Mindtree

Welcome to possible

A TREE ALWAYS GIVES BACK

Annual Report 2017-18

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A tree always gives back

When it comes to giving back, we do not need to look far for inspiration. Providing shade and comfort to all without discrimination, being a home for birds and more, giving out life-sustaining oxygen – there is a lot we can learn from the humble tree. Giving back is one of them, and something that we, at Mindtree, strive to do.

At Mindtree, we expand the potential of technology to benefit not just businesses, but societies as well. Our philosophy is rooted in 'giving back' to the society by leveraging "technology expertise", our strategic asset.

We have taken a pledge to help the underprivileged of the society. Through the Mindtree Foundation, we address the challenges of educating deprived children, providing basic needs to the poor, offering disaster relief during calamities, and delivering medical assistance to the needy. We also partner with several non-profit organizations to tackle social issues and help the underprivileged.

At the same time, our primary effort, via Mindtree.org, is to address diverse social challenges of the large, informal sector in India through our digital platform. Through the platform, we offer a host of products, solutions and services that directly impact the informal economy and create greater value for all stakeholders.

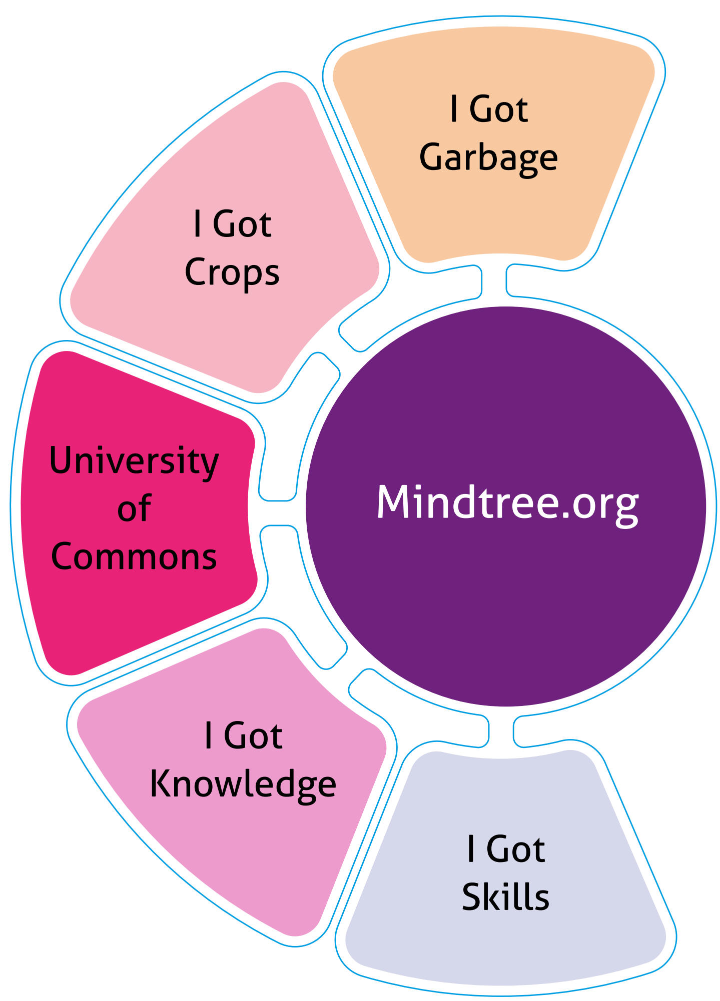
Mindtree.org:

Breaking shackles of poverty and inefficiency

India's informal sector is driven by millions of independent entrepreneurs - farmers, waste-pickers, vegetable vendors, and more. National Sample Survey Organization has estimated that 84.7% of jobs in the Indian economy are in the informal or unorganized sector. This makes the informal sector the largest pool of workers in the country and means that 84.7% workers in India lack good education, professional skills, social security perks, or insurance.

Mindtree.org — an integral part of our CSR initiative — works with various independent entrepreneurs of the informal sector to enhance skills and livelihoods. Through a host of domain solutions, we address challenges arising due to a shortage of best practices, skills and education. We redress low wages, middlemen interference and silos. And our goal is to provide a digital platform that 'gives back' through social inclusion, structured operations and livelihood enhancements.

We provide a host of technology products and solutions that are aimed at enhancing the livelihoods of independent entrepreneurs in the informal sector. Our ready-to-use solutions are currently impacting different players of the informal economy including agriculturalists, teachers and principals of rural schools, artists and small traders and entrepreneurs.



I Got Skills

India is positioned to be the largest labour marketplace in the coming years. This worker marketplace can transform and drive tangible impact, if it is skilled sufficiently, to accelerate India's growth. In contrast, India's current workforce is predominated by unskilled and semi-skilled workers. In fact, only 2.3 percent of India's workforce has received some formal skills training.[1]

At the same time, the need for humans, who perform menial jobs, is dwindling due to the growing popularity and influence of technology and automation solutions. Without education and vocational skills, the future of India's unskilled and semi-skilled workers is dim and distressing.

That's why the Indian Government, on its part, is putting in focussed efforts to skill India's workforce. While many national-level initiatives by the National Skills Development Council (NSDC) have been put in place, state governments too are doing their bit. In Karnataka, the government has launched Koushalya Karnataka program to train and educate the youth of the state. And we are happy to state that we, at Mindtree, have been chosen as their primary partner to realize the centre's and state's objectives of skilling.

Providing skills, self-esteem, and confidence

I Got Skills (IGS) is our flagship program in partnership with the Government of Karnataka to upskill the state's workforce. Our objective is to career counsel unemployed youth in the state, which will not only provide them with a livelihood but also enhance confidence and self-esteem. Through this program, we aim to skill the unemployed youth such that their capabilities match the new requirements of today's business establishments.

To begin with, we have created an application and on boarded unemployed youth and potential employers of the informal sector. The primary objective of the app is to function as a match-maker and connect the most suitable employer and employee.

At the same time, we have encouraged employers to start apprenticeship programs that could enhance skills of the unemployed. We are happy to note that 10,000 employers are now offering apprenticeships.

The IGS application: Connecting the unemployed with the employer

Skilling the unemployed

- Telephonic counselling to assess skills and interests
- Face-to-face counselling at 120 centres
- Educate candidates on how to gain skills
- Rate candidates through a score

Helping the employer find helping hands

- On board employers through a registration drive
- Showcase job descriptions
- Shares details on apprenticeship opportunities

Our report card

55,000 job openings

8,400 candidates applying for apprenticeships

Every employer offers 50 to 60 matches

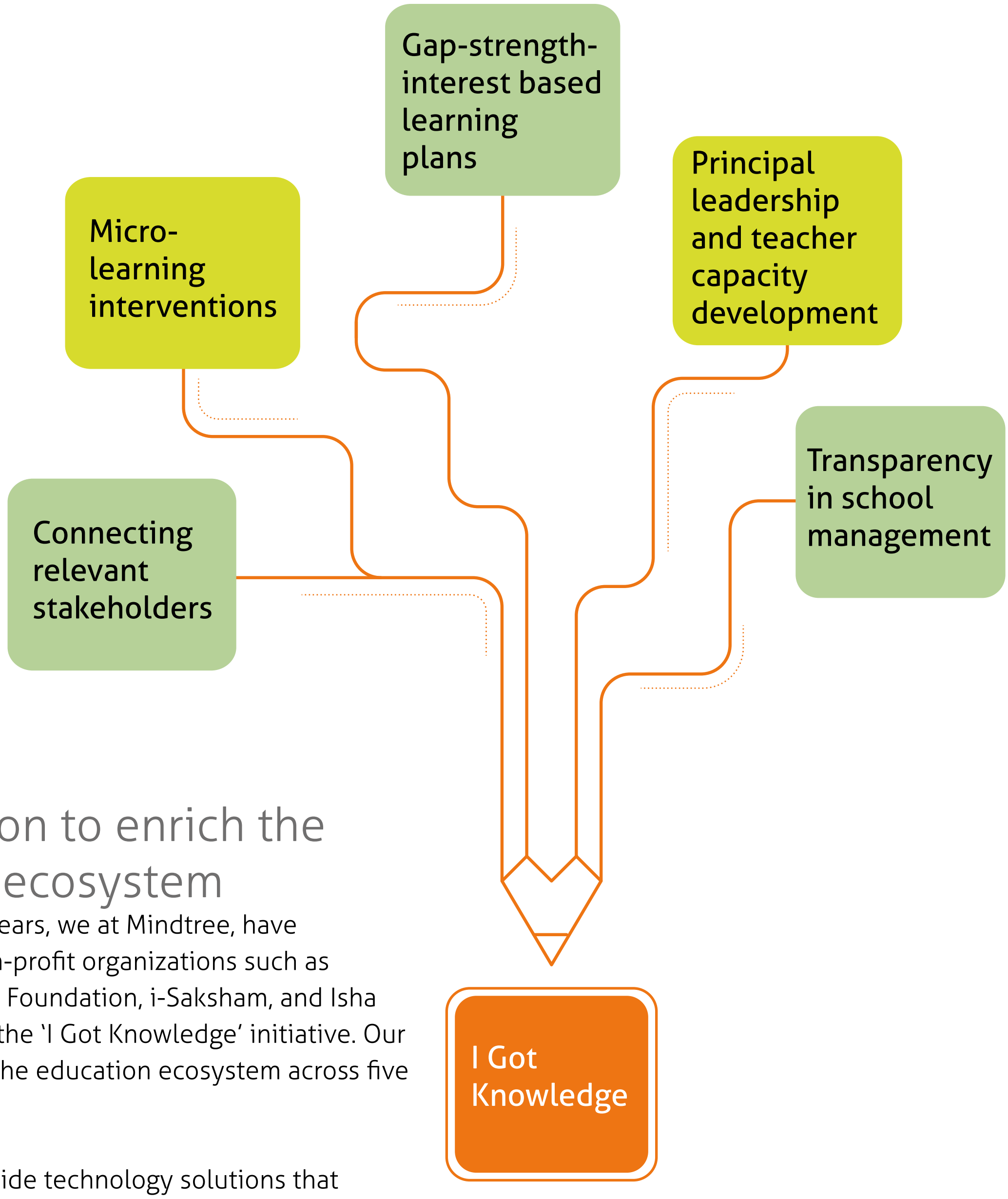
Every candidate is offered 25 - 30 opportunities

Pool of 12,000 employers

I Got Knowledge

Education is a child's best gift. And across the world, the ecosystem of education is driven primarily by schools. Within schools, multiple stakeholders - management boards, principals, and dedicated teachers – strive to inculcate the right knowledge and values to young minds. The significance of schooling cannot be better described than Victor Hugo's quote - "He who opens a school door, closes a prison." In India, the government has invested significantly to reduce school drop-outs and nourish children with meals. However, it remains unsuccessful in enhancing the quality of teaching in government education institutions.

As a result, there is a growing sense of cynicism about the Indian public schooling system. Lack of qualified teachers, unregulated operations, haphazard classes, and poor infrastructure are driving children and their parents away from public education institutions and towards private schools. This has to change, as the hallmarks of a developed nation are good quality and affordable public education.



On a mission to enrich the education ecosystem

Over the last few years, we at Mindtree, have partnered with non-profit organizations such as Kaivalya Education Foundation, i-Saksham, and Isha Vidyalaya to drive the 'I Got Knowledge' initiative. Our aim is to enhance the education ecosystem across five parameters.

Our forte is to provide technology solutions that solve the gaps in the rural schooling system. Through multiple apps, we have been able to help volunteers gauge the state of infrastructure at schools, connect primary stakeholders - principal, parents, and management committee – better, and drive performance.

An application to guide volunteers the right way

While our NGO partners hire/enrol multiple volunteers to enhance student learning outcomes, many of these volunteers deviate from their objectives when the challenges of the schooling system hit them. Consequently, we have developed an application that provides these volunteers with a digital journey to help them focus and analyse gaps, monitor performance, and share best practices. And we are happy to say that our efforts are reaping results.

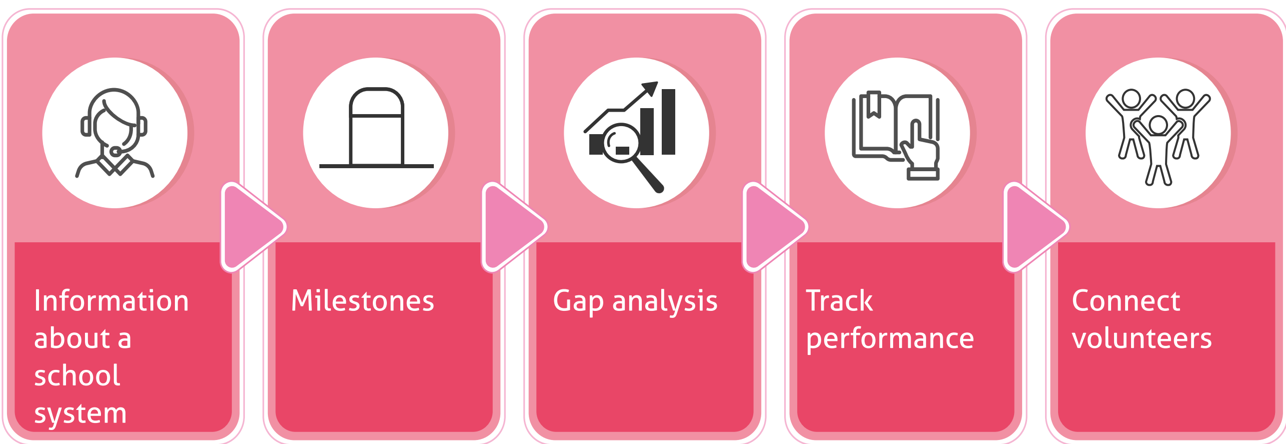


Figure 2: The core components of our IGK app

Our report card...

9536 schools

56,478 teachers

352,891 student assessments

253,683 students

I Got Crops

Farming — one of the oldest professions of mankind — is a significant contributor to a nation's economy. Farmers are independent entrepreneurs who take on nature's calamities, wild animals, poisonous creatures, and harsh conditions to produce life's basic necessity — food. In India, over 58 percent of rural households depend on agriculture.
Yet, most of our farmers lack a substantial livelihood due to scarcity of resources and rising costs of fertilizers and seeds. Poor financial assistance, lack of expertise, low crop prices, and scarcity of natural resources are pushing farmers to take extreme steps! In a nutshell, farmers lack the expertise to transform their occupation into a sustainable business.

Helping farmers with cultivation, distribution, and sales.

