Gratuity	134	15
Compensated absences	538	356
Total	**672**	**371**

14. Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories are as follows:

As at March 31, 2016

Particulars	Financial assets/ liabilities at fair value through profit or loss	Loans and receivables	Available-for-sale financial assets	Financial liabilities measured at amortized cost	Total carrying amount	Fair value
Assets						
Trade receivables	-	9,728	-	-	9,728	9,728
Unbilled revenue	-	2,132	-	-	2,132	2,132
Available-for-sale financial assets	-	-	2,078	-	2,078	2,078
Cash and cash equivalents	-	2,332	-	-	2,332	2,332
Derivative assets	53	-	-	-	53	53
Other assets	-	1,710	-	-	1,710	1,710
Total assets	**53**	**15,902**	**2,078**	**-**	**18,033**	**18,033**
Liabilities						
Loans and borrowings	-	-	-	829	829	829
Trade payables and accrued expenses	-	-	-	1,889	1,889	1,889
Derivative liabilities	1	-	-	-	1	1
Other liabilities	1,432	-	-	1,352	2,784	2,784
Total liabilities	**1,433**	**-**	**-**	**4,070**	**5,503**	**5,503**

As at March 31, 2015

Particulars	Financial assets/ liabilities at fair value through profit or loss	Loans and receivables	Available-for-sale financial assets	Financial liabilities measured at amortized cost	Total carrying amount	Fair value
Assets						
Trade receivables	-	6,963	-	-	6,963	6,963
Unbilled revenue	-	982	-	-	982	982
Available-for-sale financial assets	-	-	4,802	-	4,802	4,802
Cash and cash equivalents	-	3,763	-	-	3,763	3,763
Derivative assets	24	-	-	-	24	24
Other assets	-	1,799	-	-	1,799	1,799
Total assets	**24**	**13,507**	**4,802**	**-**	**18,333**	**18,333**
Liabilities						
Loans and borrowings	-	-	-	178	178	178
Trade payables and accrued expenses	-	-	-	1,709	1,709	1,709
Derivative liabilities	3	-	-	-	3	3
Other liabilities	-	-	-	1,810	1,810	1,810
Total liabilities	**3**	**-**	**-**	**3,697**	**3,700**	**3,700**

Fair Value

The fair value of cash and cash equivalent, trade receivables, unbilled revenue, trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to short term nature of these instruments.

Fair value hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2016 and March 31, 2015:

As at March 31, 2016

Particulars	As of March 31, 2016	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Available-for-sale financial asset - Investments in mutual fund units	2,016	1,916	100	
Available-for-sale financial asset - Investments in non-convertible bonds, unlisted equity securities and preference shares	62		50	12
Derivatives financial instruments - gain on outstanding foreign exchange forward and option contracts	53		53	
Liabilities				
Derivatives financial instruments - loss on outstanding foreign exchange forward and option contracts	1		1	

As at March 31, 2015

Particulars	As of March 31, 2015	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Available-for-sale financial asset - Investments in mutual fund units	4,790	4,790		
Available-for-sale financial asset - Investments in unlisted equity securities and preference shares	12			12
Derivatives financial instruments - gain on outstanding foreign exchange forward and option contracts	24		24	
Liabilities				
Derivatives financial instruments - loss on outstanding foreign exchange forward and option contracts	3		3	

There have been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2016.

A reconciliation of changes in the fair value measurement of investments in unlisted securities in level 3 of the fair value hierarchy is given below:

Particulars	As at March 31,	
	2016	2015
Balance at the beginning of the year	12	11
Add: Investments in equity shares of NuvePro Technologies Private Limited	-	1
Balance at the end of the year	12	12

Income and interest expense for financial assets or financial liabilities that are not at fair value through statement of income is as follows:

Particulars	Year ended March 31,	
	2016	2015
Income from available-for-sale financial assets	204	440
Interest income on deposits	204	177
Interest expense	(161)	(2)

Derivative financial instruments

The Group is exposed to foreign currency fluctuations on foreign currency assets/ liabilities and forecasted cash flows denominated in foreign currency. The Group follows established risk management policies, including the use of derivatives to hedge foreign currency assets/ liabilities and foreign currency forecasted cash flows. The counter party in these derivative instruments is a bank and the Group considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Group's derivative contracts outstanding:

Particulars	As at March 31, 2016	2015
Non-designated derivative instruments (Sell)		
In US $	31	32
In Euro	3	5
In GBP	2	2

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges:

Particulars	As at March 31, 2016	2015
Balance at the beginning of the year	-	49
Net (gain)/loss reclassified into the statement of income on occurrence of hedged transactions	-	(49)
Balance at the end of the year	-	-

As at March 31, 2016 and March 31, 2015 there were no significant gains or losses on derivative transactions or portions thereof that have become ineffective as hedges, or associated with an underlying exposure that did not occur.

The foreign exchange forward and option contracts mature anywhere between 0-1 year. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the reporting date:

Particulars	As at March 31, 2016	2015
	US$	US$
Non-designated derivative instruments (Sell)		
Not later than 1 month	14	15
Later than 1 month but not later than 3 months	22	25
Later than 3 months but not later than 1 year	-	-
Later than 1 year	-	-

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits, continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of revenues generated from top customer and top 5 customers:

Particulars	Year ended March 31, 2016	2015
Revenue from top customer	5,106	3,337
Revenue from top 5 customers	14,281	11,514

One customer accounted for more than 10% of the revenue, however none of the customer accounted for more than 10% of the receivables for the year ended March 31, 2016. None of the customers accounted for more than 10% of the receivables and revenue for the year ended March 31, 2015.

Due to the above, there is no significant concentration of credit risk.

Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, available-for-sale financial assets and interest bearing deposits with corporates are neither past due nor impaired. Cash and cash equivalents include deposits with banks with high credit-ratings assigned by international and domestic credit-rating agencies. Available-for-sale financial assets include investment in liquid mutual fund units and unlisted equity instruments. Deposits with corporates represent funds deposited with financial institutions for a specified time period. Of the total trade receivables, ₹ 7,834 and ₹ 5,789 as of March 31, 2016 and March 31, 2015 respectively, were neither past due nor impaired.

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired except for trade receivables. The company's credit period generally ranges from 30-90 days. The age wise break up of trade receivables, net of allowances that are past due, is given below:

Period (in days)	As at March 31,	
	2016	2015
Past due 0-30 days	1,342	618
Past due 30-60 days	247	212
Past due 60-90 days	92	126
Past due over 90 days	213	218
Total past due and not impaired	**1,894**	**1,174**

The allowance for impairment in respect of trade receivables for the year ended March 31, 2016 and March 31, 2015 was ₹ 88 and ₹ 68 respectively. The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	As at March 31,	
	2016	2015
Balance at the beginning of the year	82	46
Additions during the year	88	68
Trade receivables written off	(45)	(32)
Balance at the end of the year	125	82

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

Particulars	As at March 31,	
	2016	2015
Cash and cash equivalents	2,332	3,763
Available-for-sale investments	2,016	4,790
Interest bearing deposits with corporates	250	700
Total	**4,598**	**9,253**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2016 and March 31, 2015:

Particulars	As at March 31, 2016		
	Less than 1 year	1-2 years	2 years and above
Loans and borrowings and book overdraft	815	5	9
Trade payables and accrued expenses	1,889	-	-
Derivative Liabilities	1	-	-
Other liabilities	2,784	-	-

Particulars	As at March 31, 2015		
	Less than 1 year	1-2 years	2 years and above
Loans and borrowings and book overdraft	160	5	18
Trade payables and accrued expenses	1,709	-	-
Derivative Liabilities	3	-	-
Other liabilities	1,810	-	-

Foreign Currency risk

The Group's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars, British pound sterling and euros) and foreign currency borrowings (in U.S. dollars). A significant portion of the Group's revenues are in these foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Group has a foreign currency advisory committee which meets on a periodic basis to formulate the strategy for foreign currency risk management.

Consequently, the Group uses derivative financial instruments, such as foreign exchange forward and option contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

The Group has designated certain derivative instruments as cash flow hedge to mitigate the foreign exchange exposure of forecasted highly probable cash flows.

The details in respect of the outstanding foreign exchange forward and option contracts are given under the derivative financial instruments section.

In respect of the Group's forward and option contracts, a 1% decrease/increase in the respective exchange rates of each of the currencies underlying such contracts would have resulted in:

a) an approximately ₹ Nil increase/decrease in the Group's hedging reserve and an approximately ₹ 50 increase and ₹ 25 decrease in the Group's net profit as at March 31, 2016;

b) an approximately ₹ Nil increase/decrease in the Group's hedging reserve and an approximately ₹ 25 increase/decrease in the Group's net profit as at March 31, 2015; and

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2016 and March 31, 2015.

As at March 31, 2016

Particulars	US $	Euro	Pound Sterling	Other currencies*	Total
Assets					
Trade receivables	6,704	875	1,320	672	9,571
Unbilled revenue	1,385	95	542	58	2,080
Cash and cash equivalents	1,270	70	231	341	1,912
Other assets	148	18	39	25	230
Liabilities					
Loans and borrowings	15	-	-	-	15
Trade payables and accrued expenses	387	1	113	2	503
Other liabilities	1,385	38	912	76	2,411
Net assets/liabilities	**7,720**	**1,019**	**1,107**	**1,018**	**10,864**

*Others include currencies such as Singapore $, Australian $, Canadian $, Japanese Yen, Malaysian Ringgit, etc.

As at March 31, 2015

Particulars	US $	Euro	Pound Sterling	Other currencies*	Total
Assets					
Trade receivables	4,791	831	656	392	6,670
Unbilled revenue	693	128	138	29	988
Cash and cash equivalents	1,335	72	124	236	1,767
Other assets	161	6	39	19	225
Liabilities					
Loans and borrowings	-	-	-	-	-
Trade payables and accrued expenses	167	1	8	8	184
Other liabilities	299	30	67	110	506
Net assets/liabilities	**6,514**	**1,006**	**882**	**558**	**8,960**

*Others include currencies such as Singapore $, Australian $, Canadian $, Japanese Yen, Malaysian Ringgit, etc.

For the year ended March 31, 2016 and 2015 respectively, every 1% increase/decrease of the respective foreign currencies compared to functional currency of the Group would impact operating margins by 1.42% and 0.20% respectively.

Interest rate risk

Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. The Group's borrowings and investments are primarily short-term, which do not expose it to significant interest rate risk.