At Mindtree, we believe that technology can address most of India's marginal farmer woes. We have developed a digital platform that enhances the entire agriculture value chain for a farmer — from crop selection to distribution and sales. To drive tangible impact, we have partnered with Vrutti — a non-profit organization that works to create sustainable livelihoods — to enhance efficiencies of the farming community via farmer producer organizations.

Our agenda

- Make it easy for farmers to adopt best practices
- Enable rural supply chains
- Build inter-connected, rural, micro-businesses
- Leverage digital technology to improve efficiency and scale of micro-businesses

How 25,000 farmers are reaping the benefits of technology

The partnership provides farmers a digital platform that is accessed via an application on mobile phones. Through the platform, farmers can get access to working capital, processing facilities, training, and more. The following diagram provides more details:

Selecting crop portfolio	Procuring seeds	Growing crops	Sales and distribution
Information to assist farmers in choosing the right crops	Access to cheaper seeds	Cheaper fertilizers and pesticides	Access to fair and remunerative markets
Demand forecasting	Insights into how to plan crop cultivation	Access to best practices	No middlemen Greater profits

Measuring our impact so far...

1,37,000 farmers are connected

20% rise in profits

10,000 training sessions

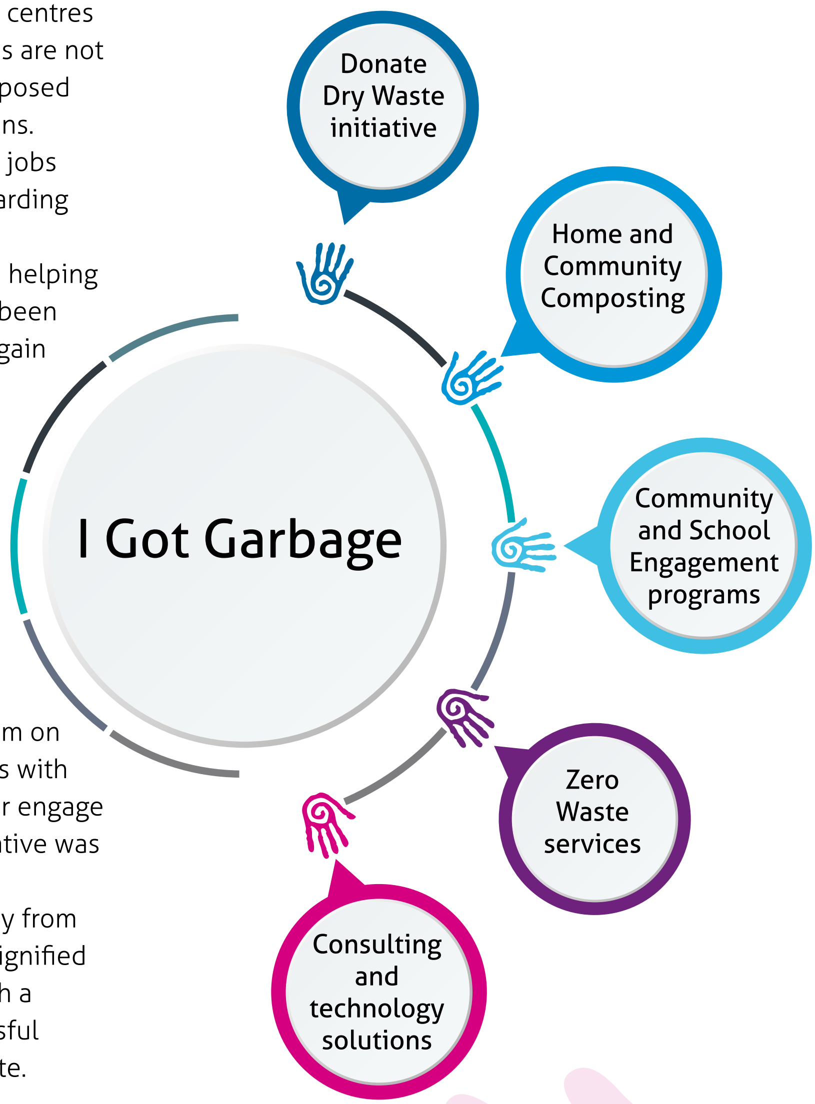
5,000 farmer producer organizations

100 districts covered

I Got Garbage

Waste-pickers take huge risks every day to ensure that at least 15 percent of trash reaches recycling centres and do not rot at landfills! However, their lives are not easy or even ordinary, being continuously exposed to chemical poisoning and biological infections. Deprived of a dignified place in society, their jobs are one of the most unglamorous and unrewarding professions in the world.

This is where, we at Mindtree, are providing a helping hand. Our 'I Got Garbage (IGG)' initiative has been helping waste-pickers reform their lives and gain respectability in the society.



Offering waste-pickers a better livelihood and greater dignity

It all started in 2013 – when a passionate team on engineers from our organization joined hands with HasiruDala and other social partners to better engage with waste-pickers. In a year's time, IGG initiative was formally launched.

Today, it continues to take waste-pickers away from the hazards of landfills and provide them a dignified livelihood. Today, IGG is growing strong – with a presence across five Indian cities and successful recycling of over 10 million kilograms of waste.

Integrating stakeholders for effective waste management

Waste management involves a lot more than transporting garbage from homes to landfills. It involves managing multiple stakeholders and complex processes. I Got Garbage navigates these challenges through technology and a smart approach. By connecting the following four stakeholders, IGG offers the entire gamut of waste management solutions by making the waste-picker the primary driving force.

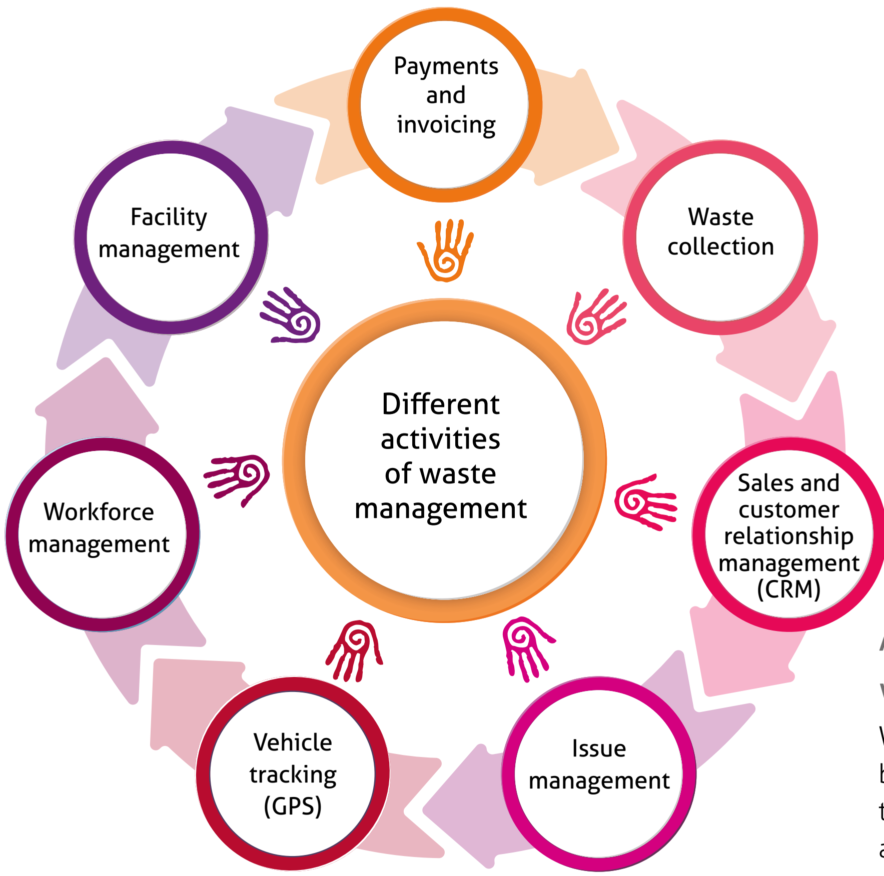
Waste-pickers	Non-profit organizations	Citizen community	Government agencies
Elevating working conditions for better livelihoods	**Collaborating for greater impact and outcomes**	**Engaging citizens for social transformation**	**Upping governance measures for better performance**
Provide access to an open, fair market	Build capacity	Amplify awareness leading to positive action	Create sustainable waste management solutions
Enhance skills	Achieve scale		Shift towards data-led digital governance
Allocate work effectively	Make sales and operations efficient	Provide access to professional waste management services	Enhance waste flow management and recycling
Enable dignified and sustainable livelihoods	Enhance customer relationship management		Achieve a landfill-free ecosystem

Using technology to bridge the divide

I Got Garbage offers a single platform that houses the entire gamut of solutions with the waste-picker at its crux. From payment and waste collection to analytics and dashboards, we provide the technology to drive effective solid waste management. This fosters scalability and strong partnerships among stakeholders. Our technology platform encompasses three critical components:

Accurate tracking of every micro-activity

Our application suite helps break the entire waste flow into micro-activities. These are captured and tracked through lightweight, mobile and tablet-based applications.

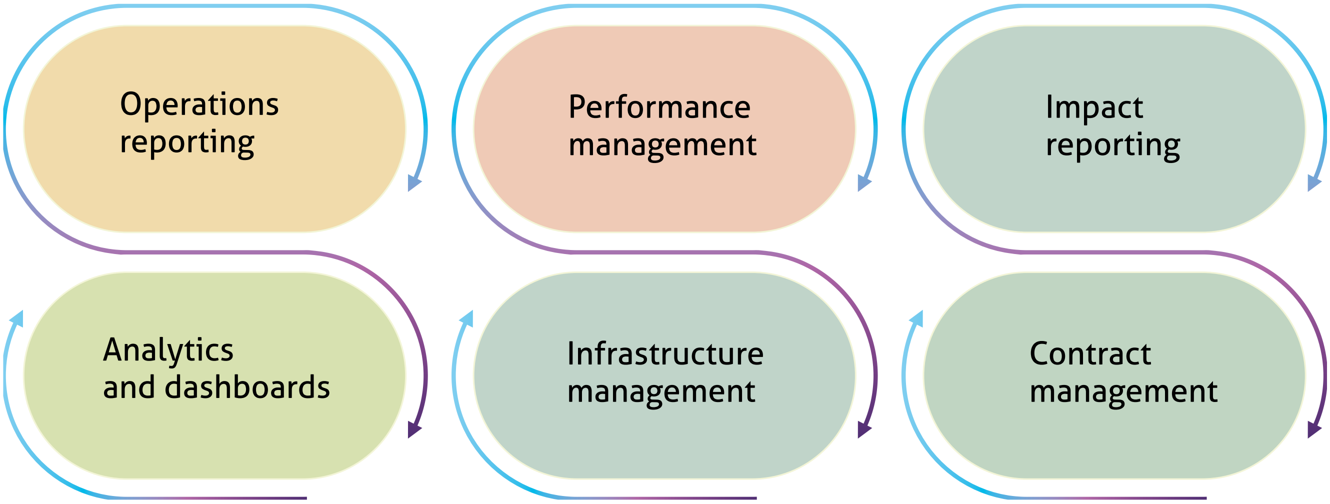


Active engagement with stakeholders

We engage with citizens, businesses, and volunteer groups to sensitize and spread awareness about waste-pickers; thereby, collectively bringing about sustainable, scalable, and social change.

Continuous monitoring of performance

We provide governance solutions that offer visibility into operations to analyse the effectiveness of waste management supply chain.



Our success so far...

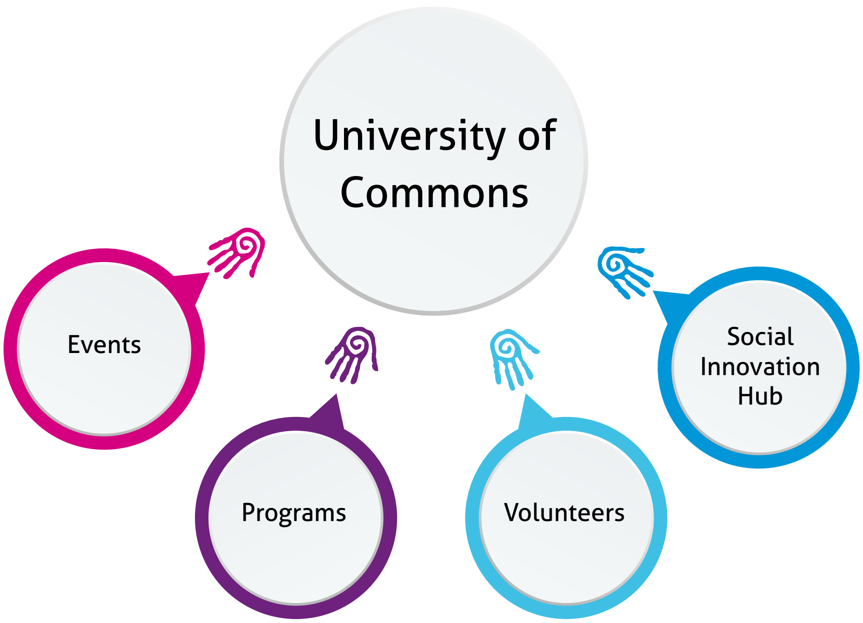
35 million kgs of total garbage diverted from landfill
+
9556 recycling managers
+
283,000 waste generators
+
300,198 total houses on-boarded

=

49,849 trees saved
+
24,882 electric units saved
+
105,680 cubic meters of landfill saved
+
28,381 litres of fuel saved

University of Commons

University of Commons is an initiative by Mindtree.org that brings together young minds to develop ecosystems that address pressing social issues within communities. We work to ensure that the building blocks of communities - people relationships, nature, civic spaces, culture, and more – are preserved, enhanced, and passed down to new generations. By conducting several events, programs, and volunteering initiatives; we help individuals lead the change.



Encouraging commoners to engage with the community

We are constantly bringing together people from all walks of life to help them realize their extraordinary capabilities and nurture a purposeful community. Through four models, we help individuals realize entrepreneurial dreams and build trusted relationships with like-minded people.

Programs

We have developed several programs that equip people with leadership skills and introduce them to best practices in the society. Our Creative Leadership program teaches individuals leadership and communication skills, while encouraging them to act and realize their dreams and aspirations. We provide opportunities to travellers with a flair for writing through our traveller-ship program. Aspiring travellers get to tour the country and experience local culture, while capturing stories through words and photos which we share within communities. At the same time, we also provide tools and techniques through our Roots Unconference program, which facilitates better engagement and collaboration among like-minded individuals.

Events

We draw a wide and diverse audience at our events, which helps us in effective discussion of problems within the community. Our Communities of the Future (COTF) Summit is an annual, global forum that brings together change makers, volunteers, and entrepreneurs to deliberate on better and inclusive societies. We conduct an open house to bring together people who are keen on transforming the community and discuss pertinent social issues. At the same time, we leverage the creative skills of people to communicate core philosophies and evangelize change through a monthly competition called 'The Creative Commoner Hunt.' The competition includes poster creation, poetry writing, painting, filming, and more.