For details of the Group's borrowings and investments, refer to note 10 and 6 above.

15. Income tax expense

Income tax expense in the statement of income consists of:

Particulars	Year ended March 31,	
	2016	2015
Current taxes		
Domestic	1,586	1,419
Foreign	307	173
Total	**1,893**	**1,592**
Deferred taxes		
Domestic	(89)	4
Foreign	(113)	(54)
Total	**(202)**	**(50)**
Grand Total	**1,691**	**1,542**

Income tax expense has been allocated as follows:

Particulars	Year ended March 31,	
	2016	2015
Income tax expense as per the statement of income	1,691	1,542
Income tax included in other comprehensive income on:		
- unrealised gains on available-for-sale financial assets	3	(3)
- gains/(losses) on cash flow hedging derivatives	-	(10)
- actuarial gains/(losses) on defined benefit plans	(6)	(2)
	(3)	(15)
Total	**1,688**	**1,527**

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	Year ended March 31,	
	2016	2015
Profit before tax	7,214	6,864
Enacted income tax rate in India	34.61%	33.99%
Computed expected tax expense	2,497	2,333
Effect of:		
Income exempt from tax	(1,269)	(936)
Temporary differences reversed during the tax holiday period	13	4
Expenses disallowed for tax purposes	241	29
Foreign Tax (Net)	143	112
Tax reversals	32	-
Others	34	-
Total income tax expense	**1,691**	**1,542**

The tax rates under Indian Income Tax Act, for the year ended March 31, 2016 and March 31, 2015 is 34.61% and 33.99% respectively.

The Company has not created deferred tax assets on the following:

Particulars	As at March 31,	
	2016	2015
Unused tax losses (long term capital loss) which expire in		
- FY 2016-17	2	2
- FY 2018-19	163	163
- FY 2019-20	34	34
- FY 2021-22	48	48
- FY 2022-23	28	-
Unused tax losses of foreign jurisdiction	152	158

The components of deferred tax assets are as follows:

Particulars	As at March 31,	
	2016	2015
Property, plant and equipment	254	205
Allowances for doubtful accounts receivable	22	16
Compensated absences	203	117
Others	123	111
	602	449
Minimum alternate tax	198	145
Available-for-sale financial assets	(31)	(28)
Defined benefit plans	-	(6)
Intangibles	(337)	(67)
Total deferred tax assets (net)	**432**	**493**

A substantial portion of the profits of the Group's India operations are exempt from Indian income taxes being profits attributable to export operations and profits from undertakings situated in Software Technology Parks and Export Oriented Units. Under the tax holiday, the taxpayer can utilize an exemption from income taxes for a period of any ten consecutive years. The tax holidays on all facilities under Software Technology Parks and Export Oriented Units has expired on March 31, 2011. Additionally, under the Special Economic Zone Act, 2005 scheme, units in designated Special Economic Zones providing service on or after April 1, 2005 will be eligible for a deduction of 100 percent of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50 percent of such profits and gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. Profits from certain other undertakings are also eligible for preferential tax treatment. In addition, dividend income from certain category of investments is exempt from tax. The difference between the reported income tax expense and income tax computed at statutory tax rate is primarily attributable to income exempt from tax.

Pursuant to the changes in the Indian income tax laws in fiscal 2007, Minimum Alternate Tax (MAT) has been extended to income in respect of which deduction is claimed under the tax holiday schemes discussed above; consequently, the Company has calculated its tax liability for current domestic taxes after considering MAT. The excess tax paid under MAT provisions over and above normal tax liability can be carried forward and set-off against future tax liabilities computed under normal tax provisions.

The Group is also subject to US tax on income attributable to its permanent establishment in the United States due to operation of its US branch.

16. Equity

a) Share capital and share premium

The company has only one class of equity shares. The authorized share capital of the Company is 800,000,000 equity shares of ₹ 10 each. Par value of the equity shares is recorded as share capital and the amount received in excess of the par value is classified as share premium.

The Issued, subscribed and paid-up capital of the Company is 167,786,176 equity shares of ₹ 10 each amounting to ₹ 1,678.

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10.

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

The Company declares and pays dividends in Indian rupees. A final dividend, including tax thereon, on common stock is recorded as a liability on the date of approval by the shareholders.

An interim dividend, including tax thereon, is recorded as a liability on the date of declaration by the board of directors.

Indian law mandates that any dividend be declared out of accumulated distributable profits only. The remittance of dividends outside India is governed by Indian law on foreign exchange and is subject to applicable taxes.

The amount of per share dividend recognized as distributions to equity shareholders for the year ended March 31, 2016 and March 31, 2015 was ₹ 23 and ₹ 17 respectively.

The Board of Directors at its meeting held on April 18, 2016 have recommended a final dividend of 30% (₹ 3 per equity share (after bonus issue) of par value ₹ 10 each). The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on July 19, 2016, and if approved, would result in a cash outflow of approximately ₹ 503, inclusive of corporate dividend tax of ₹ 102.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Retained earnings

Retained earnings comprises of the Group's prior years' undistributed earnings after taxes. A portion of these earnings amounting to ₹ 87 is not freely available for distribution.

c) Share based payment reserve

The share based payment reserve is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in share based payment reserve are transferred to share premium upon exercise of stock options by employees.

d) Cash flow hedging reserve

Changes in fair value of derivative hedging instruments designated and effective as a cash flow hedge are recognized in other comprehensive income (net of taxes), and presented within equity in the cash flow hedging reserve.

e) Other reserve

Changes in the fair value of available-for-sale financial assets is recognized in other comprehensive income (net of taxes), and presented within equity in other reserve.

f) Foreign Currency Translation reserve

Exchange difference relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency are recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve.

Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

Particulars	As at March 31,	
	2016	2015
Total equity attributable to the equity share holders of the Company	24,179	21,280
As percentage of total capital	97%	99%
Current loans and borrowings	815	160
Non-current loans and borrowings	14	18
Total loans and borrowings	**829**	**178**
As percentage of total capital	3%	1%
Total capital (loans and borrowings and equity)	**25,008**	**21,458**

The Group is predominantly equity financed which is evident from the capital structure table. Further, the Group has always been a net cash Group with cash and bank balances along with available-for-sale financial assets which is predominantly investment in liquid and short term mutual funds being far in excess of debt.

17. Expenses by nature

Particulars	Year ended March 31,	
	2016	2015
Employee benefits	27,801	20,600
Depreciation and amortisation	1,648	1,024
Recruitment, staff welfare and training expenses	616	481
Travel and conveyance	2,249	1,740
Communication expenses	638	437
Sub-contractor charges/Outsourced technical services/software purchases	3,141	2,206
Consumables/maintenance and repairs	980	689
Post contract support services	1	1
Power and fuel	316	275
Lease rentals/charges	866	778
Printing and stationery	22	16
Advertisement	50	9
Bank charges	16	11
Rates, taxes and insurance	226	143
Marketing expenses	444	324
Legal and professional expenses	543	469
Loss from sale of property, plant and equipment	54	-
Provision/write off of bad and doubtful trade receivables	85	(23)
Others	472	291
Total cost of revenues, selling, general and administrative expenses	**40,168**	**29,471**

18. Employee benefits

Particulars	Year ended March 31,	
	2016	2015
Salary and allowances	25,248	18,767
Defined benefit plan - Gratuity cost	92	76
Contribution to provident fund and other funds	2,371	1,571
Share based compensation	90	186
Total	**27,801**	**20,600**

The employee benefit cost is recognized in the following line items in the statement of income:

Particulars	Year ended March 31,	
	2016	2015
Cost of revenues	23,729	17,439
Selling, general and administrative expenses	4,072	3,161
Total	**27,801**	**20,600**

Defined benefit plans

Amount recognized in the statement of income in respect of gratuity cost (defined benefit plan) is as follows:

Particulars	Year ended March 31,	
	2016	2015
Gratuity cost		
Service cost	91	79
Net interest on net defined liability/ (asset)	1	(3)
Net gratuity cost	**92**	**76**
Assumptions		
Interest rate	7.80%	8.80%
Salary increase	6.00%	6.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

The following table sets out the status of the gratuity plan.

Particulars	As at March 31,	
	2016	2015
Change in projected benefit obligations		
Obligations at the beginning of the year	411	365
Service cost	91	79
Interest cost	29	29
Benefits settled	(50)	(55)
Actuarial (gain)/loss - Experience	60	(31)
Actuarial (gain)/loss - demographic assumptions	-	3
Actuarial (gain)/loss - financial assumptions	(24)	21
Obligations at end of the year	**517**	**411**
Change in plan assets		
Plan assets at the beginning of the year, at fair value	396	363
Interest income on plan assets	29	32
Re-measurement - actuarial gain/(loss)	(2)	3
Contributions	3	53
Benefits settled	(50)	(55)
Plan assets at the end of the year, at fair value	**376**	**396**

Historical Information : -

Particulars	Year ended March 31,				
	2016	2015	2014	2013	2012
Present value of defined benefit obligation	(517)	(411)	(365)	(324)	(276)
Fair value of plan	376	396	363	313	275
Asset/ (liability) recognised	**(141)**	**(15)**	**(2)**	**(11)**	**(1)**

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligations are as follows:

Particulars	As at March 31,	
	2016	2015
Experience adjustment on plan liabilities	55	32
Experience adjustment on plan assets	2	6

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

As at March 31, 2016	Defined Benefit Obligation	
	Increase	Decrease
Discount rate (1% movement)	(26)	29
Future salary growth (1% movement)	28	(26)

Maturity profile of defined benefit obligation

Particulars	Year ended March 31,	
	2016	2015
Within 1 year	77	51
1-2 years	86	63
2-3 years	95	74
3-4 years	101	86
4-5 years	117	99
5-10 years	603	542

The Group expects to contribute ₹ 138 to its defined benefit plans during the next fiscal year.

As at March 31, 2016 and 2015, 100% of the plan assets were invested in insurer managed funds.

The Group has established an income tax approved irrevocable trust fund to which it regularly contributes to finance liabilities of the plan. The fund's investments are managed by certain insurance companies as per the mandate provided to them by the trustees and the asset allocation is within the permissible limits prescribed in the insurance regulations.

19. Finance and other income

Particulars	Year ended March 31,	
	2016	2015
Interest income	204	180
Gain on sale of available-for-sale financial assets	131	286
Gain on sale of property, plant and equipment	-	6
Dividend income	73	154
Others	13	71
Total	**421**	**697**

20. Earnings per equity share

Reconciliation of the number of equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Particulars	Year ended March 31,			
	2016		2015	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	167,649,773	167,649,773	167,238,871	167,238,871
Weighted average number of equity shares resulting from assumed exercise of employee stock options	-	441,916	-	654,334
Weighted average number of equity shares for calculation of earnings per share	167,649,773	168,091,689	167,238,871	167,893,221

21. Employee stock incentive plans

The Group instituted the Employees Stock Option Plan ('ESOP') in fiscal 2000, which was approved by the Board of Directors (Board). The Group has various stock options programs, restricted stock purchase plan and a phantom stock option plan. The terms and conditions of each program is highlighted below.

Program 1 [ESOP 1999]

This plan was terminated on September 30, 2001 and there are no options outstanding as at the reporting date.

Program 2 [ESOP 2001]

Options under this program have been granted to employees at an exercise price of ₹ 50 per option (₹ 25 per option post bonus issue). All stock options have a four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant and become fully exercisable. Each option is entitled to 1 equity share of ₹ 10 each. This program extends to employees who have joined on or after October 1, 2001 or have been issued employment offer letters on or after August 8, 2001 or options granted to existing employees with grant date on or after October 1, 2001. This plan was terminated on April 30, 2006. The contractual life of each option is 11 years after the date of grant.

Program 3 [ESOP 2006 (a)]

This plan was terminated on October 25, 2006 and there are no options outstanding as at the reporting dates.

Program 4 [ESOP 2006 (b)]

Options under this program are granted to employees at an exercise price periodically determined by the Nomination and Remuneration Committee. All stock options have a four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1, 2, 3 and 4 years respectively from the date of grant and become fully exercisable. Each option is entitled to 1 equity share of ₹ 10 each. This program extends to employees to whom the options are granted on or after October 25, 2006. The contractual life of each option is 5 years after the date of grant.

Program 5 [ESOP 2008A]

Options under this program are granted to employees of erstwhile Aztecsoft Limited as per swap ratio of 2:11 as specified in the merger scheme. Each new option is entitled to 1 equity share of ₹ 10 each.

Directors' Stock Option Plan, 2006 (DSOP 2006)

Options under this program have been granted to independent directors at an exercise price periodically determined by the Nomination and Remuneration Committee. All stock options vest equally over three year vesting term at the end of 1, 2 and 3 years respectively from the date of the grant and become fully exercisable. Each option is entitled to 1 equity share of ₹ 10 each. The contractual life of each option is 4 years after the date of the grant.

Program 7 [ESOP 2010A]

In-principle approvals for administering the seventh stock option program i.e. ESOP 2010 (A) has been received by the Group from the BSE and NSE for 1,135,000 equity shares of ₹ 10 each. No options have been granted under the program as at March 31, 2016.

Employee Restricted Stock Purchase Plan 2012 (ERSP 2012)

ERSP 2012 was instituted with effect from July 16, 2012 to issue equity shares of nominal value of ₹ 10 each. Shares under this program are granted to employees at an exercise price of not less than ₹ 10 per equity share or such higher price as determined by the Nomination and Remuneration Committee. Shares shall vest over such term as determined by the Nomination and Remuneration Committee not exceeding ten years from the date of the grant. All shares will have a minimum lock in period of one year from the date of allotment.

Movement in Share option during the Year

The following reconciles the share options outstanding at the beginning and end of the year

Particulars	Year ended March 31, 2016		Year ended March 31, 2015	
	Number of Share options	Weighted average Exercise Price	Number of Share options	Weighted average Exercise Price
Program 2:				
Outstanding at the beginning of the year*	32,976	21	54,777	39
Forfeited during the year	-	-	-	-
Lapsed during the year	3,722	20	2,304	25
Exercised during the year	10,894	25	29,401	25
Outstanding at the end of the year	18,360	13	23,072	25
Exercisable at the end of the year	18,360	13	23,072	25
Program 4:				
Outstanding at the beginning of the year*	74,000	265	213,750	425
Forfeited during the year	-	-	47,750	228
Lapsed during the year	-	-	-	-
Exercised during the year	74,000	265	92,000	258

Particulars	Year ended March 31, 2016		Year ended March 31, 2015	
	Number of Share options	Weighted average Exercise Price	Number of Share options	Weighted average Exercise Price
Outstanding at the end of the year	-	-	74,000	265
Exercisable at the end of the year	-	-	74,000	265
Program 5:				
Outstanding at the beginning of the year*	159,244	215	168,295	298
Forfeited during the year	-	-	-	-
Lapsed during the year	-	-	33,926	155
Exercised during the year	6,908	239	51,293	199
Outstanding at the end of the year	152,336	107	83,076	215
Exercisable at the end of the year	152,336	107	83,076	215
Program 6: DSOP				
Outstanding at the beginning of the year*	60,000	226	75,000	484
Option Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Exercised during the year	20,000	310	35,000	560
Outstanding at the end of the year	40,000	123	40,000	278
Exercisable at the end of the year	40,000	123	26,666	278
ERSP 2012				
Outstanding at the beginning of the year	-	-	-	-
Option Granted during the year	48,914	10	69,286	10
Forfeited during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Exercised during the year	48,914	10	69,286	10
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

*Adjusted for bonus issue. Refer note 31.

The following tables summarize information about the range of exercise price and weighted average remaining contractual life for the share options outstanding under various programs as at March 31, 2016:

Particulars	As at March 31, 2016		
	Number of options / shares*	Weighted average remaining contractual life (in years)	Range of exercise price* (in ₹)
Program 2	18,360	0.67	12.50
Program 5	152,336	1.33	105.88 - 119.63
DSOP 2006	40,000	0.04	123.25

*Adjusted for bonus issue. Refer note 31.

The weighted average fair value of each unit under the above mentioned ERSP 2012 plan, granted during the year was ₹ 1,418 (₹ 705, after bonus issue) using the Black-Scholes model with the following assumptions:

	Pre bonus issue	Post bonus issue
Weighted average grant date share price	₹ 1,435	₹ 717
Weighted average exercise price	₹ 10	₹ 10
Dividend yield %	0.22 %	0.31 %
Expected life	1-4 years	1-4 years
Risk free interest rate	7.43%	7.43%
Volatility	45.53%	45.53%

Expected volatility is based on historical volatility of the observed market prices of the company's publicly traded equity shares during a period equivalent to the expected term of ERSP 2012 plan.

Other stock based compensation arrangements

The Company has also granted phantom stocks and letter of intent to issue shares under ERSP 2012 plan to certain employees which is subject to certain vesting conditions. Details of the grant/issue as at March 31, 2016 are given below:

Particulars	Phantom stocks plan*
Total no. of units	1,195,000
Vested units	-
Lapsed units	-
Forfeited units	-
Cancelled units	-
Outstanding units as at the end of the year	1,195,000
Contractual life	2 years
Date of grant	Oct 21, 2015
Price per share/unit	Grant price of ₹ 686

Particulars	ERSP 2012 plan*
Outstanding units/shares, beginning of the year	308,000
Number of units/shares issued under letters of intent	94,250
Vested units/shares	38,102
Lapsed units/shares	4,448
Forfeited units/shares	17,000
Cancelled units/shares	-
Outstanding units/shares as at the end of the year	342,700
Contractual life	2 - 4 years
Date of grant**	July 18, 2013, May 12, 2015, Oct 21, 2015, Oct 27, 2015, Feb 25, 2016
Price per share/unit**	Exercise price of ₹ 10

*Adjusted for bonus issue. Refer note 31.

**Based on letter of intent.

22. Operating leases

The Company has various operating leases, mainly for office buildings including land. Lease rental expense under such non-cancellable operating lease during year ended March 31, 2016 and March 31, 2015 amounted to ₹ 488 and ₹ 372 respectively.

Future minimum lease payments under non-cancellable operating lease as at March 31, 2016 is as below:

Minimum lease payments	As at March 31,	
	2016	2015
Payable -- Not later than one year	372	414
Payable -- Later than one year and not later than five years	475	585
Payable -- Later than five years	258	286

Additionally, the Company leases office facilities and residential facilities under cancellable operating leases. The rental expense under cancellable operating lease during year ended March 31, 2016 and March 31, 2015 amounted to ₹ 378 and ₹ 264 respectively.

23. Related party relationships and transactions

Name of related party	Nature of relationship
Coffee Day Global Limited Tanglin Developments Limited ('TDL') Mysore Amalgamated Coffee Estate Ltd	These entities are part of Coffee Day Group which through various entities and its promoters holds 19.72% equity stake in Mindtree
Janaagraha Centre for Citizenship & Democracy	Entity with common key managerial person
Mindtree Foundation	Entity with common key managerial person

Transactions with the above related parties during the year were:

Name of related party	Nature of transaction	Year ended March 31,	
		2016	2015
Mysore Amalgamated Coffee Estate Ltd	Reimbursement of travel expenses	1	-
Mindtree Foundation	Donation paid	36	13
Janaagraha Centre for Citizenship & Democracy	Rendering software services Donation paid	- 4	1 4
Coffee Day Global Limited	Procurement of supplies Software services rendered	23 27	17 -

Name of related party	Nature of transaction	Year ended March 31, 2016	Year ended March 31, 2015
Tanglin Developments Limited	Leasing office buildings and land	375	321
	Advances/deposits paid:		
	- towards electricity deposit/ charges	-	9
	Advance/ deposits received back:		
	- towards electricity deposit/ charges	16	51
	- towards lease rentals	172	156
	Interest on advance towards electricity charges/ deposit		
	- amount recovered	-	7
	- amount accrued	-	4

Balances payable to related parties are as follows:

Name of related party	As at March 31, 2016	As at March 31, 2015
Coffee Day Global Limited	1	-

Balances receivable from related parties are as follows:

Name of related party	Nature of transaction	As at March 31, 2016	As at March 31, 2015
Coffee Day Global Limited	Trade Receivables	25	-
Tanglin Developments Limited	Rental Advance	-	94
	Advance towards electricity charges	-	16
	Security deposit (including electricity deposit) returnable on termination of lease	298	375

The amounts outstanding are unsecured and will be settled in cash. No guarantee has been given or received.