Volunteers

We continuously encourage volunteers to help us in strengthening the livelihoods of budding entrepreneurs in the informal sector, by doubling incomes and building an inclusive community. In addition to driving socio-economic inclusion, we have taken primary interest in connecting artisans and farmers directly with customers.

Social innovation hub

In a short span of time, we have developed 100 Social Innovation Labs across 10 cities in India. These labs support over 15,000 members by providing an innovation approach, resources, and opportunities. Through these labs, we aim to find answers to seemingly impossible problems.

Measuring our impact so far:

1000+ volunteers and change-makers

300 fellows Supporting 2500 Schools

60+ unique community projects

10+ Leadership Unconferences and Open House

3 Social Innovation Labs

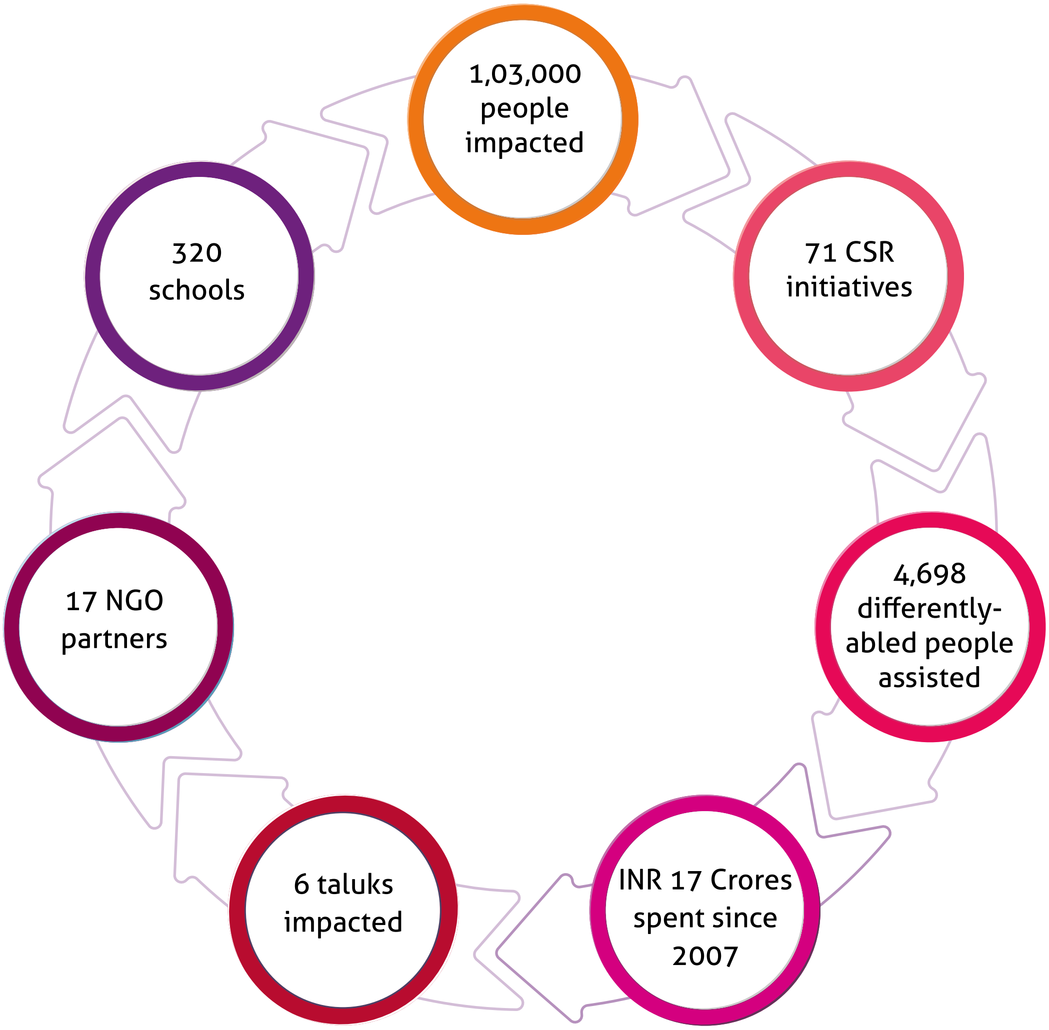
4 immersive programs

Mindtree Foundation:

Giving wings to fly

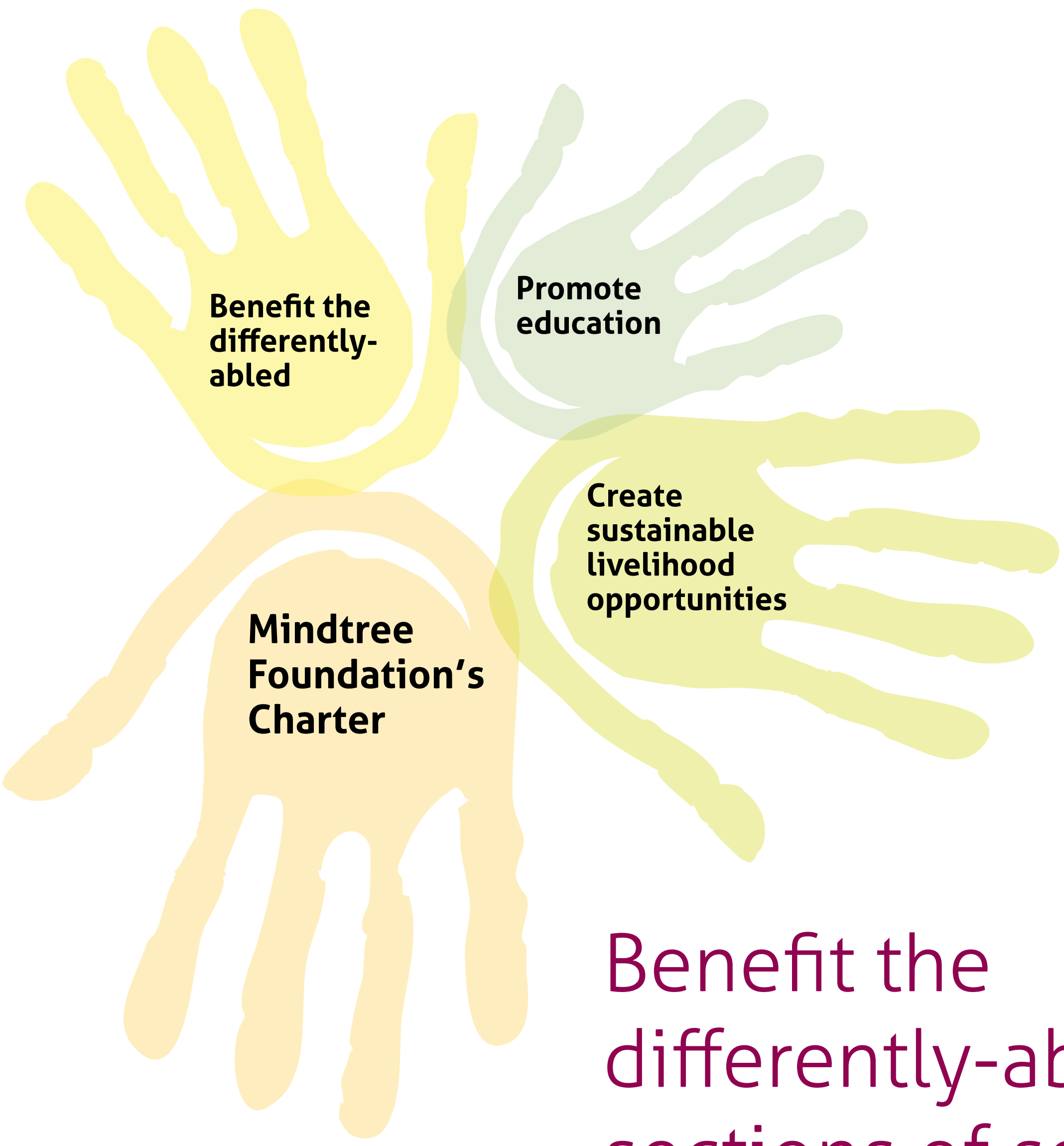
The world is a diverse setup, brimming with people of different capabilities. A harmonious existence can be catalysed when we balance the extremes, spread smiles, empathise, and help fellow humans in need. Harmony, giving back and responsibility towards the society, beyond business, have been primary focus areas for Mindtree since its inception. Our organization was born with a conscious effort to give back and uplift the underprivileged sections of society. In fact, we have been engaging and supporting societal reforms much before corporate social responsibility became mandatory in India. That's because engaging with the society, beyond business, is intrinsic to us.

Mindtree Foundation was formally setup in 2007. As a not-for-profit organization, we focus on engaging and supporting the needy and underprivileged sections of society. We are proud that our outreach programs have impacted about 32,000 people in 2016-17[1]. Our efforts are always guided by our three-point charter.



Driven by a three-point charter

We are working actively to give back to communities in proximity to our Indian offices. Today, our focus continues to be on holistic development of taluks. We go beyond the 'giver-taker' philosophy to treat beneficiaries as stakeholders who can participate in amplifying reforms within the society. Through active engagement, we look to impact several stakeholders in an ecosystem, thereby driving gross value addition. Our efforts are structured around the following three-point charter:



Benefit the differently-abled sections of society

In India, about 10 to 15 percent of the population is differently-abled as per the 2011 census. They need a lot of support, customized infrastructure, and a friendly society. It must be noted that many of them are extremely hard working and intelligent. At Mindtree Foundation we try to fuel the dreams and amplify the capabilities of differently-abled individuals through an award and advocacy initiatives. We have over 40 people with disabilities working and contributing to Mindtree's success.

Recognizing tenacious performers

We have partnered with the National Centre for Promotion of Employment for Disabled People (NCPEDP) to create equal opportunities and an enabling work environment for people with disabilities. Every year, we identify 10, differently-abled people who are outstanding performers across India and felicitate them with the NCPEDP-Mindtree Helen Keller award.

Amplifying awareness

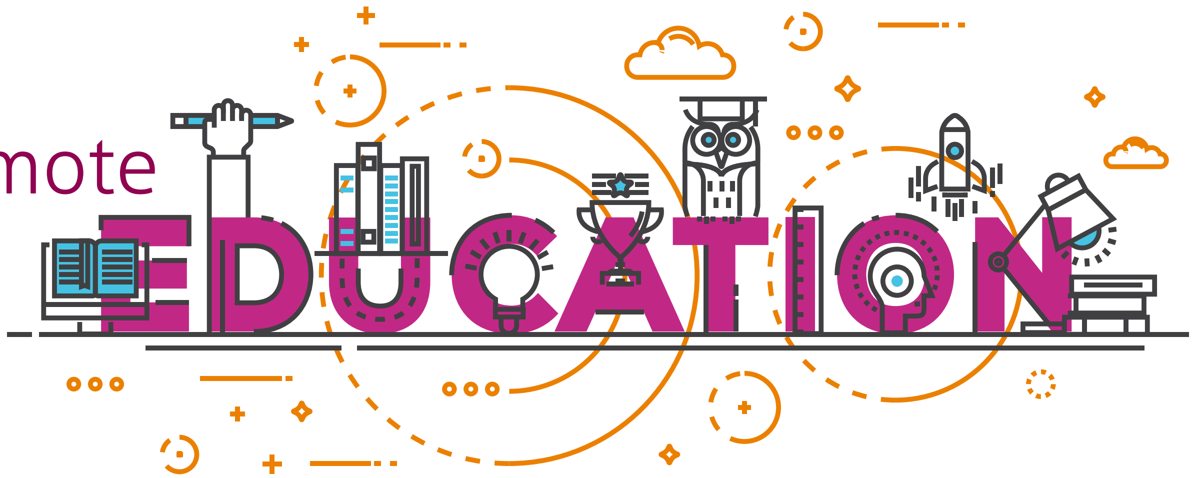
Over the years, the Indian Government has created several policies to support differently-abled people. Unfortunately, families and institutions remain in the dark about these policies, which deprives disabled people from enjoying various benefits. As a result, it is our endeavour to spread awareness about policies such as the Rights of Persons with Disabilities Act (RPWD) 2016. Recently, we have printed brochures in regional languages about the act, its details, and benefits. And we are sure that by spreading such knowledge, we can transform the lives of differently-abled citizens.

Employing assistive technologies to minimize challenges

As a technology company, we are trying to make the daily lives of people with disabilities (PwD) easier via assisted technologies. Towards this, we have delivered two assistive technology products to Aravind Eye Hospitals in Madurai, Tamil Nadu. They are:

- Visual Intervention Kit with Analytics for Special children (VIKAS): VIKAS is an assorted collection of nine major exercises in 21 sub-exercises with 22 screens to redress cognitive visual dysfunction (CVD). CVD is vision impairment occurring due to damage to the brain where the eyes are able to see, but the brain is not able to process / interpret what is being seen. CVD can be due to prematurity, structural / functional damage to the brain, autism, cerebral palsy, etc. It can affect all aspects of educational, physical, social and emotional development.
- Digital Nethra for Eye (DIGNI): This is an Android mobile application that reads the page of a printed book from a table-lamp-like structure, converts in to audio and speaks it out through a headphone. This application performs optical character recognition (OCR) of text and converts text to voice. It reads the contents of the entire page (except the pictures). After a page is read, it prompts the user to turn the page.

Promote



In rural India, a majority of our bright, young, kids lack access to quality education and guidance. There is a pressing need to enhance education standards in the institutions and expose children to best practices. At Mindtree Foundation, we continuously strive to transform the education infrastructure and broaden the perspective of children. Here are some of our efforts in 2017:

Guiding bright minds towards the right career

Guiding children from low-income families by equipping them with skills needed to earn a good livelihood and providing them a good understanding of career opportunities is always our top priority. Last year, we conducted a career fair by bringing together various senior executives from the armed forces, police, Narayana Health, and vocational training organizations to share views and tips on building self-sustaining careers in Kanakapura district. The fair was attended by over 1,000 schoolchildren, who were provided a career chart to help them make the right occupational choices. We thank Jain University for allowing us to conduct the fair within their premises.

Encouraging entire communities to achieve greater good

We believe that to drive tangible social reforms, it is necessary to impact not just individuals, but entire communities. We have partnered with a non-government organization (NGO) Sikshana Foundation and the Karnataka State Education Department to drive 'Samruddhi Abhiyan' program. This initiative aims to catalyse holistic development of children, schools, villages, and the entire rural community. As a part of this initiative, we conducted a competition amongst 161 schools to measure their capabilities across education, environment, teaching, and more. As schools from the entire Kanakapura taluk participated eagerly, we got an opportunity to gain insights into their capabilities and performance.