Key managerial personnel:

Subroto Bagchi***	Executive Chairman
Krishnakumar Natarajan^	CEO and Managing Director
N.S. Parthasarathy	Executive Director, President and Chief Operating Officer
Rostow Ravanan^	Executive Director, Head – Europe, Service lines and Key Accounts
Dr. Albert Hieronimus	Non-Executive Vice Chairman and Independent Director
Apurva Purohit	Independent Director
Manisha Girotra	Independent Director
Prof. Pankaj Chandra	Independent Director
Ramesh Ramanathan	Independent Director
V.G. Siddhartha	Non-Executive Director
Jagannathan Chakravarthi*	Chief Financial Officer
Vedavalli Sridharan**	Company Secretary

* Appointed with effect from April 1, 2015.

** Appointed with effect from June 22, 2015.

*** Effective April 1, 2016, Subroto Bagchi ceased to be the Executive Chairman and will continue as Non-executive director.

^ Effective April 1, 2016, Krishnakumar Natarajan has been elevated as Executive Chairman and Rostow Ravanan, as CEO and Managing Director.

Transactions with key management personnel are as given below:
Key management personnel comprise directors and members of the executive council. Particulars of remuneration and other benefits paid to key management personnel during the year ended March 31, 2016 and March 31, 2015 have been detailed below:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Whole-time directors		
Salaries	48	45
Contribution to Provident fund	2	1
Bonus & Incentives	49	50
Reimbursement of expenses	1	7
Share-Based payments as per IFRS2	11	84
Total Remuneration	**111**	**187**
Non-whole-time directors Commission	24	37
Total Remuneration	**24**	**37**
Total	**135**	**224**

The above remuneration excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

Dividends paid to directors during the year ended March 31, 2016 and March 31, 2015 amounts to ₹ 230 and ₹ 173 respectively.

24. Acquisition of Discoverture Solutions L.L.C. ('DS LLC')

On February 13, 2015, the Group acquired 100% of the membership interest in DS LLC, thereby obtaining control.

DS LLC is an IT services and solutions firm specializing in the property and casualty (P&C) insurance and health care customers. The acquisition of DS LLC will enable the Group to increase its foot print in (P&C) insurance industry through access to DS LLC's customer base, its expertise and brand value in the market. The Group also believes that P&C insurance industry has potential for growth. The acquisition was executed through an equity interest agreement to acquire 100% of the membership interest in DS LLC and asset purchase and employee transition facilitation agreement of the India operations of DS LLC.

The fair value of purchase consideration of ₹ 1,051 comprised upfront cash consideration of ₹ 581, deferred consideration of ₹ 361 and contingent consideration of ₹ 109.

The details are provided below:

Sl. No.	Nature of consideration	Amount (₹)	Fair value (₹)	Terms
1.	Upfront cash consideration	581	581	
2.	Deferred consideration	371	361	USD 4 million payable in February 2016 and USD 2 million in September 2016
3.	Contingent consideration	120	109	Payable in two installments for Fiscal Years 2015 and 2016 determined based on achievement of certain financial targets
Total		**1,072**	**1,051**	

The fair value of the contingent consideration, recognized on the acquisition date is determined by discounting the estimated amount payable to the previous owners on achievement of certain financial targets.

The fair value of net assets acquired on the acquisition date as a part of the transaction amounted to ₹ 311. The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill.

The purchase price has been allocated based on Management's estimates as follows:

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	12	-	12
Net current assets	162	-	162
Intangible assets	1	206	207
Deferred tax liabilities on intangible assets	-	(70)	(70)
Total	**175**	**136**	**311**
Goodwill			740
Total purchase price			**1,051**

The intangible assets are amortised over a period of three to five years as per management's estimate of its useful life, based on the life over which economic benefits are expected to be realized.

The goodwill amounting to ₹ 740 comprises value of benefits of expected synergies, future revenue, future market developments, assembled workforce, etc.

The goodwill amounting to ₹ 740 is expected to be deductible for tax purposes.

Results from this acquisition are grouped under BFSI in the segmental reporting.

25. Acquisition of Bluefin Solutions Limited ('Bluefin')

On July 16, 2015, the Group acquired 100% of equity interest in Bluefin, thereby obtaining control. Bluefin provides SAP based business and technology consulting services. It offers SAP implementation and integration services; and business advisory services in areas of business growth strategy, operational excellence, business change management and information technology excellence. The acquisition of Bluefin will enable the Group to increase its foot print in SAP implementation and integration space.

The acquisition was executed through stock purchase agreement to acquire 100% of the equity interest in Bluefin.

The fair value of purchase consideration of ₹ 3,981 comprised upfront cash consideration of ₹ 3,379 and contingent consideration of ₹ 602.

The details are provided below:

Sl. No.	Nature of consideration	Amount (₹)	Fair value (₹)	Terms
1.	Upfront cash consideration	3,379	3,379	
2.	Contingent consideration	835	602	Payable in three installments for the financial year ending March 2016, 2017 and 2018 determined based on achievement of certain financial targets
Total		**4,214**	**3,981**	

The fair value of the contingent consideration, recognized on the acquisition date is determined by discounting the estimated amount payable to the previous owners on achievement of certain financial targets.

The fair value of net assets acquired on the acquisition date as a part of the transaction amounted to ₹ 1,829. The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill.

The purchase price has been allocated based on Management's estimates as follows:

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	25	-	25
Net current assets	644	-	644
Intangible assets	7	1,441	1,448
Deferred tax liabilities on intangible assets	-	(288)	(288)
Total	**676**	**1,153**	**1,829**
Goodwill			2,152
Total purchase price			**3,981**

The transaction costs related to the acquisition amounting to ₹ 21 have been included under Selling, general and administrative expenses in the statement of income for the year ended March 31, 2016.

The intangible assets are amortised over a period of five to ten years as per management's estimate of its useful life, based on the life over which economic benefits are expected to be realized.

The amount of trade receivables acquired from the above business acquisition was ₹ 656. The trade receivables are fully expected to be collected.

The goodwill amounting to ₹ 2,152 comprises value of benefits of expected synergies, future revenue, future market developments, assembled workforce, etc.

None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

From the date of acquisition, Bluefin has contributed revenues amounting to ₹ 2,197 and profits amounting to ₹ 157 to the Group's results. If the acquisition had occurred on April 1, 2015, management estimates that consolidated revenues and profits for the period would have been ₹ 2,925 and ₹ 179 respectively. The proforma amounts are not necessarily indicative of results that would have occurred if the acquisition had occurred on dates indicated or that may result in the future.

Results from this acquisition are grouped under others in the segmental reporting.

26. Acquisition of Relational Solutions, Inc ('RSI')

On July 16, 2015, the Group acquired 100% of equity interest in RSI, thereby obtaining control.

RSI develops data warehouses and business intelligence solutions. The acquisition of RSI will enable the Group to increase its foot print in development of data warehouses and business intelligence solutions space.

The acquisition was executed through common stock purchase agreement to acquire 100% of equity interest in RSI.

The fair value of purchase consideration of ₹ 522 comprised upfront cash consideration of ₹ 454 and contingent consideration of ₹ 68.

The details are provided below:

Sl. No.	Nature of consideration	Amount (₹)	Fair value (₹)	Terms
1.	Upfront cash consideration	454	454	
2.	Contingent consideration	95	68	Payable in two installments for the fiscal year ending June 2016 and 2017 determined based on achievement of certain financial targets
Total		**549**	**522**	

The fair value of the contingent consideration, recognized on the acquisition date is determined by discounting the estimated amount payable to the previous owners on achievement of certain financial targets.

The fair value of net assets acquired on the acquisition date as a part of the transaction amounted to ₹ 183. The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill.

The purchase price has been allocated based on Management's estimates as follows:

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net current assets	(0.3)	-	(0.3)
Intangible assets	-	281	281
Deferred tax liabilities on intangible assets	-	(98)	(98)
Total	**(0.3)**	**183**	**183**
Goodwill			339
Total purchase price			**522**

The transaction costs related to the acquisition amounting to ₹ 11 have been included under Selling, general and administrative expenses in the statement of income for the year ended March 31, 2016.

The intangible assets are amortised over a period of five to ten years as per management's estimate of its useful life, based on the life over which economic benefits are expected to be realized.

The amount of trade receivables acquired from the above business acquisition was ₹ 34. The trade receivables are fully expected to be collected.

The goodwill amounting to ₹ 339 comprises value of benefits of expected synergies, future revenue, future market developments, assembled workforce, etc.

None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

From the date of acquisition, RSI has contributed revenues amounting to ₹ 115 and profits amounting to ₹ 9 to the Group's results. If the acquisition had occurred on April 1, 2015, management estimates that consolidated revenues and loss for the period would have been ₹ 145 and ₹ 17 respectively. The proforma amounts are not necessarily indicative of results that would have occurred if the acquisition had occurred on dates indicated or that may result in the future.

Results from this acquisition are grouped under RCM in the segmental reporting.

27. Acquisition of Magnet 360 LLC

On January 19, 2016, the Group acquired 100% of membership interest in Magnet 360 LLC, thereby obtaining control. Magnet 360, LLC provides Sales force multi-cloud implementation strategies and consulting services. It assesses go-to-market goals of organizations and specializes in multi-cloud, marketing automation and community cloud solutions. The acquisition of Magnet will enable the Group to increase its foot print in sales force multi-cloud implementation space.

The acquisition was executed through unit purchase agreement to acquire 100% of the membership interest in Magnet.

The fair value of purchase consideration of ₹ 2,962 comprised upfront cash consideration of ₹ 2,526 and contingent consideration of ₹ 436.

The details are provided below:

Sl. No.	Nature of consideration	Amount (₹)	Fair value (₹)	Terms
1.	Upfront cash consideration	2,526	2,526	
2.	Contingent consideration	566	436	Payable in two installments for the year ending Dec 2016, and Dec 2017 determined based on achievement of certain financial targets
Total		**3,092**	**2,962**	

The fair value of the contingent consideration, recognized on the acquisition date is determined by discounting the estimated amount payable to the previous owners on achievement of certain financial targets.

The fair value of net assets acquired on the acquisition date as a part of the transaction amounted to ₹ 1,174. The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill.

The purchase price has been allocated based on Management's estimates as follows:

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	39	-	39
Net current assets	158	-	158
Intangible assets	-	977	977
Total	**197**	**977**	**1,174**
Goodwill			1,788
Total purchase price			**2,962**

The intangible assets are amortized over a period of five to ten years as per management's estimate of its useful life, based on the life over which economic benefits are expected to be realized.

The amount of trade receivables acquired from the above business acquisition was ₹ 305. The trade receivables are fully expected to be collected.

The goodwill amounting to ₹ 1,788 comprises value of benefits of expected synergies, future revenue, future market developments, assembled workforce, etc.

The goodwill amounting to ₹ 1,788 is expected to be deductible for tax purposes.

From the date of acquisition, Magnet 360 has contributed revenues amounting to ₹ 428 and profits / (loss) amounting to ₹ (16) to the Group's results. If the acquisition had occurred on April 1, 2015, management estimates that consolidated revenues and profits for the year would have been ₹ 1,647 and ₹ 356 respectively. The proforma amounts are not necessarily indicative of results that would have occurred if the acquisition had occurred on dates indicated or that may result in the future.

Results from this acquisition are grouped under others in the segmental reporting.

28. Segment information

The CEO & MD of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by IFRS 8 Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. Accordingly, segment information has been presented for industry classes.

The Group is structured into five reportable business segments – RCM, BFSI, TMS, TH and Others. The reportable business segments are in line with the segment wise information which is being presented to the CODM.

The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant policies.

Geographic information is based on business sources from that geographic region and delivered from both on-site and off-shore. America comprises of United States of America and Canada, Europe includes continental Europe and United Kingdom; and the rest of the world comprises of all other places except those mentioned above and India.

Income and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The management therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as "unallocated" and directly charged against total income.

The assets of the Group are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

Geographical information on revenue and industry revenue information is collated based on individual customers invoices or in relation to which the revenue is otherwise recognized.

Industry segments:

Statement of income	Year ended March 31,	
	2016	**2015**
Segment revenue		
RCM	9,460	7,720
BFSI	11,523	8,290
TMS	14,416	11,579
TH	7,160	5,835
Others	4,171	2,037
Total	**46,730**	**35,461**
Segment operating income		
RCM	2,040	1,486
BFSI	1,473	920
TMS	2,643	2,696
TH	1,243	1,124
Others	811	788
Total	**8,210**	**7,014**
Depreciation and Amortization expense	(1,648)	(1,024)
Profit for the year before finance expenses, other income and tax	**6,562**	**5,990**
Finance expenses	(161)	(2)
Other income/(expense)	813	876
Net profit before taxes	**7,214**	**6,864**
Income taxes	(1,691)	(1,542)
Net profit after taxes	**5,523**	**5,322**

Other informations	Year ended March 31,	
	2016	2015
Other significant non-cash expense (Allocable)		
RCM	15	-
BFSI	29	1
TMS	33	-
TH	8	11
Others	-	-

Geographical information

Revenues	Year ended March 31,	
	2016	2015
America	29,727	21,915
Europe	12,343	8,968
India	1,408	1,336
Rest of World	3,252	3,242
Total	**46,730**	**35,461**

29. Contingent liabilities

a) The Group has received an income tax assessment for the financial year 2008-09 wherein demand of ₹ 24 has been raised against the Group on account of certain disallowances, adjustments made by the income tax department. A significant portion of this amount arises from the manner of adjustment of brought forward losses in arriving at the taxable profits of the Group and disallowance of portion of profit earned outside India from the STP and SEZ units.

Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Group has filed an appeal against the demands received.

The Group has received a favourable order from the Commissioner of Income tax (Appeals) for majority of grounds and considering the order passed, there will not be any demand on the Group. On the other grounds which are not favourable, the Group has filed an appeal before the Income Tax Appellate Tribunal ('ITAT').

b) The Group has received income tax assessments for financial years 2006-07 and 2007-08 for the erstwhile subsidiary Mindtree Technologies Private Limited (MTPL) with demands amounting to ₹ 11 and ₹ 10 on account of certain disallowances/ adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Group has filed an appeal against the demand received. The Group has not deposited the amount of demand with the department. The department has adjusted pending refunds amounting to ₹ 18 against these demands.

c) The Group has received income tax assessments under Section 143(3) of the Income-tax Act 1961 pertaining to erstwhile subsidiary Aztecsoft Limited for the financial year 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 wherein demand of ₹ 210, ₹ 49, ₹ 61, ₹ 28, ₹ 58, ₹ 119, ₹ 214 and ₹ 63 respectively has been raised against the Group. These demands have arisen mainly on account of transfer pricing adjustments made in the order. The Group has not accepted these orders and has been advised by its legal counsel/ advisors to prefer appeals before appellate authorities and accordingly the Group has filed appeals before the Commissioner of Income Tax (Appeals) and ITAT. The Group has deposited ₹ 15 with the department against these demands. The department has adjusted pending refunds amounting to ₹ 478 against these demands.

The Group received a favourable order from the Commissioner of Income Tax (Appeals) for the year 2001-02 where in the Commissioner of Income Tax (Appeals) accepted the Company's contentions and quashed the demand raised. The Income tax department appealed against the above mentioned order with ITAT. ITAT, in an earlier year passed an order setting aside both the orders of the Commissioner of Income Tax (Appeals) as well as the Assessing Officer and remanded the matter back to the Assessing Officer for re-assessment. The Group preferred an appeal with the Hon'ble High Court of Karnataka against the order of the ITAT. The Hon'ble High Court of Karnataka has dismissed the appeal filed against the order of ITAT and upheld the order passed by the ITAT and accordingly the case is pending before Assessing Officer for re-assessment. The Deputy Commissioner of Income tax has completed the reassessment & has issued a Final assessment order with a revised demand amounting to ₹ 202 due to transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals).

The Group has received the order from the Commissioner of Income Tax (Appeals) for the year 2004-05 and on the unfavorable grounds, the Group has a filed an appeal with ITAT.

The Group has appealed against the demands received for financial years 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09. Based on favourable order received by the Group for the financial year 2001-02 from the Commissioner of Income Tax (Appeals) and an evaluation of the facts and circumstances, no provision has been made against the above orders in the financial statements.

d) The Group received an assessment order for financial year 2006-07 for the erstwhile subsidiary Mindtree Wireless Private Limited from the Assistant Commissioner of Income-tax ('ACIT') with a demand amounting to ₹ 39 on account of certain other disallowances/ transfer pricing adjustments made by income tax department. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Group has filed an appeal with Commissioner of Income Tax (Appeals) against the demand received.

The Group has received the order from the Commissioner of Income Tax (Appeals) wherein the Commissioner of Income Tax (Appeals) accepted the grounds in part and in respect of unfavorable grounds, the Group has filed an appeal before Income Tax Appellate Tribunal. The final order giving effect by the Assessing Officer is completed and the demand is reduced to ₹ 33. The Group has deposited ₹ 5 with the department against this demand.

e) The Group has received a final assessment order for financial year 2009-10 from the Deputy Commissioner of Income Tax with a demand amounting to ₹ 61 due to non-adjustment of brought forward losses and transfer pricing adjustments. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Group has filed an appeal with Commissioner of Income Tax (Appeals).

f) The Company has received a final assessment order for financial year 2012-13 from the Deputy Commissioner of Income Tax with a demand amounting to ₹ 15 on account of certain disallowances. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal with Commissioner of Income Tax (Appeals).

30. Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2016 is ₹ 262 (March 31, 2015: ₹ 508).

31. The Company has allotted 83,893,088 and 41,765,661 fully paid up equity shares during the quarter ended March 31, 2016 and June 30, 2014 respectively, pursuant to 1:1 bonus share issue approved by shareholders. Consequently, options/ units granted under the various employee share based plans are adjusted for bonus share issue.

32. As of the balance sheet date, the Group's net foreign currency exposure that is not hedged by a derivative instrument or otherwise is given below:

Particulars	As at March 31,	
	2016	2015
Receivable	11,638	6,669
Payable	(3,584)	(225)

33. The Company has a development center at Gainesville, Florida, US. The state of Florida has offered various incentives targeted to the needs of the development center. The nature and the extent of the government grant is given below:

Nature of expenses	Year ended March 31,	
	2016	2015
Grant towards workforce training	15	24
Total	**15**	**24**

The Group had availed a non-monetary grant of USD 950,000 for renovation of project facility. This grant is subject to fulfillment of certain conditions such as creation of minimum employment with specified average salary and capital investment at the development center at Gainesville, Florida, US.

The Group's subsidiary Bluefin has claimed R&D tax relief under UK corporation tax rules. Bluefin undertakes R&D activities and incurs qualifying revenue expenditure which is entitled to an additional deduction under UK corporation tax rules, details of which are given below.

Nature of expenses	Year ended March 31,	
	2016	2015
Grant towards R & D credit	59	-
Total	**59**	**-**

As at March 31, 2016, the grant recognized in the balance sheet is ₹ 59. (As at March 31, 2015: Nil)

Global Presence

AMERICA

ARIZONA
Mindtree Ltd.
19820 N. 7th Avenue, Suite 135
Phoenix, AZ 85027-4736, USA
Ph: +1 480 499 3145
Ph: +1 602 535 2257
Toll free: +1 800 239 4110

CALIFORNIA
Mindtree Ltd.
2001 Gateway Place, Suite 700 W
San Jose, CA 95110, USA
Ph: +1 408 986 1000
Fax: +1 408 986 0005

CANADA
Mindtree Ltd.
Bay and Bloor Centre
1235 Bay Street, Suite 400
Toronto, Ontario M5R 3K4
Canada

Mindtree Ltd.
1004-3601 Highway 7 East,
Markham, ON L3R 0M3,
Canada

FLORIDA
Mindtree Delivery Center
720 SW 2nd Avenue, South Tower
Gainesville, FL 32601, USA
Ph: +1 352 702 4565
Fax: +1 352 433 4080

ILLINOIS
Mindtree Ltd.
1901 N. Roselle Road, Suite 800
Schaumburg, IL 60195, USA
Ph: +1 847 592 7044
Fax: +1 847 592 7043

NEW JERSEY
Mindtree Ltd.
25 Independence Blvd.
Suite 410
Warren, NJ 07059, USA
Ph: +1 908 604 8080
Fax: +1 908 604 7887

TEXAS
Mindtree Ltd.
320 Decker Drive #100
Irving, TX 75063, USA
Ph: +1 972 422 9113

WASHINGTON
Mindtree Delivery Centre
5010 148th Avenue NE, Suite 200
Redmond, WA 98052, USA
Ph: +1 425 867 3900
Fax: +1 425 861 8151

ASIA PACIFIC

AUSTRALIA
Mindtree Ltd.
Level 7, 155 George Street
The Rocks, Sydney NSW 2000
Australia
Ph: +61 (2) 9089 8970/71