Inspiring bright sparks in young minds

We collaborated with Agastya International Foundation to setup a National Science Day competition for school students at our Pune campus. More than 400 students participated in this event, which required children to exhibit their science projects and talents. The top three projects were awarded grand prizes

Create sustainable livelihood opportunities

Many underprivileged and disruptive people lack the skills and knowledge to free themselves from the crutches of poverty and misery. With the right financial and skilling aids, these people can overcome their constraints. We, at Mindtree Foundation, have been working tirelessly to equip such people with skills that can provide them employment in industries such as carpentry, plumbing, farming, and garment manufacturing.

Teaching skills to transform the lives of the underprivileged

We have partnered with an NGO to enhance prisoner skills at Parappana Agrahara Central Prisons and prepare them for a self-sustaining life after they complete prison terms. Our flagship program trains prison women in mushroom cultivation, embroidery, and tailoring. What's more, prisoners who participate in this skilling program get seven days of remission per month. This program has been well-received by Parappana Agrahara authorities and we are now preparing to extend this program to other jails.

Voluntary engagement

We have over 17,000 Mindtree Minds in our organization as of today. Many of them are Samaritans who are committed to giving back to the society and supporting important social issues. Through our voluntary engagement programs, we provide avenues for such charitable individuals to do good to the society. And these initiatives go beyond donation drives of old clothes, books, and toys.

Saving lives with blood donation drives

We are proud to state that Mindtree Minds have participated eagerly in our blood donation drives, which have impacted over 35,000 lives since 2010.

Restoring nature's harmony by planting trees

We organize tree-planting initiatives at regular intervals in order to counter the harmful effects of pollution. So far, about 200 Mindtree Minds have planted 5000 saplings, which are now growing healthily.

Helping people with life-threatening diseases

Human stem cells are vital and have the potential to repair severe tissue damages or anomalies in people with life-threatening diseases. In partnership with Narayana Health and TTK, we have set up a stem cells registry that allow Mindtree Minds to donate stem cells to the needy. Over 2,597 Mindtree Minds have signed up for the stem cell registry.

Message from Chairman and CEO

Dear fellow shareholders,

Wanted to begin our letter by thanking you for your unstinting support over the years to Mindtree. With your support, we accomplished great outcomes last year. This includes:

1. Best ever scores on our annual Customer Experience Survey. We ranked equal or better than the best in our industry on critical parameters by CXOs of our customers. The survey conducted by an independent agency, which also conducts similar surveys for many others in our industry. What was especially heartwarming is that the 2nd most frequently expressed expectation by our customers was that they would like Mindtree to help them drive their technology roadmap – i.e.
   we have now earned the trust of our customers and they are expecting higher value from us. We are energized and humbled by the results and rededicate ourselves to continually creating value for our customers using technology.
2. Deal wins – we won deals worth $1.01B last year, which included the largest deal yet in our history from one of our customers in the airline industry. This customer has entrusted their entire QA function to us in a multi-year, multi-million dollar deal, reflecting our strong value proposition and relationships that we have built over many years. These wins give us strong momentum for continuing our record of growing faster than our industry, as we enter FY2018-19.
3. Value creation for shareholders – FY2017-18 also saw us successfully complete our first share buyback program. Counting dividends and buyback, we returned Rs. 4.73 Billion to shareholders in FY2017-18, which is 83% of our PAT for the year. Our improved financial performance also helped the Street re-rate our stock. Our market-cap was Rs 76 Billion on March 31, 2017 and it grew to Rs 126.54 Billion on March 31, 2018, which makes us one of the best performing stocks on the Indian exchanges in FY2017-18. Our Total Shareholder Return over the period March 2007 (from our IPO) to March 2018 was 15.7%p.a.

We will not rest on the laurels of these achievements and continue to do our best for all our stakeholders.

Would also like to take this opportunity to share with you our perspective on the most important changes affecting our industry and our actions to strengthen Mindtree in this period of discontinuous change.

1. Technology – changes in technology are reshaping our customers' world as well as our industry. Some of our traditional offerings like coding, testing, managing IT infrastructure etc., have been recast in a very different way through platforms, automation and other forces. We took note of Charles Darwin's finding – that only those who can adopt fast will survive in periods of rapid change. We embraced the technology revolution and led the thinking for our clients. In many cases we paid the short term price, either by cannibalizing our revenue or sacrificing margins by making investments to prepare for the changes. That call proved to be the right one. We started FY2017-18 with 11.1% EBITDA margins in Q1, but ended the year with 16.1% in EBIDTA margins in Q4, in a period when the appreciating Rupee ate away 0.7% of our operating profits. Q4 FY2017-18 also saw us post a QoQ growth of 5.5% which was amongst the best in our industry.

2. Reskilling – media articles about the effects of technology change on the workforce continue to bombard us. Consistent with our philosophy that our passionate and expert people are the most important ingredient for us to create value for customers, we saw the Tsunami a long time ago and prepared adequately. We invested in creating an internal platform that we call Yorbit, which today has 1987 courses sourced from leading content providers all over the world as well as internally created content. Currently, 13641 Mindtree Minds have completed 1,370,477 hours of training on the platform. This investment in reskilling our people was perhaps the biggest reason for our two most important successes of FY2017-18 – the first was our strong customer satisfaction scores that we shared in the beginning of this letter and also the multi-year low attrition levels in Mindtree. On people engagement, also we compare favorably with the best in our industry.

Our approach for creating value for our shareholders rests on 2 important principles – great governance practices and focus on the long term health of our business. These principles govern our actions every day. These principles make it easy for us to choose between trade-offs that we inevitably have to make while running your business on your behalf. Since our inception, our aim has always been to deliver superior returns for shareholders through consistent revenue growth and stable margins. To achieve that we are obsessed about doing our best for our customers. That in turn, needs focus and investment on talent and technology. Therefore we see focus on our talent and customers is the means to delivering returns for our shareholders.

People, customers and shareholders are not the only stakeholders we serve. Given the many pressing challenges that our world faces today, society is also a key stakeholder in our success. We are convinced that business has to contribute to solving the problems facing society – because business has the resources, the reach, the technology and the will to do so. Would like to present to you some of the highlights of our contributions during FY18 for important social causes:

1. **Sustainability:** We have reduced water consumption to 0.85 kl/FTE/ month; we recycle 89% of the waste generated; and approximately 70% of our power needs are met by renewable sources. You will find more information about our initiatives in the Sustainability Report.
2. **Promoting primary education:** We adopted an entire school district in a rural area near Bangalore and have engaged with multiple stakeholders over a 10 year period. When we started our engagement this district ranked amongst the bottom-five in the state of Karnataka. Today it ranks in the top-five. Patience, commitment by the many Mindtree Minds who volunteered their service to the community and deployment of smart technology have helped deliver this remarkable turnaround.

3. **Social Inclusion:** We use our technology capabilities to solve large social problems like waste management, agriculture etc. through the "I Got" platforms and assistive technologies built by us.

Enabling successes for our customers through expertise

FY2017-18 saw us delivering many innovative solutions which created significant value for our customers. Some of the noteworthy projects were:

1. We collaborated with a global network equipment leader to design, develop and deploy a software solution, which gives immense flexibility, capex and opex savings etc, to our customer's customers. This is a service chaining solution which helps meet the challenges of ever growing combination of features, security and bandwidth requirements. Such a solution is critical in the world of large data centers and multi-cloud environments where the end customer does not want to buy additional hardware. This solution has many patents to its credit and has been an instant hit, winning many international awards in networking events like Interop and Network World. Our solution has enabled hundreds of millions of dollars in revenues for our client. This is an area where we are making more investments in the future.

2. Our team worked with one of the world's largest humanitarian organizations to enable real time inventory view of blood products in the supply chain. This has helped our customer become more responsive to the dynamic needs of hospitals, especially during disasters. We vastly improved the current processes by automating 30% of data extraction, analytics and reporting, thereby enabling near real-time view of the inventory.

3. We have been working with one of the world's largest insurance carrier for many years. One of the services we provide for them is Testing and Quality Assurance. Last year we helped them reduce the duration of overall testing cycle by ~60% and they were able to detect ~45% of defects through automated testing. This not only provided a great quality product for our client but also helped significantly reduce their operational cost on Testing.

Our people

The successes of last year are almost entirely attributable to our people. They are incredibly talented and passionate. They live our values of Collaboration, Expertise and Dedication every single day. They set high standards for themselves and hold us accountable to deliver to those standards. Our people will continue to be the most important factor contributing to our future successes as well.

As leaders, our job is to ensure that our people are treated fairly and given the resources they need to make an impact for our customers. We are working on improving the diversity of our talent worldwide, which we believe will unleash the creativity and passion of our people to solve very challenging problems for our customers.

Both of us are very proud to be part of this winning team. Collectively, we have the opportunity to make Mindtree a memorable company and all of us spend most of our waking moments chasing that dream.

Board

Your company is incredibly lucky to have a highly engaged Board where every member feels invested in Mindtree's success in the marketplace. Recently, we saw 3 Board members complete their tenure

– Prof. Pankaj Chandra, Ms. Manisha Girotra and Mr. V G Siddhartha. On your behalf, we would like to thank all of them for their immensely valuable contributions. They had a part to play in many of our achievements. We wish them the very best for their future endeavors.

We are also excited to welcome Mr. Bijou Kurien to our Board, subject to your approval at the forthcoming AGM. As explained earlier in this letter, a part of our response to the changing dynamics of our industry is to gain deeper expertise in the verticals we serve. Mr. Kurien brings a wealth of knowledge and deep networks in the Retail and CPG industries, which is one of our largest verticals. We are sure that Mr. Kurien will help us refine and strengthen our strategy to serve our customers in this vertical. We are looking to strengthen our Board further with experts in technology and chosen domains in the future.

We engaged an external firm, which is a global leader in the field of talent management and board governance to conduct our annual board evaluation survey. The findings were discussed at the Board meeting in April 2018. The evaluation highlighted that we are already at the forefront of many global good practices on board processes and governance. Nonetheless, continuous improvement is the way of our lives at Mindtree and we are working on making the changes identified through this exercise. You will find more details about the evaluation in the Directors' Report.

Looking ahead with confidence

FY2018-19 brings a host of challenges and opportunities. The year ahead is our 20th year in business. We continue to be guided by our mission to "engineer meaningful technology solutions that make businesses and societies flourish". We will continue to aspire to be our customers' primary and trusted partner for transformational technology initiatives as well as the place for great talent to flourish. Our goals for FY2018-19 include:

1. Growing faster than our industry.
2. Improving operating margins.
3. Improving our lead over the rest of the industry in Digital – we are in a special place to help our customers lead their industries using data and other digital technologies. For us, our Digital business has grown at twice the company's growth rate and we will continue this journey.
4. Delivering greater efficiencies for our clients using technology in "run-the-business" programs.
5. Incubate the seeds for a future-proofed Mindtree where we can take new solutions in new business models to enterprises.
6. Increasing the diversity – on gender and ethnicity within Mindtree, narrowing the gender-pay gap.

Once again we thank you - our shareholders, our customers and the amazing Mindtree Minds across the globe for your unstinting support, affection and for inspiring us to do our best.

With warm regards,

N. Krishnakumar

Krishnakumar Natarajan
Executive Chairman

Rostow

Rostow Ravanan
CEO and Managing Director

Place: Bengaluru
Date: April 18, 2018

Message from CFO

Dear Shareholders,

Highlights of FY 2017 – 2018

I am very happy to share that we have once again achieved revenue growth of 8.6% and 4.3% in USD and INR terms respectively for FY 18. In spite of the headwinds from global economic uncertainties, our growth was higher than the average revenue growth for our industry. The fundamentals of Mindtree continues to remain strong and we are well positioned to seize opportunities that will help us to achieve industry-leading growth. I would like to share few financial highlights of FY 18 with you:

- Our revenue has grown at a CAGR of 14.2% over the last five years against the industry average CAGR of 10.5%, a testimonial to our industry-leading growth.
- Our EBITDA for FY 18 was INR 7,405 against INR 7,181 million for FY 17 and has grown at 3.1% over the year and at a CAGR of 5.1% over the last five years.
- Our net profits for FY 18 was INR 5,701 million and grew at 36.2% over FY 17.
- Our earnings per share (EPS) was INR 34.28 in FY 18 against INR 24.89 in FY 17 and has grown at a CAGR of 10.9% over the last five years.
- Our return on capital employed (ROCE) for FY 18 remained strong at 26.5% and grew from 22.4% in the FY 17.
- Our cash flow conversion (EBITDA to operating cash flow conversion) for FY 18 was impressive at 76.2%. The Days Sales Outstanding (DSO) was strong at 67 days.

The revenue gained traction during the second-half of the FY 18. The digital revenue grew at 18.9% in FY 18 against FY 17. The traction in revenue was driven by revenues from our top customer and other clients like a leading consumer credit reporting agency and a Fortune 250 insurance-major.

Through 'Run Your Business', we integrate the traditional-run-the-business silos of infrastructure, applications and testing and modernize the IT operations. Through 'Grow Your Business', we leverage on the innumerable avenues provided by the digital world to pursue business-growth and drive transformations and innovations. Our solutions have yielded operational efficiencies, high-quality solutions and provision of competitive advantage to our clients. Mindtree is moving fast to seize the transformational opportunities and lead the industry in the path-breaking technologies such as Artificial Intelligence (AI), Blockchain, Cognitive Computing and Internet of Things (IoT) through Enterprise Reimagination.

Our recent acquisitions have enabled us to expand our service offerings across verticals. With seamless integration of the acquired businesses we are leveraging the benefits of combined Go-To-Market strategy, specialized service offerings and operational efficiencies.

Technology is disrupting the established way of doing things. Our campus recruits undergo a dedicated 60-90-days residential training program at our Global Learning Centre, Mindtree Kalinga. With focus on "Great Quality, Delivered Faster", our Mindtree Minds are constantly challenged to upskill themselves, learn new-age skills and prepare themselves for the future. We are constantly adding advanced courses on path-breaking digital technologies and new-age engineering methods on Yorbit, our home-grown cloud-based virtual learning platform. The average annual learning hours per employee was 73.27 during FY 18 as against 53.38 during FY 17.