Mindtree Ltd.
140 William Street, Level 40
Melbourne, VIC 3000

JAPAN
Mindtree Ltd.
2-21-7-703 Kiba, Koto-ku
Tokyo 135-0042, Japan
Ph: +81 3 5809 8444
Fax: +81 3 5809 8445

MALAYSIA
Mindtree Consulting Ltd.
Level 16, 1 Sentral Jalan Ste
5, KL Sentral 50470
Kuala Lumpur
Malaysia

SINGAPORE
Mindtree Ltd.
17 Changi Business Park Central 1
#05 - 03 Honeywell Building
Changi Business Park
Singapore 486073
Singapore
Ph: +65 6323 8135
Fax: +65 6323 1795

UAE
Mindtree Ltd.
248, 5 West Block
DAFZA
PO Box 293858
Dubai, UAE
Ph: +971 4260 2400
Fax: +971 4260 2401

EUROPE

BELGIUM
Mindtree Ltd.
Pegasuslaan 5
1831, Diegem
Belgium
Ph: +32 2709 2055
Fax: +32 2709 2222

Global Presence

FRANCE
Mindtree Ltd.
La Grande Arche
Paroi Nord
92044, Paris
France
Ph: +33 (0)1 7329 4524
Fax: +33 (1) 7329 4500

GERMANY
Mindtree Ltd.
Richmodstrasse 6
50667, Cologne
Germany
Ph: +49 221 9204 2233
Fax: +49 221 9204 2200

IRELAND
Mindtree Ltd.
3rd Floor, Kilmore House,
Park Lane, Spencer Dock,
Dublin 1
Ireland
Ph: +353 1 614 6240

NETHERLANDS
Mindtree Ltd.
Lange Dreef 11, Vianen
4131 NJ, The Netherlands
Netherlands
Ph: +31 34 771 5021

SWEDEN
Mindtree Ltd.
Svetsarvägen 15 2tr
17141, Solna
(Stockholm)
Sweden
Ph: +46 8 5787 7020
Fax +46 8 5787 7010

SWITZERLAND
Mindtree Ltd.
c/o Paramis AG
Christoph Merian-Ring 31
CH-4153 Reinach BL
Switzerland
Ph: +41 5 2269 1400
Fax: +41 5 1269 1401

UNITED KINGDOM
Mindtree Ltd.
3 Sheldon Square
W2 6PR, London
United Kingdom
Ph: +44 020 37633300

INDIA

BENGALURU
Mindtree (MTW)
Global Cillage, RVCE post
Mysore Road
Bengaluru - 560 059
Karnataka, India
Ph: +91 80 6706 4000

Mindtree (MTE)
EPIP Second Phase
KIADB industrial area
Hoody village, Whitefield
Bengaluru - 560 066
Karnataka, India
Ph: +91 80 6747 0000

BHUBANESWAR
Mindtree Ltd.
Plot No-1
Chandaka Industrial Estat,
Chandrasekharpur post office
Khurda - 751015
Bhubaneswar

CHENNAI
Mindtree Ltd.
10th, 11th and 12th Floor,
TRIL Infopark Ltd., Neville Block
Ramanujan IT City SEZ
Taramani, Chennai - 600 113
Tamil Nadu, India
Ph: +91 44 66711100

Mindtree Ltd.
5th and 6th Floor
TRIL Infopark Ltd.
HARDY BLOCK
Ramanujan IT City SEZ
Taramani, Chennai - 600 113
Tamil Nadu, India
Ph: +91 44 66711100

HYDERABAD
Mindtree Ltd.
Divyasree Orion SEZ,
12th Floor, Block #6, North Tower
Survey #66/1, Raidurga
Ranga Reddy District
Gachibowli, Hyderabad - 500 032
Andhra Pradesh, India
Ph: +91 40 672 30000

PUNE
Mindtree Ltd.
Rajiv Gandhi Infotech and Biotech Park
Plot No. 37, Phase 1 MIDC
Hinjewadi, Pune - 411 057
Maharashtra, India
Ph: +91 20 3915 6000

Global Presence

MINDTREE SUBSIDIARIES

BLUEFIN SOLUTIONS LIMITED
Building 4, Chiswick Park
566 Chiswick High Road
London, W4 5YE
United Kingdom
Ph: +44 (0)870 233 0404

BLUEFIN SOLUTIONS INC
200 S Wacker Drive
Floor 31, Chicago, IL 60606
USA

BLUEFIN SOLUTIONS SDN. BHD.
Suite 9.07, Level 9
The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
Kuala Lumpur 59200
Malaysia
Ph: +603 2289 2003

Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar
Utama, 47800 Petaling Jaya
Selangor Darul Ehsan, Malaysia

BLUEFIN SOLUTIONS PTE. LTD.
26 Duxton Road
89490
Singapore
Ph: +653 1587 513

38 South Beach Road
#29-11 South Beach Tower
Singapore 189767

BLOUVIN (PROPRIETARY) LIMITED
11 Lansdown Road
Claremont, 7708
South Africa

DISCOVERTURE SOLUTIONS, LLC
16100 North 71st Street
Suite 250
Scottsdale, AZ 85254
USA
Toll free: +1 (877) 841-0962
Ph: +1 (480) 269-8100

DISCOVERTURE SOLUTIONS EUROPE LTD
C/o. Mindtree Limited
3 Sheldon Square
W2 6PR, London
United Kingdom
Ph: +44 020 37633300

C/o. Mindtree Limited
No. 5, New Street Square
London, EC4A3TW
United Kingdom

MAGNET 360, LLC AND SUBSIDIARIES
5757 Wayzata Boulevard
Minneapolis, MN 55416

320 W. Ohio St.
6th Floor West
Chicago, IL 60654

17 State Street, Second Floor
New York, NY 10004

3250 Ocean Park Blvd.
Los Angeles, CA 90405

MINDTREE SOFTWARE (SHANGHAI) CO., LTD
Room 541,
Standard Chartered Tower
No. 201, Century Avenue
Pudong, Shanghai
China
Ph: +86-21-6182 6987
Fax: +86-21-61826777

MINDTREE SOFTWARE (SHANGHAI) CO., LTD, BEIJING BRANCH
Room 303, 3/F
Tower B, B28
Building 55, No. 10
Jiuxianqiao Road
Chaoyang District
Beijing, Post Code: 100015
Ph: +86-10-59756345

RELATIONAL SOLUTIONS INC
24601 Center Ridge Rd.
Westlake, OH 44145
United States
Ph: +1 440-899-3296

Mindtree Limited

Registered office: Global Village, RVCE Post, Mysore Road, Bengaluru 560 059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
Ph: + 91 80 6706 4000 Fax: + 91 80 6706 4100 E-mail: investors@mindtree.com Website: www.mindtree.com

Notice of the Seventeenth Annual General Meeting

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of Mindtree Limited will be held on Tuesday, July 19, 2016 at 10:30 AM at The Capitol Hotel, No. 3, Raj Bhavan Road, Opp. General Post Office, Bengaluru 560 001, Karnataka, to transact the following businesses:

Ordinary business:

1. To receive, consider, approve and adopt the Audited Financial Statements and Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016 together with Reports of the Directors and Auditors thereon.
2. To confirm the payment of the first interim dividend of 30%, second interim dividend of 40%, third interim dividend of 40% and fourth interim dividend of 20% aggregating to ₹ 13/- per equity of ₹ 10/- each and already paid and to approve a final dividend of 30% aggregating to ₹ 3/- per equity share of ₹ 10/- each, for the financial year 2015-16.
3. To appoint a Director in place of Mr. V. G. Siddhartha (DIN 00063987), who retires by rotation and being eligible, offers himself for re-appointment.
4. **To ratify the appointment of Auditors**

   To ratify the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S) as the Auditors of the Company to hold office from the conclusion of Seventeenth Annual General Meeting upto the conclusion of the Eighteenth Annual General Meeting and to authorize the Board of Directors or Committee thereof to fix their remuneration, in consultation with the Auditors.

   To consider and, if thought fit, to pass with or without modification(s), the following as an "ORDINARY RESOLUTION":

   "RESOLVED THAT, *pursuant to the provisions of Section 139, 142 and such other applicable provisions of the Companies Act, 2013, and relevant Rules thereof (including statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), pursuant to the recommendation of the Audit Committee and that of the Board of Directors and pursuant to the approval of the Members at the Sixteenth AGM held on June 22, 2015, the consent of the Members of the Company be and is hereby accorded to ratify the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S), as Auditors of the Company, to hold office from the conclusion of Seventeenth Annual General meeting till the conclusion of the Eighteenth Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors or Committee of the Board in consultation with the Auditors of the Company".*

Special business:

5. **To consider adoption of newly substituted Articles of Association of the Company containing clauses in line with the Companies Act, 2013**

   To consider and, if thought fit, to pass with or without modification(s), the following as a "SPECIAL RESOLUTION":

   *"**RESOLVED THAT**, pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 and relevant Rules thereof (including statutory modification (s), enactment (s) or re-enactment(s) thereof, for the time being in force), the revised re-stated, as contained in the Articles of Association submitted to this meeting and the copy of the same duly initialed by the Chairman of the Company uploaded on the Company's website www.mindtree.com/investors for perusal by the Shareholders of the Company be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.*

   RESOLVED FURTHER THAT *the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."*
6. **To appoint Mr. Milind Sarwate (DIN 00109854) as Independent Director**

   To consider and, if thought fit, to pass with or without modification(s), the following as an "ORDINARY RESOLUTION":

   "RESOLVED THAT, *pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), Companies (Appointment and Qualification of Directors) Rules, 2014 and such other Rules, as may be applicable, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other applicable regulations, Mr. Milind Sarwate (DIN 00109854) who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a term of five years effective from July 19, 2016 to July 18, 2021.*

   RESOLVED FURTHER THAT, *the Board or any Committee thereof, be and are hereby authorized to do all such things, deeds, matters and acts as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."*

By the order of the Board of Directors
for **Mindtree Limited**

Vedavalli S
Company Secretary

Place: Bengaluru
Date: May 26, 2016

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. FORM OF PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE ANNUAL GENERAL MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/ LETTER OF AUTHORITY, AS MAY BE APPLICABLE.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business is annexed hereto.
3. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has also extended **e-voting facility**, for its Members to enable them to cast their votes electronically on the proposed resolutions in this notice, in addition of voting at the Annual General Meeting. Instructions for e-voting are as below:

   ### Instructions for e-voting

   A. The e-voting commences on Saturday, July 16, 2016 at 10 AM IST and ends on Monday, July 18, 2016 at 5 PM IST. During this period the Shareholders of the Company holding shares in dematerialised or physical form, as on the cut-off date of July 12, 2016, may cast their vote electronically.

   B. In case of Members receiving e-mail from NSDL:

   (i) Open e-mail and open PDF file viz. "Mindtree e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.

   (ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com

   (iii) Click on Shareholder-Login.

   (iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password.

   (v) If you are logging in for the first time, please enter the user ID and password provided in the attached PDF file as initial password.

   (vi) Password change menu appears, Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Please note that login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.

   (vii) Once the e-voting home page opens, click on e-voting> Active Voting Cycles.

   (viii) Select Electronic Voting Event Number (EVEN) of Mindtree Limited, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.

   (ix) Now you are ready for "e-voting" as "Cast Vote" page opens.

   (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

   (xi) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: nagendradrao@gmail.com with a copy marked to evoting@nsdl.co.in

   (xii) Upon confirmation, the message "Vote cast successfully" will be displayed.

   (xiii) Once you have voted on the Resolution(s), you will not be allowed to modify your vote.

   C. In case of Members receiving notice by Post and desiring to cast e-vote:

   (i) Initial password, along with User ID and Electronic Voting Event Number (EVEN) is provided in the table given in the Notice hereto.

   (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) given above to cast your vote.

   D. If you are already registered with NSDL for e-voting, you may use your existing User ID and Password for casting your e-vote.

   E. You can also update your mobile/phone number and e-mail id in the user profile details of the folio.

   F. In case of any queries you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the "downloads" section of https://www.evoting.nsdl.com or contact NSDL by email at evoting@nsdl.co.in or call on: 1800 222 990.

4. The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date July 12, 2016.
5. Any person who is not a member on the cut-off date should treat the notice for information purposes only.
6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM.
7. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. July 12, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
8. The Company shall be making arrangements for the members to cast their votes in respect to the business either through electronic voting system or through Poll, for members attending the meeting who have not cast their vote by remote e-voting.
9. Mr. Nagendra D Rao, Practicing Company Secretary (Membership No. FCS 5553, COP 7731) has been appointed by the Board of Directors as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
10. The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make 'not later than two days of conclusion of the meeting' a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any person authorized in writing who shall countersign the same and Chairman shall declare the results of the voting forthwith, which shall not be later than 7 PM, July 21, 2016.
11. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.
12. The result declared, along with the Scrutinizer's Report shall be placed on the Company's website www.mindtree.com and on the website of NSDL after the results is declared by the Chairman and also be communicated to the Stock Exchanges where the Company is listed.
13. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, July 12, 2016 to Tuesday, July 19, 2016 (both days inclusive).
14. Subject to provision of Section 123 of the Companies Act, 2013, the final dividend as recommended by the Board of Directors, if declared and approved at the Seventeenth Annual General Meeting, will be paid on or before July 30, 2016:
    (a) To those Members whose names appear on the Register of Members of the Company on Tuesday, July 12, 2016.
    (b) In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of the shares as on closing hours of business on Tuesday, July 12, 2016 as per the details furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL), the Depositories, for this purpose.
15. Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the brief resume/ details of Mr. V.G. Siddhartha, a Director retiring by rotation being eligible offers himself for appointment and who is being re-appointed at the Annual General Meeting is annexed hereto.
16. Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the brief resume/ details of Mr. Milind Sarwate, who is being appointed as Independent Director at the Annual General Meeting, is annexed hereto.
17. The Company is obliged to print such bank's details on the dividend warrants as furnished by the DPs and the Company cannot entertain any request for deletion/ change of bank details already printed on the dividend warrant(s) based on the information received from the concerned DPs, without confirmation from them. In this regard, Members are advised to contact their DPs and furnish them the particulars of any change desired, if not already provided.
18. Pursuant to the provisions of Section 205C of the Companies Act, 1956 and such other applicable provisions of Companies Act, 2013, the amount of dividend which remains unpaid/ unclaimed for a period of 7 (seven) years is to be compulsorily transferred to the "Investor Education and Protection Fund (IEPF)", constituted by the Central Government. Consequent to such transfer, Member(s) would not be able to claim any amount of dividend so transferred to the IEPF. The dividends remaining unpaid/ unclaimed in account pertaining to the financial years 2008-09 and 2009-10 are being transferred to IEPF.

    Member(s) who have not yet encashed their dividend warrant(s) is/ are requested, in their own interest, to immediately write to the Company's Share Transfer Agent for claiming their outstanding dividend, declared by the Company. Any unclaimed/unpaid dividend amount shall be paid only on receipt of a valid request in this regard and the satisfactory compliance of the requisite procedure, as prescribed by the Company/ Share Transfer Agent.
19. Member(s) must quote their Folio Number/ DP ID & Client ID and contact details such as email address, contact no. etc. in all correspondences with the Company/ Share Transfer Agent.
20. Securities and Exchange Board of India ("SEBI") has made it mandatory to quote Permanent Account Number (PAN) for transfer/ transmission of shares in physical form and hence, the transferee(s)/legal heir(s) is required to furnish a copy of his/her PAN to the Company/ Share Transfer Agent.

21. Pursuant to the provisions of Section 72 of the Companies Act, 2013 the Member(s) holding shares in physical form may nominate, in the prescribed manner, any person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. A nomination form for this purpose is available with the Company or its Share Transfer Agent. Member(s) holding shares in demat form may contact their respective DPs for availing this facility.
22. Member(s) holding shares in physical form is/ are requested to notify immediately any change of their respective addresses and bank account details. Please note that request for change of address, if found incomplete in any respect shall be rejected. In case of shares held in electronic mode, the request for change of address should be made to the respective DPs with whom the Member(s) is/ are holding the demat account.
23. Pursuant to Section 101 of Companies Act, 2013 read with the relevant Rules, the Company is allowed to serve documents like notices, annual reports, etc., in electronic form to its Members. Accordingly, the said documents of the Company for the financial year ended March 31, 2016 will be sent in electronic form to those Members who have registered their e-mail addresses with their DPs and made available to the Company by the Depositories. However, in case a Member wishes to receive a physical copy of the said documents, the Member is requested to send an e-mail duly quoting his DP ID and Client ID or the Folio number, as the case may be, to investors@mindtree.com or rnthelpdesk@linkintime.co.in. Accordingly, the Company shall update its database by incorporating/ updating the designated e-mail addresses in its records. Please note that the said documents will also be uploaded on the website of the Company at www.mindtree.com/investors and made available for inspection at the Registered Office of the Company from 10 AM to 12 noon on any working day till the date of AGM.
24. Members holding shares in demat form are requested to notify any change in their addresses, e-mails and or bank account mandates to their respective DPs only and not to the Company/ Share Transfer Agent for effecting such changes. The Company uses addresses, e-mails and bank account mandates furnished by the Depositories for updating its records of the Shareholders holding shares in electronic/ demat form.
25. Guidelines for attending the Seventeenth Annual General Meeting (AGM) of the Company:
    a. Members/proxies are requested to affix their signature at the space provided for in the attendance slip and handover the same at the entrance of the venue of the Seventeenth AGM.
    b. Corporate Member(s) intending to send their authorized representatives to attend are requested to send a certified copy of Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.
    c. Member(s) are requested to bring the copy of the Annual Report to the AGM.
    d. The identity/ signature of the Members holding shares in demat form are liable for verification with the specimen signatures furnished by NSDL/ CDSL. Such Members are advised to bring the Depository Participant (DP ID), account number (Client ID) and the relevant identity card to the AGM for easier identification and recording of attendance at the AGM.
26. All documents as mentioned in the resolutions and/ or Explanatory Statement are available for inspection by the Members at the Registered Office of the Company from 10 AM to 12 noon on any working day till the date of AGM and will also be made available at the venue of the Seventeenth AGM.
27. The Certificate from Auditors of the Company certifying that the Company's Stock Option Plans and Mindtree Employee Restricted Stock Purchase Scheme are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, is available for inspection by the Members at the venue of the Seventeenth AGM and also at the Registered Office of the Company from 10 AM to 12 noon on any working day till the date of AGM.
28. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at investors@mindtree.com at least seven days before the date of the Seventeenth AGM.
29. If any Shareholder/ Member intends to claim the unclaimed shares, please send the documents listed below to the Company's Share Transfer Agent, to enable them to give credit to the respective Shareholder/ Member's demat account or dispatch of share certificate, in case any Shareholder/ Member does not have demat account:
    a. Request letter duly signed by the Shareholder(s);
    b. Self-attested copy of PAN card(s) & Address Proof;
    c. Letter from the Bank Manager of the bank where the Shareholder/Member has an account, identifying the person and verifying along with account details for signature attestation;
    d. A copy of the Client Master List provided by the DP
    e. Original old share certificates of Aztec Software and Technology Services Limited for exchange of Mindtree Limited's Shares.
30. Any Member(s) who require any special assistance of any kind at the venue of the Seventeenth AGM are requested to send details of their special needs in writing to the Company at, investors@mindtree.com at least three days before the date of the Seventeenth AGM.

Information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

Mr. V.G. Siddhartha - Non-Executive Director – Item number 3.

A. Brief Resume and Expertise of Mr. V. G. Siddhartha :

Mr. V.G. Siddhartha (Siddhartha) aged about 56 years is the Promoter of the Coffee Day Group. His family has been in the coffee growing business for more than 130 years. The Coffee Day Group has interests in coffee retailing, logistics, technology parks (SEZ and STP scheme), financial services and investments in technology and software companies. The coffee retailing business under the brand Café Coffee Day is the market leader in India.

Siddhartha was awarded the 'Entrepreneur of the year' for 2002-03 by the Economic Times, for crafting a successful pan-Indian brand from a commodity business. He succeeded in giving the Indian consumer a new lifestyle experience, which is within the reach of the common man.

In 2011, Siddhartha was awarded the 'NextGen Entrepreneur' by Forbes India for transforming a commodity business into one of India's largest retail brands.

B. Disclosure of relationship between Directors Inter-se, Manager and KMP:

Siddhartha is not related to any Director, Manager or Key Managerial Personnel (KMP) of Mindtree Limited.