As part of our CSR initiatives, the outlay towards I Got Garbage (IGG) was INR 72 million and donation to Mindtree Foundation was INR 46 million. IGG initiative has brought a technology-led revolution to the waste management problem by brining dignity to the disenfranchised workers in this value chain. Our IGG platform has expanded to include I Got Knowledge, I Got Skills, I Got Crops and University of Commons towards improvement in students' learning, skilling, transformation of labour market, creation of value chain for farmers' produce and enabling initiatives that link partners with social businesses. Through Mindtree Foundation, we develop Assistive Technologies (AT) to help people with disabilities in their activities of daily living and earning and making them easily available and affordable.

We have consistently stood by our commitment in striving to enhance shareholders' value. We completed our first buyback program as part of our philosophy of enhancing shareholders' value and achieving optimal capital structure. We paid a special dividend of INR 2 per share on completion of ten years of Initial Public Offering (IPO) in addition to annual dividend in line with our dividend policy.

We have made a head-start in voluntary adoption of Integrated Reporting (IR) in accordance with International Integrated Reporting Council (IIRC) integrated reporting framework and SEBI circular on IR to aid our key stakeholders to get a holistic view of company's strategic focus, future orientation and value creation which revolves around the 6 capitals – Financial, Manufactured, Intellectual, Human, Social and Relationship and Natural.

Outlook and Priorities for FY 2018-19

Our continuing strategic investments in expertise for Domain, Digital and Run are clearly recognized by the market. We have once again exceeded industry estimates for the 5th year in a row and also consistently beating industry growth rates in 9 out of 11 years since our IPO. With a steady pipeline, optimistic demand environment and improvement in win ratios, we are poised for a stronger revenue growth in FY 19 compared to FY 18.

Our four strategic priorities elaborated in MD&A namely Digital Packages and Platforms, Focused Innovation for Run and Grow, Consulting First and Automation will enable us to establish market leadership and provide industry leading returns to our stakeholders.

Corporate Governance

We strongly believe in integrity and transparency as key governance pillars. Some of the recognitions we received during the year are summarized below:

- We have received the SAFA best presented Annual Report Award for 2016 for the communication and information technology sector for transparency, accountability and governance in our Annual Report by South Asian Federation of Accountants.

- We have received Special Commendation for Golden Peacock Award for Excellence in Corporate Governance – 2017 awarded by the Golden Peacock Award Secretariat, Institute of Directors, which is a token of its identification for adopting exemplary Corporate Governance practices.

- We have been awarded the winner of the Silver Shield for the Annual Report including the financial statements for the year ended 31st March 2017 by the Institute of Chartered Accountants of India (ICAI). We have been winning awards from ICAI for the last 4 years consecutively which comprises Silver Shield on three occasions and Plaque on one occasion demonstrating the highest standards and best practices we consistently adopt in financial reporting.

We take pride in our standards of corporate governance and look upon it as a key driver of sustainable growth and long term value creation.

I would like to personally thank our outstanding Finance, Procurement, Secretarial, 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 am grateful to all our investors for your trust. Your support helps Mindtree become a stronger company everyday.

Jagannathan Chakravarthi Narasimhan
Chief Financial Officer

Financial Performance

Statement of profit and loss

₹ in million, except per share data

Particulars	FY18**	FY17**	FY16**	FY15	FY14
Revenue	54,628	52,364	46,730	35,619	30,316
EBITDA	7,405	7,181	8,210	7,092	6,100
Depreciation and amortisation	1,715	1,858	1,658	1,018	809
Other income (net of foreign exchange loss)	1,902	417	839	835	496
Profit before interest and tax	7,592	5,740	7,391	6,909	5,787
Finance cost	169	191	160	1	4
Profit before tax	7,423	5,549	7,231	6,908	5,783
Tax	1,722	1,363	1,706	1,545	1,275
Profit after tax	5,701	4,186	5,525	5,363	4,508

Per share data*

Particulars	FY18**	FY17**	FY16**	FY15	FY14
Earnings per share - basic	34.39	24.93	32.95	32.07	27.10
Earnings per share - diluted	34.28	24.89	32.87	31.94	26.94
Dividend per share	9.0	10.0	12.5	8.5	6.3

Balance sheet

Particulars	FY18**	FY17**	FY16**	FY15	FY14
Tangible and Intangible assets	9,660	10,412	11,852	5,909	3,932
Investments	7,264	5,927	2,328	5,351	5,335
Net deferred tax	318	624	409	449	402
Net assets (current and non-current)	10,181	8,821	9,578	8,446	6,768
	27,423	25,784	24,167	20,155	16,437
Share capital	1,639	1,680	1,678	837	417
Share application money	-	-	-	4	-
Reserves and surplus	25,775	24,091	22,471	19,287	15,988
Loan funds	9	13	18	27	32
	27,423	25,784	24,167	20,155	16,437

Key ratios

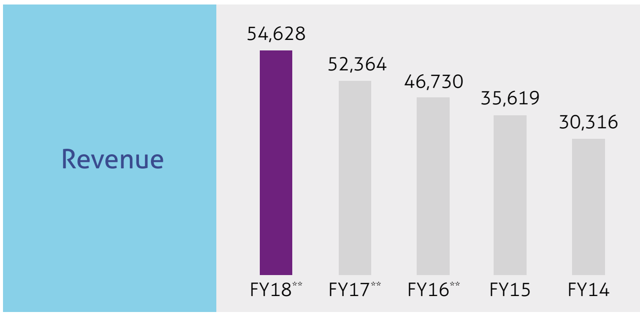
Particulars	FY18**	FY17**	FY16**	FY15	FY14
Revenue growth (YoY) in USD terms	8.6%	9.4%	22.1%	16.4%	15.1%
EBITDA as a % of revenue	13.6%	13.7%	17.6%	19.9%	20.1%
PAT / Revenue	10.4%	8.0%	11.8%	15.1%	14.9%
Return on capital employed	26.5%	22.4%	33.0%	37.8%	38.5%
Return on equity	21.4%	16.8%	25.0%	29.4%	30.5%

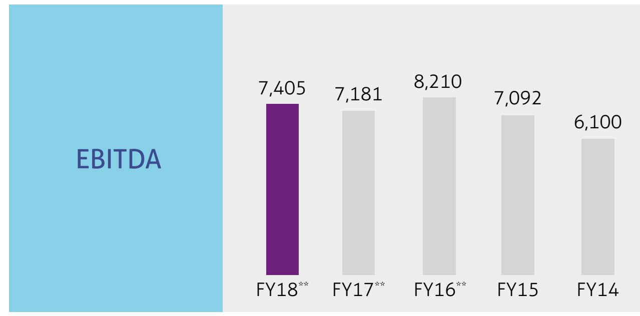
*Adjusted for bonus issue
**FY18, FY17, & FY16 numbers are based on Ind AS

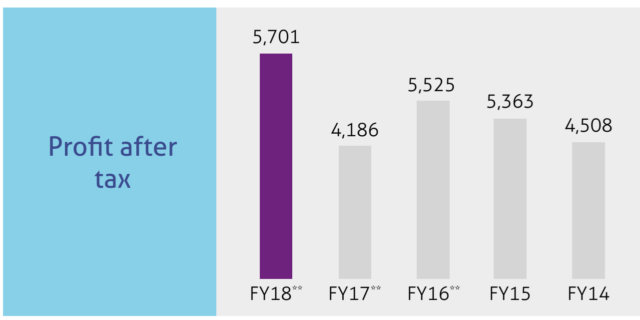
Financial trends and value creation

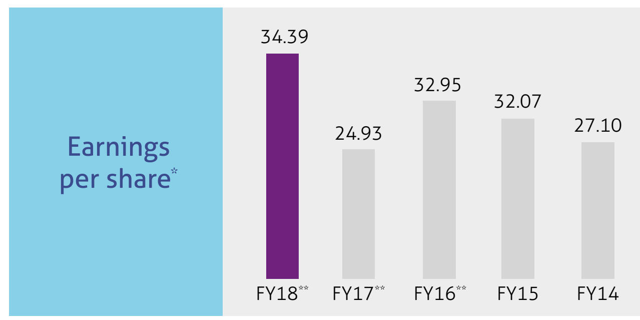
Mindtree has created significant wealth for its shareholders as the Company continues to maintain its growth momentum to become a global information technology solutions organisation. Given below is the data on the Company's performance for the last five years.

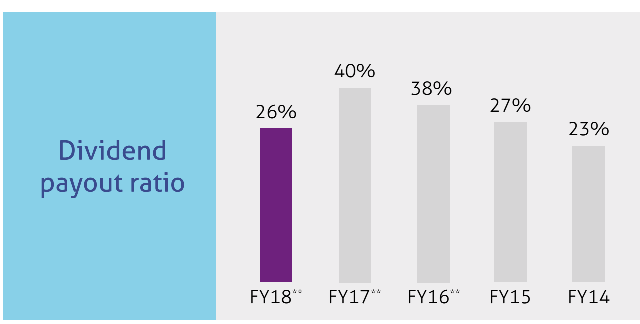
₹ in million, except per share data

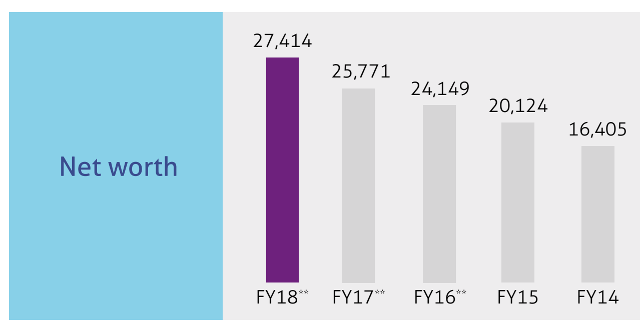


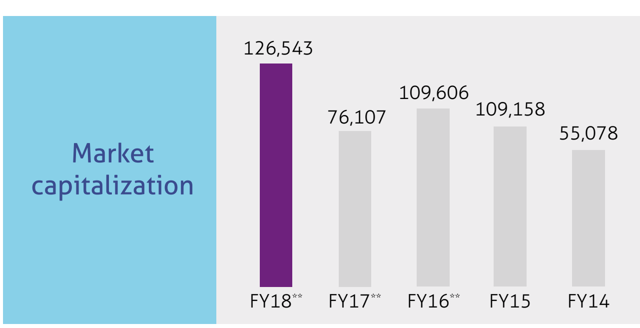


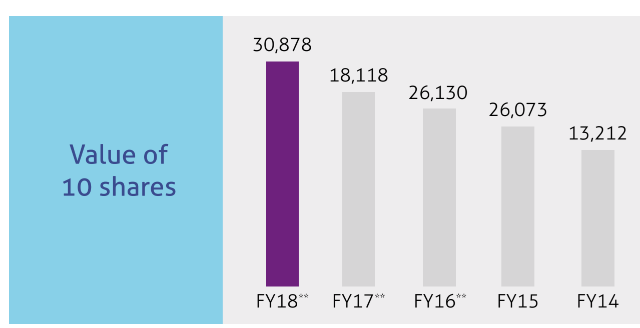












*Adjusted for bonus issue
**FY18, FY17, & FY16 numbers are based on Ind AS

Year in review: 2017-18

April

Mindtree Reports Constant Currency Revenue Growth of 11.2% in FY17; Recommends Final Dividend

May

Bluefin, Mindtree's SAP Practice, Helps Noble Corp. Transform Into a Data-Driven Organization

June

Magnet 360, Mindtree's Salesforce practice, announces ConsumerConnect 360—a Salesforce Fullforce Solution for Consumer Goods Brands

Mindtree's announces ATLAS for SAP to Accelerate Transition to SAP HANA-Powered Digital Platforms

Mindtree Announces Integrated Services for Creating Efficient IT

Mindtree takes ETA MELCO Elevator Co. L.L.C, live on SAP S/4HANA

Mindtree Foundation fosters holistic education through 'Samruddhi Abhiyan' Program

July

Mindtree Announces Elevation to Business Partner Status in the Adobe Solution Partner Program

Mindtree Recognized Leader by Forrester for Continuous Testing Service

August

Mindtree Recognized as Leader in Application Development and Maintenance Services by ISG

New partnership between I Got Crops and Disha Project aims to train 40,000 women farmers and artisans in rural Karnataka and connect them with markets

September

Mindtree Opens U.S.-Based "Digital Pumpkin"

October

Mindtree Recognized as a Global Leader in Digital Services by Zinnov

November

Bluefin, Mindtree's SAP Practice, Helps British American Tobacco Win SAP Gold Quality Award

December

Mindtree Launches US Network Operations Center

ISG Provider Lens™ Quadrant Report Recognizes Mindtree as 'Rising Star' across Three Categories for its Cloud Services

January

Mindtree Foundation touches lives of 15000 school kids in Kanakpura Taluk, Bengaluru through the Samruddhi Ahbiyaan campaign Incepts

February

Mindtree.org partners with Vrutti, Industree Foundation and the Disha project to Empower 1.3 lakh farmers across Six Indian states

March

Mindtree Launches Decision Moments for Marketers

Mindtree awarded the 2018 Adobe Experience Business Award for excellence in Omnichannel Experience Management

Board Committees*

- Audit Committee
- Stakeholders' Relationship Committee (SRC)
- Nomination and Remuneration Committee (NRC)
- Corporate Social Responsibility Committee (CSR)
- Risk Management Committee
- Administrative Committee

AUDIT COMMITTEE

Name of the Director	Position
Mr. Milind Sarwate	Chairperson
Ms. Apurva Purohit	Member
Mr. Akshaya Bhargava	Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Name of the Director	Position
Prof. Pankaj Chandra	Chairperson
Mr. Rostow Ravanan	Member

NOMINATION AND REMUNERATION COMMITTEE

Name of the Director	Position
Ms. Apurva Purohit	Chairperson
Prof. Pankaj Chandra	Member
Mr. Subroto Bagchi	Member
Mr. Krishnakumar N	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Name of the Director	Position
Mr. Krishnakumar N	Chairperson
Mr. Subroto Bagchi	Member
Prof. Pankaj Chandra	Member
Mr. Rostow Ravanan	Member
Mr. N S Parthasarathy	Member

RISK MANAGEMENT COMMITTEE

Name of the Director	Position
Mr. Krishnakumar N	Chairperson
Mr. Rostow Ravanan	Member
Mr. N S Parthasarathy	Member
Mr. Akshaya Bhargava	Member

ADMINISTRATIVE COMMITTEE

Name of the Director	Position
Mr. Krishnakumar N	Chairperson
Mr. Rostow Ravanan	Member
Mr. N S Parthasarathy	Member

*As on March 31, 2018

Board of Directors

Krishnakumar Natarajan
Executive Chairman

Milind Sarwate
Independent Director

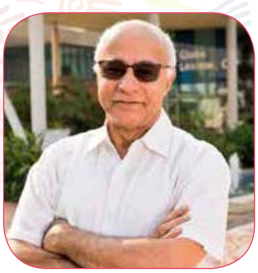
Apurva Purohit
Independent Director

N. S.Parthasarathy
Executive Vice Chairman, President & COO

Akshaya Bhargava
Independent Director

Rostow Ravanan
CEO & Managing Director

Manisha Girotra
Independent Director



Subroto Bagchi
Non-Executive Director

Prof. Pankaj Chandra
Independent Director

Integrated Report

"It gives me immense pleasure to present to you our first Integrated Report. We have blended our sound Principles of Governance and focused on our mission through embedded core values in our journey to create value for our customers and the society at large. There is no greater joy than narrating this story to you through this Integrated Report."

Rostow Ravanan
CEO, Managing Director

"Being Born Digital since inception, we have relentlessly strived to create sustainable value for our business and our stakeholders. I see great heights that Mindtree will achieve due to the winds of change and disruption that is staring at us. Let's go and grab these opportunities!"

Parthasarathy N. S.
Executive Vice Chairman & COO

"Integrated Report helps me communicate with you on all the capitals and not just the Financial Capital and demonstrate our ability to create sustainable value. I am elated to be on this journey of creating value with you."

Jagannathan Chakravarthi Narasimhan
Chief Financial Officer

1. THE INTEGRATED REPORT OF FY 2018

1.A. About This Report

Your Company has adopted the Integrated Reporting framework prescribed by the International Integrated Reporting Council ('IIRC'). This is the first year in our journey of publishing the Integrated Report. Through this Report, we aspire to provide to our stakeholders a depiction of the organisation's value creation using both financial and non-financial capitals. The Report provides insights into our key strategies, operating environment, material issues emanating from key stakeholder concerns and the respective mitigation strategies, the operating risks and opportunities, governance structure and the Company's approach towards long-term sustainability. Hitherto, Mindtree has been publishing Sustainability Reports following the Global Reporting Initiative (GRI) Framework since FY 2012-13.

1.B. Responsibility Statement

The contents of this Report have been reviewed by Those Charged With Governance (TCWG) at Mindtree Limited.

1.C. Reporting Principle

The financial and statutory data presented in this Report is in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards. The framework of the International Integrated Reporting Council (IIRC) guides the non-financial section of the Report.

1.D. Materiality and Scope

This report includes information, which is material to our stakeholders, and it presents an overview of our businesses and associated activities that help in short, medium and long-term value creation. We have listed the material financial and non-financial issues for your Company and have presented information around our strategic approach towards these issues. We have presented the information in this Integrated Report in a fair and balanced manner. The Integrated Report is presented for FY 2017-18 with comparative figures for the previous year, providing a holistic view to our stakeholders.

1.E. Forward Looking Statements

Certain statements in this Report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical fact, including those regarding the financial position, business strategy, management plans and objectives for future operations. Forward-looking statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realised, and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual Results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether because of new information, future events or otherwise.

2. CREATING VALUE

2. A. About Mindtree

Company Overview

Mindtree was founded in August 1999 to focus on delivering business benefits with technology and to become trusted partners to our clients. Mindtree is the 7th largest IT Company in India, the edifice of which has been built on the pillars of deep domain expertise and long-standing relationships along with a key industry focus.

The Mission that Mindtree has set out for itself is to "Engineer meaningful technology solutions to help businesses and societies flourish". In an era where enterprises are sharply focussed on using Digital Technologies, our heritage of being 'Born Digital', being consulting-led and successfully building long-term relationships with our clients positions us well for the next phase of disruption and growth in the technology industry.

We strongly believe in our purpose to make our societies flourish and digital technologies is giving us the platform to do much more to serve the disadvantaged in society. Social well-being is an innate part of our vision and apparent in our business and social impacts.

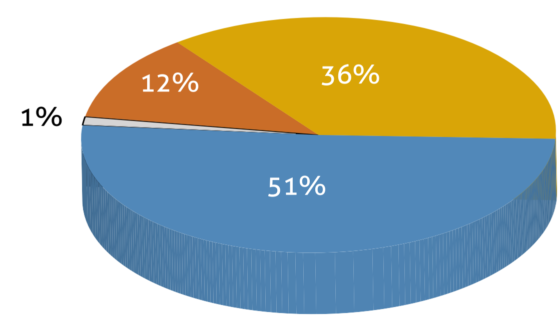
17,723 Mindtree Minds & 335 BOTS

45 Offices

18 Countries

338 Active Clients

Ownership Pattern

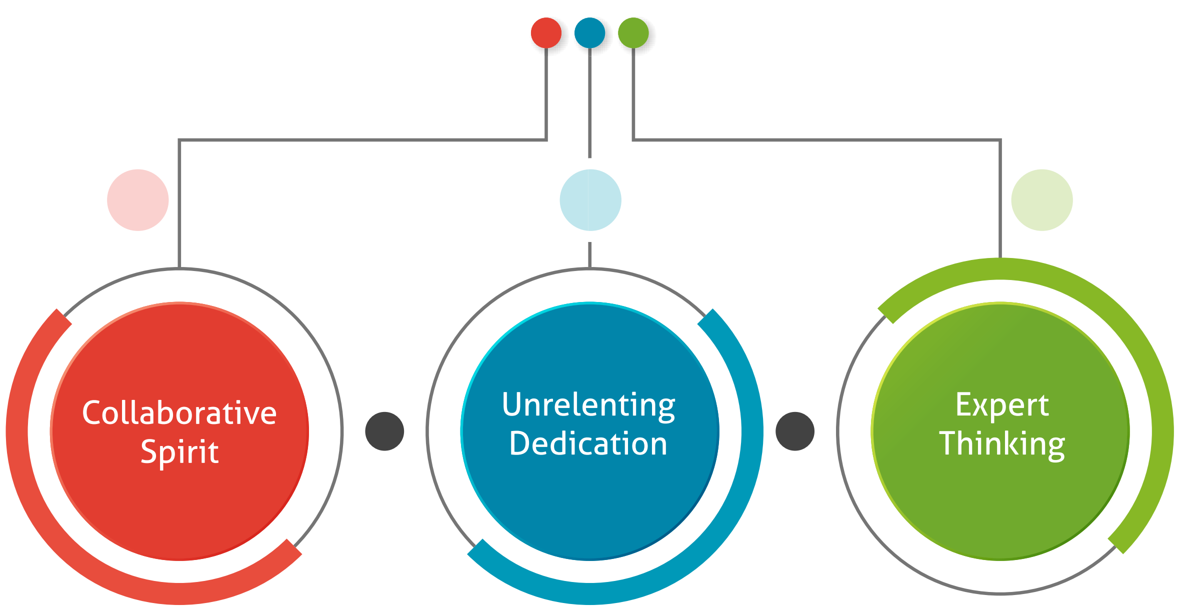


- Indian Promoters - Individuals
- Foreign Promoter Company
- Public - Institution - Mutual Funds, Banks, Alternate Investment Funds, Foreign Portfolio Investors
- Public-Non Institutions, Body Corporates, Individual, Others etc.

2. B. Mission

We engineer meaningful technology solutions to help businesses and societies flourish.

2. C. Core Values



Mindtree's Journey

2008
Acquired Aztecsoft.

2010
Successfully partnered with Government of India for the AADHAAR project, one of the world's largest big data implementation and citizen identification program.

2012
New brand identity unveiled with slogan "Welcome to possible". A journey to be an expertise-led and culture-backed organization begins.

To become "locally local", we partnered with University of Florida & created mutually beneficial hub in Gainesville.

2013
Won the "Most promising company of the year" Award from CNBC TV18.

IGG launched.

2015
GLC launched @ Bhubaneswar to build engineers of tomorrow.

Mindtree acquires Discoverture, Bluefin and RSI.

2016
Recognized by ICSI for excellence in Corporate Governance.

Named on "Forbes India's Super 50" list for the second consecutive year.

Mindtree acquires Magnet 360 LLC.

2018
Zinnov award for Digital Leadership. Customer Experience scores highest in five years.

2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018

2. D. External Environment

Global Economic Growth driven by:

Tax policy changes in the US

Accelerated economic activity in advanced and Emerging Economies

2017	2018-19
3.7%	3.9%

Economic growth across geographies:

Area	2017	2018	2019
US	2.3%	2.7%	2.5%
Europe	2.4%	2.2%	2.0%
China	6.8%	6.6%	6.4%
India	6.7%	7.4%	7.8%

Global Tech Sector growth 4.5%

Indian IT industry Revenue in $ billion			
Particulars	2017	2018	Growth
IT BPM Exports	117	126	7.70%
IT BPM Domestic	38	41	7.90%

Digital Revenue as % of Total Industry Revenue		
Current	2020	2025
20%	23%	38%+

Indian IT BPM market is expected to touch 200-225 billion USD by 2020 and 350-400 bilion USD by 2025. Digital Revenues are growing at the rate of 30% y-o-y.

Disruptors:

Technology front: IOT, Artificial Intelligence, Machine Learning.

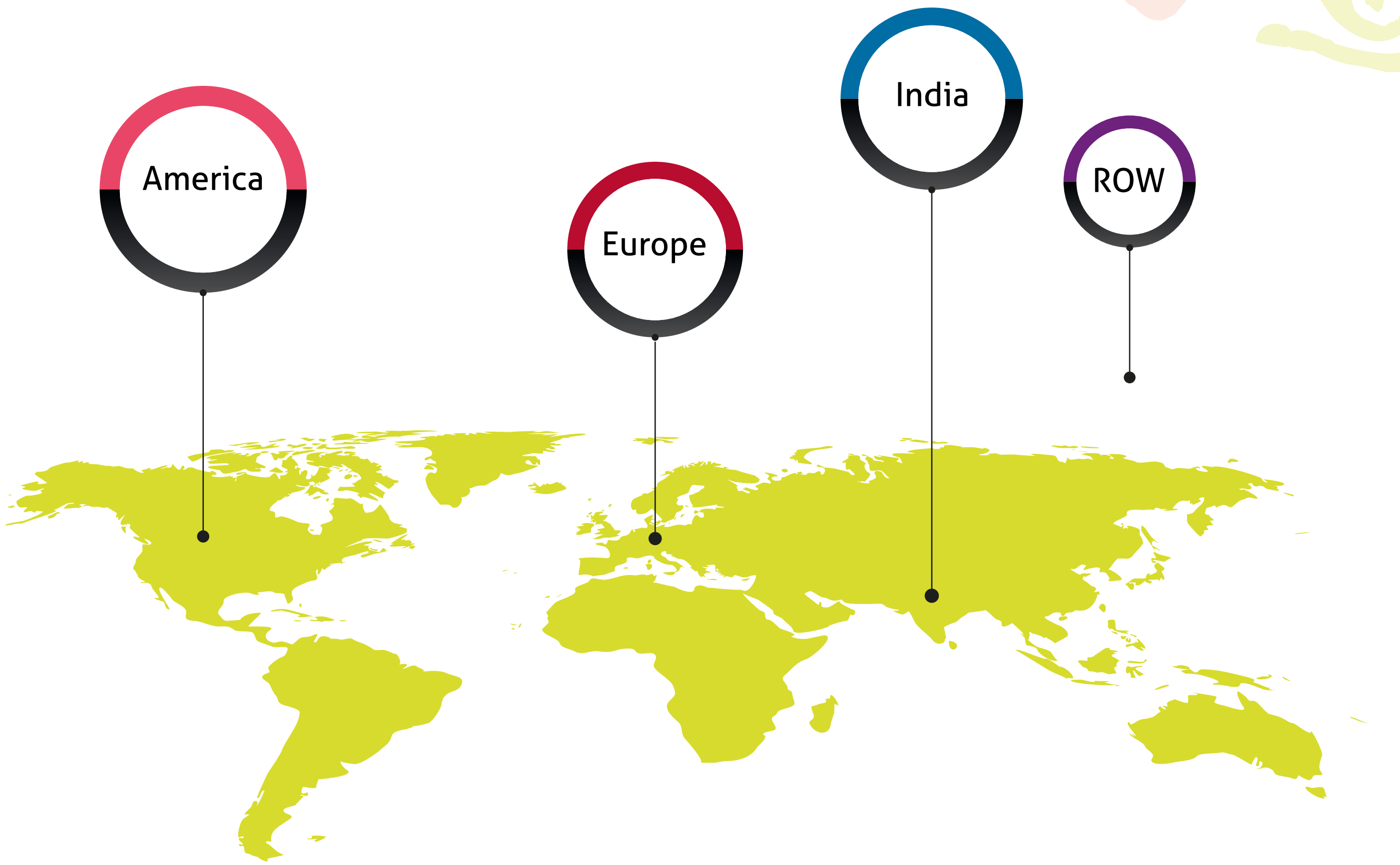
Political front: Brexit, Protectionism, Tightening of the Labour market.

India's Perceived Strengths:

1. Digitally connected domestic economy.
2. Maturity in onshore/offshore & near-shore GD models.
3. World's fastest growing hub.
4. Digital at the core of Innovation.
5. Technology investments (AI/RPA/IOT etc.).
6. Massive reskilling of talent in Digital.