C. Date of first appointment on the Board:

January 20, 2000

D. Name/s of Public Companies in which the person holds the directorship and the membership of Committees of the Board:

Name of the Company	Name of the Committee	Whether Chairman or Member	
		Chairman	Member
Coffee Day Enterprises Limited	Audit Committee		Member
	Stakeholders' Relationship Committee		Member
	CSR Committee		Member
	Risk Management Committee	Chairman	
	IPO Committee	Chairman	
	Administration Committee	Chairman	
Coffee Day Global Limited	CSR Committee	Chairman	
	Audit Committee		Member
	Nomination and Remuneration Committee		Member

E. Details of shareholding:

Mr. Siddhartha held 5,028,000 equity shares of ₹ 10/- each amounting to 3% of shareholding of the Company directly in his name, as on March 31, 2016.

F. Number of Board Meetings attended during the year (April 01, 2015 to March 31, 2016):

Total Number of Board meetings held: 6.

Total number of Board meetings attended: 3

G. Committee Details in Mindtree Limited (only Audit Committee and Stakeholders' Relationship Committee):

As a Chairman – None

As a Member – Audit Committee

H. Last drawn Salary:

NONE

Mr. Milind Sarwate – Independent Director – Item Number 6.

A. Brief Resume and Expertise of Mr. Milind Sarwate (Milind):

Mr. Milind Sarwate is the Founder and CEO of Increate Value Advisors LLP. Increate's mission is to facilitate organizations & individuals to discover, develop & deliver business & social value.

Milind brings nearly 33 years of experience in Finance, HR, Strategic Planning, Business Development and Product Supply, across various sectors, largely Consumer Products & services, in groups such as Marico and Godrej.

Milind is a Chartered Accountant, Cost Accountant & Company Secretary and a B. Com. (Honours) from the University of Bombay. He is also a CII-Fulbright Fellow (Carnegie Mellon University, Pittsburgh, PA, USA.)

At Marico, Milind's last full-time employment, he was a member of its Group Executive Committee. He held various positions in Finance (Group CFO) & HR (Group CHRO). He played a role in the Marico story, through Shareholder Value Creation, Inorganic Growth, Corporate Structuring, Information Technology, Governance, Risk Management, Controls, Compliance, Talent Management, and Corporate Branding & Social Responsibility.

Milind received the ICAI Award – CFO - FMCG category in 2011, and the CNBC TV-18 Best Performing CFO Award – FMCG & Retail in 2012. During 2013, the CFO India magazine inducted Milind to the CFO India Hall of Fame.

B. Disclosure of relationship between Directors Inter-se, Manager and KMP:

Mr. Milind is not related to any Director, Manager or Key Managerial Personnel (KMP) of Mindtree Limited.

C. Date of first appointment on the Board:

Not Applicable

D. Name/s of Public Companies in which the person holds the directorship and the membership of Committees of the Board:

Name of the Company	Name of the Committee	Whether Chairman or Member	
		Chairman	Member
Geometric Limited	Audit Committee	Chairman	
	Nomination and Remuneration Committee		Member
	CSR Committee	Chairman	
Eternis Fine Chemicals Limited	Audit Committee	Chairman	
	Nomination and Remuneration Committee		Member
	CSR Committee		Member
International Paper APPM Limited	Audit Committee	Chairman	
Matrimony.com Ltd	Audit Committee	Chairman	
	Nomination and Remuneration Committee	Chairman	
	Risk Management Committee		Member
	IPO Committee		Member
	Stakeholders' Relationship Committee		Member
House of Anita Dongre Ltd	Audit Committee	Chairman	
	Nomination and Remuneration Committee	Chairman	
	CSR Committee		Member
Glenmark Pharmaceuticals Ltd.	Audit Committee		Member
	Nomination and Remuneration Committee		Member
	Stakeholders' Relationship Committee		Member
Halite Personal Care India Private Limited (under Liquidation)	None		

E. Details of shareholding:

Mr. Milind or his relatives do not hold any shares in Mindtree Limited.

F. Number of Board Meetings attended during the year (April 01, 2015 to March 31, 2016):

Not Applicable.

G. Committee Details in Mindtree Limited (only Audit Committee and Stakeholders' Relationship Committee):

Not Applicable.

H. Last drawn Salary:

Not Applicable.

EXPLANATORY STATEMENT

[Pursuant to the provisions of Section 102 of the Companies Act, 2013]

Item No. 5

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

The Articles of Association of the Company as currently in force was originally adopted when the Company was incorporated under the Companies Act, 1956. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013.

While some of the Articles of the existing Articles of Association of the Company require alteration or deletions, material changes that are proposed in the new draft Articles of Association are given below for ease of reference to shareholders.

Sl. No.	Existing Article reference as per old AOA	New Article reference as per new AOA	Summary of Change
1.	Interpretation – Definitions	Interpretations – Definitions	Definitions are appropriately modified to align with the provisions of the Companies Act, 2013.
2.	Article 15 – Return on allotments to be made or Restrictions on Allotment	Article 9 – Allotment of securities	Amendment is proposed to align with the relevant provisions of the Companies Act, 2013.
3.	Article 66 – Buy Back of Shares	Article 52 – Buy Back of Shares	Amendment is proposed to align with the relevant provisions of the Companies Act, 2013.
4.	Article 77 – Notice for General Meetings	Article 57 – Notice for General Meetings	Amendments are proposed to align with the provisions of the Companies Act, 2013 regarding length of the Notice calling the general meeting, requirement of to whom the notice for the general meeting needs to be given, material facts to be set out in the explanatory statements, business to be transacted at the general meetings and other general meeting matters.
5.	Article 90 – Vote of Members	Article 66 – Voting Rights	Amendment proposed to include voting of the members through electronic means.
6.	Article 98 to 108 – Directors	Article 72 to 78 – Board of Directors. Independent Director (Article 73 is newly inserted)	Amendment proposed to include the appointment of Independent Director in line with relevant provisions of Companies Act, 2013
7.	Article 119 to 128 – Meetings of the Board	Article 79 to 87 – Proceedings of the Board	Meetings of Board of Directors, quorum for the meeting, notice calling the meeting, etc. including the operational parts are amended to align with the provisions of the Companies Act, 2013.
8.	Article 138 to 142 – Managing Director(s)/ Whole Time Director(s)	Article 94 to 99 – Managing Director(s)/ Whole Time Director(s)/ Key Managerial Personnel	Amendment proposed to align new provisions relating to appointment of Key Managerial Personnel (KMP).
9.	Article 178 & 179 – Indemnity and responsibility	Article 123 & 124 – Indemnity and responsibility	Amendment proposed to provide for indemnification to Directors and Officers.

Considering that the Companies Act, 2013 is in force, substantive sections which deal with the general working of the companies stand notified, it is proposed to adopt the Articles (as placed on the website of the Company), in substitution of the existing Articles of Association by aligning it with the provisions of Companies Act, 2013 (including the Rules framed thereunder) and also making the provisions of Table "F" in Schedule I to the Companies Act, 2013 (which sets out the model Articles of Association for a company limited by shares) applicable in respect of the matters not provided, for in these proposed Articles.

Certain provisions of existing Articles of Association have been simplified by providing reference to relevant Sections to the Companies Act, 2013 and the Rules framed thereunder, to avoid repetition in its entirety.

The proposed new draft Articles of Association is uploaded on the Company's website www.mindtree.com/investors for perusal by the shareholders.

None of the Promoters/ Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No.5 of the Notice.

The Board recommends the Special Resolution set out at item No.5 of the Notice for approval by the members.

Item No. 6

The Nomination and Remuneration Committee, at its meeting held on May 26, 2016, has approved the appointment of Mr. Milind Sarwate, as an Independent Director of the Company for a term of five years with effect from July 19, 2016 to July 18, 2021, subject to the recommendation of the Board of Directors and the approval of the Shareholders.

The Board of Directors, at its meeting held on May 26, 2016 has recommended the appointment of Mr. Milind Sarwate as an Independent Director. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 100,000/- proposing the candidature of Mr. Milind Sarwate for the office of Director, to be appointed as Independent Director under the provisions of Section 149 of the Companies Act, 2013.

The Company has received the following documents from Mr. Milind Sarwate (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, (iii) Notice of Interest in Companies in Form MBP – 1 pursuant to Section 184 (1) read with Rule 9 (1) of the Companies (Meetings of Board and its Powers) Rules, 2014 and (iv) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Milind Sarwate as an Independent Director of the Company for a term of five years with effect from July 19, 2016 to July 18, 2021 in accordance with Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Milind Sarwate, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Milind Sarwate as an Independent Director setting out the terms and conditions is available for inspection without any fee, by the members at the Registered Office of the Company from 10 AM to 12 noon on any working day up to the date of the Annual General Meeting of the Company and will also be made available at the venue of the Seventeenth AGM.

None of the Promoters/ Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at item No.6 of the Notice.

The Board recommends the resolution set forth in Item No. 6 for the approval of the members.

By the order of the Board of Directors
for Mindtree Limited

Place: Bengaluru
Date: May 26, 2016

Vedavalli S
Company Secretary

Mindtree Limited

Registered office: Global Village, RVCE Post, Mysore Road, Bengaluru 560059, Karnataka, India.
Corporate Identity Number (CIN): L72200KA1999PLC025564
Ph: + 91 80 6706 4000 Fax: + 91 80 6706 4100 E-mail: investors@mindtree.com Website: www.mindtree.com

FORM No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

I/ We, being the Member (s) of... shares of Mindtree Limited (the above named Company), hereby appoint

Name:.. Address:..

E-mail Id:.. Signature: .... or failing him

Name:.. Address:..

E-mail Id:.. Signature: .... or failing him

Name:.. Address:..

E-mail Id:.. Signature: .... or failing him

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Seventeenth Annual General Meeting of the Company, to be held on Tuesday, July 19, 2016, at 10.30 AM, at The Capitol Hotel, No. 3, Raj Bhavan Road, Opp. General Post Office, Bengaluru 560 001, Karnataka and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions	For	Against
1.	Adoption of Accounts and Reports thereof for the financial year 2015-16		
2.	Confirmation of payment of first interim dividend, Second interim dividend, third interim dividend, fourth interim dividend and to approve final dividend, for the financial year 2015-16.		
3.	Re-appointment of Mr. V.G. Siddhartha (DIN 00063987), as a director liable to retire by rotation.		
4.	To ratify the appointment of Auditors.		
5.	To consider adoption of newly substituted Articles of Association of the Company containing clauses in line with the Companies Act, 2013.		
6.	To approve appointment of Mr. Milind Sarwate (DIN 00109854) as Independent Director.		

Signed this .... day of .... 2016.

Affix revenue stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Mindtree Limited
Global Village, behind R V Engineering College
Mylasandra, Mysore Road
Bengaluru - 560 059, Karnataka
Tel: +91 80 6706 4000