For the detailed commentary on the external environment, refer Management Discussion and Analysis section

2. E. Global Footprint



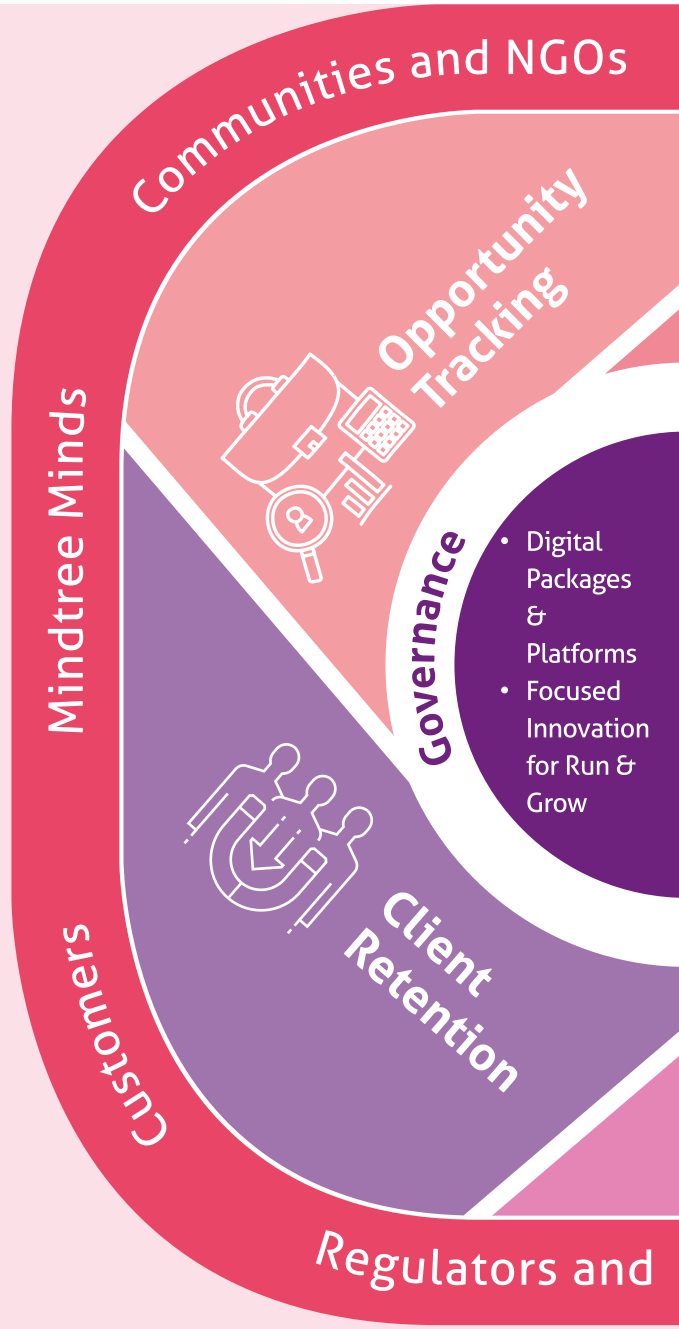
America ♦	Europe ♦	ROW ♦ (Rest of the World)	India ♦
Chicago, IL (3)	Basel, Switzerland	Beijing, China	Bengaluru (2)*
Cleveland, OH	Diegem, Belgium	Dubai, UAE	Bhubaneswar
Dallas, TX	Cologne, Germany	Kuala Lumpur, Malaysia (2)	Chennai (2)
Gainesville, FL	Dublin, Ireland	Selangor, Malaysia	Hyderabad
Burbank, CA	London, UK (3)	Melbourne, Australia	Pune
Minneapolis, MN (2)	Munich, Germany	Singapore (2)	
New York, NY	Paris, France	Sydney, Australia	*Company HQ
San Joe, CA	Stockholm, Sweden	Shanghai, China	
Scottsdale, AZ	Utrecht, Netherlands	Tokyo, Japan	
Toronto, Canada	Warszawa, Poland		
Redmond, WA			
Warren, NJ*			

♦ Customer base spread across the above 4 geographies.
Numbers in brackets represent the number of Mindtree offices including delivery centres.

2. F. Business Model

INPUT CAPITALS

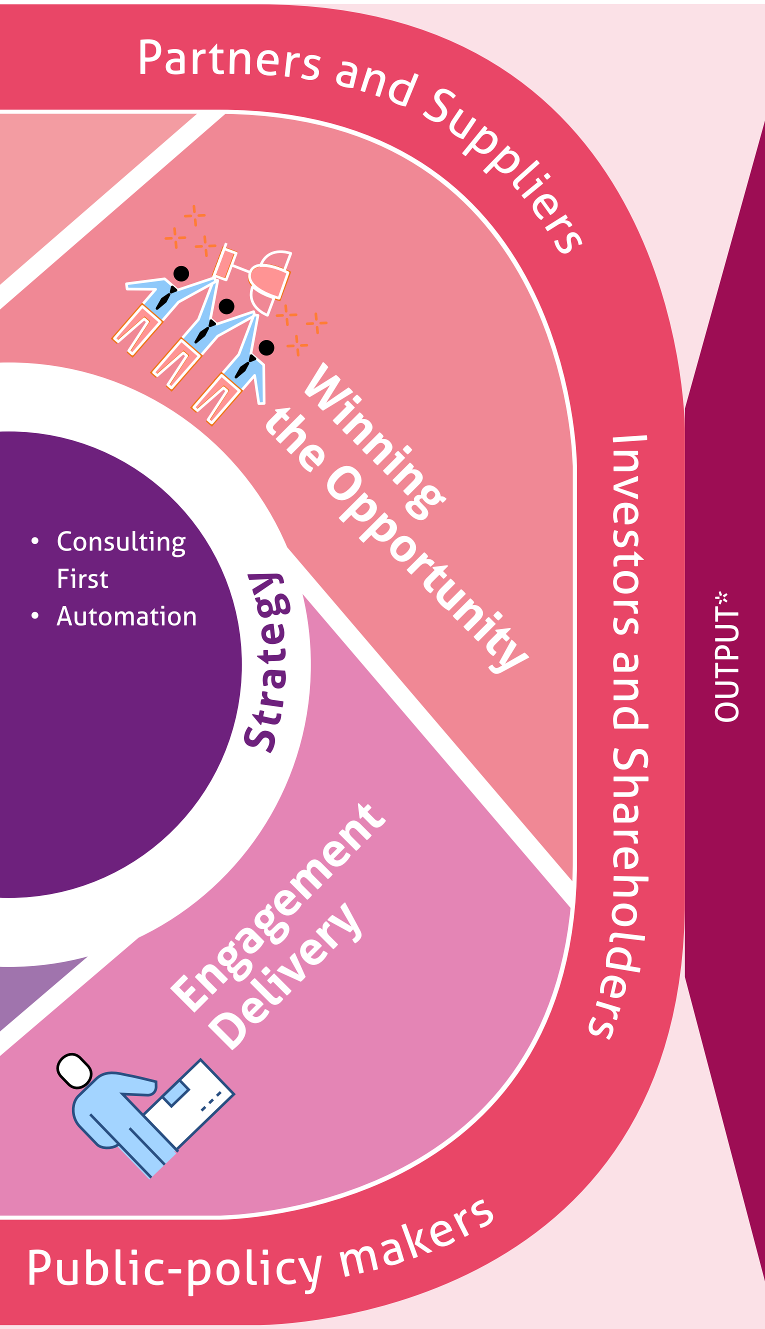
Financial	‣ Working Capital ‣ Capital Expenditure ‣ Expenditure in R&D ‣ Operating Cost ‣ Training Expenditure
Human	‣ Committed Mindtree Minds ‣ Global Learning Center ‣ Arboretum ‣ Available Hours ‣ Investment in the needs of Mindtree Minds
Intellectual	‣ Technologies and Tools ‣ Yorbit learning platform ‣ Digital Pumpkin ‣ Thought Leadership ‣ IPRs / Patents
Social and Relationship	‣ Customer centricity ‣ Strategic Business Partners ‣ Alliances with Startups ‣ Academia
Natural	‣ Clean Air and Environment ‣ Water consumption
Manufactured	‣ Energy consumption ‣ Delivery centres ‣ Technology Infrastructure ‣ Telecommunications Infrastructure



*The output in case of Mindtree which is a Technology Company rendering IT and IT consulting services is the high quality client engagements executed

PROCESS ELABORATION

Opportunity Tracking	Winning the Opportunity
• Sales Intelligence tool • Partner Connects • Deal database • Customer referrals • Lead Generation and Nurturing • Proactive Proposals	• Deal Qualification • Clarity on Value Proposition • Stakeholder mapping • Interlocks with other enterprise applications • Collaboration on CRM • Management review of pipeline • Controlled access to proposal repository • Customer testimonials • Deal Based Marketing • Innovative Pricing techniques • Win/Loss Analysis



OUTCOMES

Financial	‣ Revenue ‣ EBITDA ‣ Revenue per billable Mindtree Mind ‣ Return on Capital Employed ‣ Operating Cashflow / EBITDA ‣ Earnings and dividend per share
Human	‣ Gender Diversity ‣ Improved Retention Rate ‣ Improved Utilization Rate ‣ Billable Hours ‣ Average Training Hour / Mindtree Mind
Intellectual	‣ 335 Bots ‣ Advanced Digital Tools, Platforms, Accelerators
Social and Relationship	‣ 338 active customers ‣ Customer Experience Survey ‣ Community contribution ‣ Awards and Recognition ‣ Higher dividend per Share
Natural	‣ Sustainability Innovation ‣ GHG Emission ‣ Waste generation and recycling
Manufactured	‣ Energy saved

under the service offerings for 338 active clients, as listed under Section 2.G. or services rendered based on the scope of work agreed with the client.

Engagement Delivery

- Skill set based Mindtree Mind mapping (includes liaising with Talent Acquisition team)
- Use of Accelerators/New Solutions, Tools, Digital inside-out
- Collaborations, unmatched personal experience
- Continuous project monitoring, defect tracking
- Implementation of LEAN initiatives
- Robust Quality Control processes

Client Retention

- Capturing feedbacks
- Evaluation and assessment of project execution and delivery
- Identification of improvement areas
- Obtaining dual level customer feedback on four broad parameters: Satisfaction, Advocacy, Loyalty and Value for Money

Strategies	Inputs
S1 – Digital Packages and Platforms	**Financial Capital:** • Operating cost including Personnel Cost of INR 47,177.2 million incurred during the year 2017-18, recording an increase of 4.2% as compared to FY 17. • Capital expenditure incurred during the year stood at INR 1,175 million (FY 17: INR 1,313 million) and Working capital at INR 15,174 million (FY 17: INR 12,789 million). • Training Expenditure during FY 18 was INR 148 million (FY 17: INR 164 million). • Cash and Net Investments were at INR 7,476 million as at 31st March 2018 as compared to INR 7,399 million as at 31st March 2017. • Research and Development expenditure amounted to INR 396 million for FY 18 (FY 17: INR 321 million). • Investments in developing systems and expertise in AI, Conversational Apps, Blockchain, Augmented Reality, Virtual Reality and Resilience Engineering, building new packages and platforms such as CAPE (Composable Automated Platform for Enterprises). • Acquisition cost of Bluefin Solutions Limited, Magnet 360 LLC and Relational Solutions Inc. to strengthen service offerings.
S2 – Focused Innovation for Run and Grow	
S3- Consulting First *Driving competitive business advantage*	
S4 – Automation *Balancing Talent Transformation*	**Human Capital:** • Proactive training and cross-skilling. • Thought Leadership. • Better utilization of resources. • Available hours increased by 2.58% to 34.26 million hours. • Enablement towards full stack engineers.
Ongoing Engagements and Efficiency Initiatives	**Intellectual Capital:** • Skills and expertise in complex technologies such as Machine Learning, AI and Deep Learning. • Yorbit learning platform. • Digital Pumpkin

Outcomes

Financial Capital:

- Revenue growth of 8.6% (in USD terms) in 2017-18 compared to IT BPM market revenue growth of 8.4%. Revenue from operations in FY18 was INR 54,628 million (FY 17: INR 52,364 million).
- Return on capital employed increased by 4.1% to reach 26.5%.
- EBITDA Margin fell 0.1% to 13.6%.
- Operating Cash Flow/EBITDA for the year stood at 76.2% in FY 18 against 91.0% for FY 17.
- 43.5% of total revenue (in USD terms) in FY 18 is attributable to Digital. Digital revenues witnessed a growth of 18.9% as compared to FY 17 in USD terms.
- Delivery excellence through automation; for eg: one of our customers could save USD 370,000 over the year. With the help of automation, 4 FTEs in Mindtree could focus on high value tickets which led to cost savings of around USD 112,000 per annum.
- Revenue per Billable Mindtree Mind increased from USD 50,249 in FY 17 to USD 52,911 in FY 18.
- Dividend per share paid during the year was INR 9 and EPS (Diluted) was INR 34.28 as compared to INR 10 and INR 24.89 respectively in the Previous Year. Buy-back of 4,224,000 shares at INR 625 per share as a way of rewarding the shareholders.
- Days Sales Outstanding as at end of FY 18 is 67 days as compared to 65 days at the end of FY 17.

Human Capital:

- 1,27,323 courses taken on Yorbit during the FY 18.
- Efforts saved due to productivity improvement through Robotic Process Automation (RPA).
- Bots in workforce resulted in workload reduction of about 32%.
- Average learning hours per employee were 73.27 hours in FY 18 from 53.38 hours in FY 17.
- Virtual learning component increased to 82% as compared to 64% in the previous year.

Impacted Stakeholders

- Customers
- Mindtree Minds
- Communities and NGOs
- Partners and Suppliers
- Investors and Shareholders
- Regulators and Public-policy makers

Risks

- Client Concentration
- Pricing Pressures
- Economic uncertainties
- Restriction on Outsourcing from key markets
- Risk of IPR infringement
- Cyber Security Risk
- Business Continuity Risk
- Adherence to laws, regulations and local statutes across the Globe
- Foreign currency rate fluctuations
- Competition Landscape

Strategies	Inputs
S1 – Digital Packages and Platforms	**Intellectual Capital:** • Industry best practices -DRIVE and LEAN initiatives push operational and delivery excellence. • Deployment of innovative solutions and complex technologies.
S2 – Focused Innovation for Run and Grow	**Social and Relationship Capital:** • Strong strategic partnerships • Customer Centricity and Relationships • Alliances with startups
S3- Consulting First *Driving competitive business advantage*	**Natural Capital:** • Water consumption per capita stood at 0.85 kl/full-time employee/ month (FY 17: 1.02 kl/ employee/month).
S4 – Automation *Balancing Talent Transformation*	
Ongoing Engagements and Efficiency Initiatives	**Manufactured Capital:** • Per Capita Energy consumed was 167.25 kWh/ full-time employee/ month (FY 17: 170.74 kWh/ employee/month). • 2 'Digital Pumpkin' innovation hubs, 28 Centers of Excellence. • 45 office locations across 18 countries. • Critical corporate infrastructure moved to cloud to mitigate business continuity risk.

Outcomes

Human Capital:
- Attrition Rate fell to a low of 12.5% from 15.1% in the previous year (lowest in last 5 years).
- Lady Mindtree Minds constituted 30% (FY 17: 29%) of the total workforce.
- 46 differently abled Mindtree Minds were part of Mindtree during the year.
- Our talent pool comprises 59 nationalities in FY 18 against 51 in FY 17.

Intellectual Capital:
- 335 BOTS developed, deployed both internally as well as in the process of service delivery.

Social and Relationship Capital:
- During the year 2017-18, customer ratings recorded significant improvements, particularly in parameters such as 'Preferred Partner', 'Agile and goes the extra mile', 'Driving productivity and efficiency', 'Governance' and 'Resource Management'.
- Customer satisfaction ratings, highest so far, went up to 5.86 (on a scale of 1-7) from 5.55 in the previous year.
- 95 new clients added during the year as compared to 76 in the previous year.
- 95.1% of revenue in USD terms for the current year is derived from repeat business.
- Value for Money ratings by customers touched 5.66 (on scale of 1-7) in FY 18 from 5.35 in FY 17.
- Ind-Ra re-affirmed highest credit rating of A1+ for Mindtree's Short-term banking facilities. For long-term facilities, it re-affirmed a rating of 'IND AA' with Stable Outlook.
- Awards and Recognition (refer Section 4.B. on Awards & Recognition)

Natural Capital:
- IOT based sustainable and innovative solutions for energy efficiency.
- 89% of waste generated recycled.
- GHG emissions per capita at 2.17 tons CO_2e/full-time employee/ annum (FY 17: 2.29 tons CO_2e/ employee/month) for the year 2017-18.

Manufactured Capital:
- 61% of PAN-India energy needs met from renewable energy as compared to 57% in the previous year.

Impacted Stakeholders

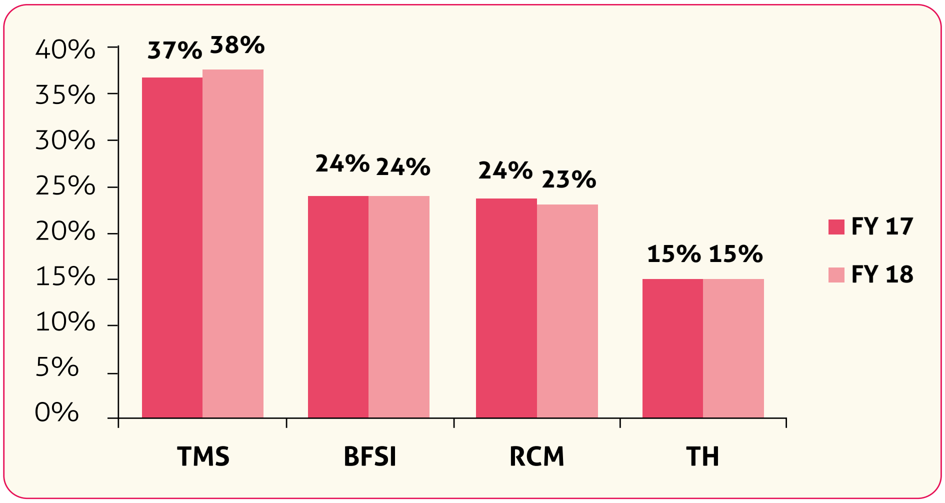
- Customers
- Mindtree Minds
- Communities and NGOs
- Partners and Suppliers
- Investors and Shareholders
- Regulators and Public-policy makers

Risks

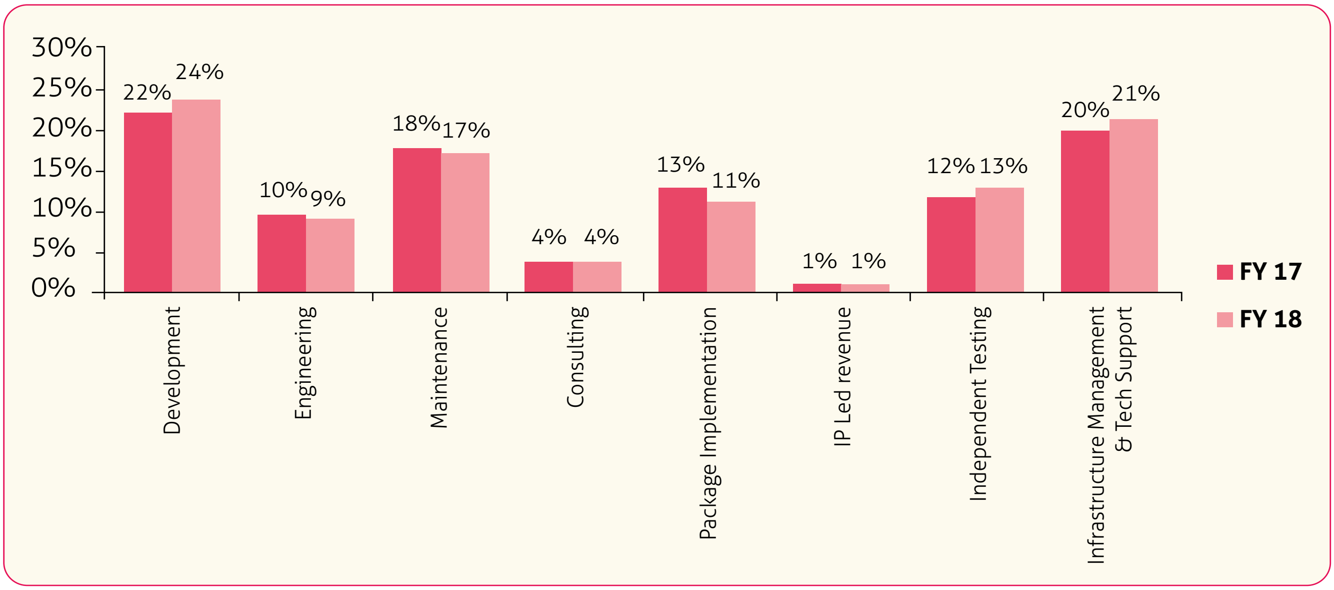
- Client Concentration
- Pricing Pressures
- Economic uncertainties
- Restriction on Outsourcing from key markets
- Risk of IPR infringement
- Cyber Security Risk
- Business Continuity Risk
- Adherence to laws, regulations and local statutes across the Globe
- Foreign currency rate fluctuations
- Competition Landscape

2.G. Our Offerings and Segments

(i) Revenue distribution by Industry



(ii) Revenue distribution by Service Offering



(iii) Mindtree's Service Offerings to Customers

1. Development

Mindtree manages mission-critical applications for some of the world's most successful companies. We work with clients to understand businesses and devise customized solutions to maximize application availability, agility and predictability. This in turn leads to lower costs, reduced risk, greater ROI, enabling faster response to market opportunities. We have built engineering centres of excellence around Java, Microsoft and other mission-critical software platforms.

2. Engineering

Mindtree's engineering research and development services help transform product vision into successful real-world designs through engineering expertise and ecosystem partnerships. Our solutions, accelerators, frameworks and proven building blocks reduce product risks and ensure faster time-to-market. We offer flexible business models to help organizations keep pace with today's changing marketplace and achieve greater profitability.

3. Maintenance

Mindtree's application maintenance services are tailor-made for today's nimble enterprise. Our portfolio-based approach takes a big-picture view of technology, information architecture, people and services. We collaborate with clients to understand their business, processes and applications. Then, we deliver results. We have decades of experience in enhancing application stability, lowering support costs, reducing total cost of ownership and steering companies towards continuous service and quality improvements.

4. Consulting

Mindtree consultants define, design and execute strategies that drive business growth, reduce costs and create new revenue streams. We work with our clients to learn their business vision and goals, IT environment, skill requirements and policies. Then we develop short and long-term strategies based on best practices to deliver measurable results. The Mindtree approach reduces the risk of mid-course corrections and delivers outcomes that are more predictable.

5. Package implementation

Mindtree has extensive expertise in implementing enterprise applications and helping clients derive maximum value from them. We understand our clients' needs and build out appropriate implementation roadmaps with minimum disruption. Our expertise spans across Oracle, SAP etc. Our premier partnerships give us access to latest tools and technologies, the advantages of which we pass on to our customers.

6. IP-led revenue

Mindtree is a frontrunner in Short Range Wireless for over 17 years. We provide the latest and most comprehensive Bluetooth Qualification Body (BQB) qualified Bluetooth technology solutions covering both Silicon IP and Software stacks. Mindtree also offers Silicon IP for IEEE 802.15.4 MAC and PHY layers. Our IPs are highly robust, interoperable and currently ship in millions of units across the globe. We have expertise in developing verification IPs along with end-to-end design solutions. We offer complete reusable verification IP solutions for most widely used industry protocols such as Ahb2ApbBridge, AhbBusController, AhbWrapper.

7. Independent testing

Mindtree is a preferred independent testing services provider for several Fortune 500 companies. We have been in the testing business for over 16 years and employ a dedicated testing workforce of over 3,000 Mindtree Minds. We orchestrate nearshore and right-sourcing testing options from our global delivery centre in Gainesville, Florida. We think beyond functional testing by mapping testing requirements to the business needs of our customers.

8. Infrastructure management and tech support

Mindtree's IT infrastructure services cater to changing enterprise needs and IT landscape. We combine infrastructure management with SaaS applications to optimize performance and availability as well as quickly remediate issues. Not only this, our management and operations platform, MWatch, ensures complete transparency of IT and applications, thereby enabling clients to have total control over their IT environment.

Digital

Mindtree's digital strategy is pivoted on multiple solutions, IPs and frameworks cutting across several service offerings, covering areas such as real time recommendations, social media intelligence, workforce productivity, customer analytics and sales enablement etc. Our expertise in digital solutions spans across Adobe, Salesforce, Sitecore etc.

(iv) Segments

Mindtree evaluates and analyses performance of its business based on the four industry verticals of its customers viz.

1. Retail, CPG and Manufacturing (RCM)
2. Banking, Financial Services and Insurance (BFSI)
3. Technology, Media and Services (TMS)
4. Travel and Hospitality (TH)

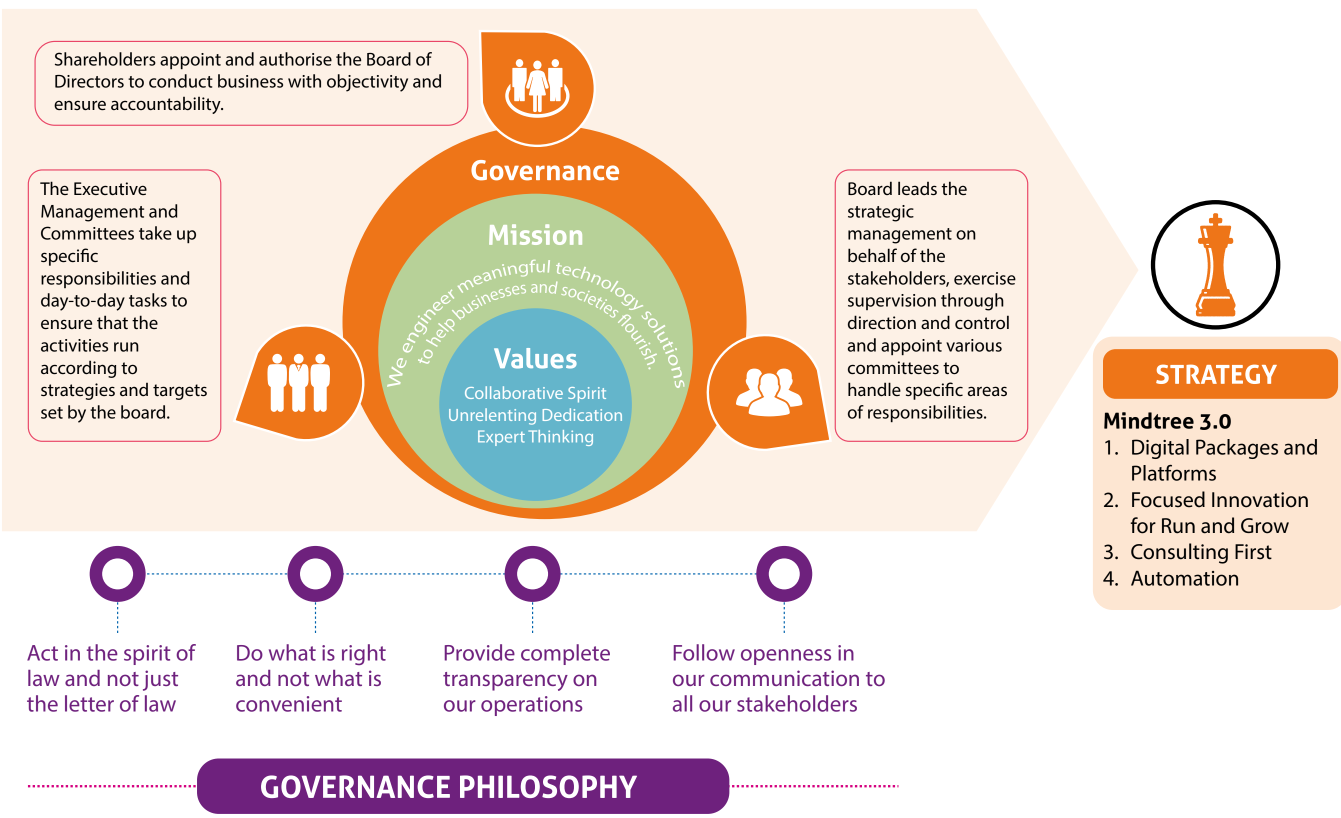
3. SUSTAINING VALUE

3. A. Strong Governance

(i) The Ethos of Governance followed in Mindtree

The Board has a finest blend of professionals from diverse 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.

Strategy - Governance structure



(ii) The Governance Structure and its Responsibilities

The Board of Directors comprises the following members who are selected based on a strong policy laid down by the Nomination and Remuneration Committee (NRC):

- Three Executive Directors
- One Non-Executive and Non-Independent Director
- Five Independent Directors

The above includes two Women Directors

(iii) Committees set up by the Board and their Responsibilities

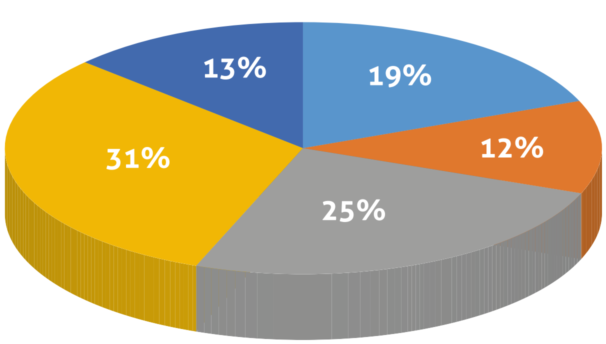
To effectively dispense their obligations, the Board has constituted the committees listed below and each Committee has their terms of reference as a Charter.

GOVERNANCE

Audit Committee	• Overseeing of the Company's financial reporting process • Overseeing appointment, remuneration and evaluation of Statutory auditors • Evaluation of internal financial controls, Internal Audit Function and risk management systems
Nomination & Remuneration Committee	• Review and approve the total compensation of the Chairman, CEO and business leaders reporting to the CEO and policies relating to remuneration payable to Directors, KMPs and other employees • Devising a policy on diversity of board of directors and recommendation with regard to its composition • Review and approve stock based schemes such as ESPS, RSU, Phantom Stock and the like, including the list of people, who are recommended to be covered under such plans
Stakeholders' Relationship Committee	• To address and resolve grievances/requests raised by Equity shareholders and other security holders of the Company • Drive Shareholder Engagement initiatives
Corporate Social Responsibility Committee	• Oversee programs, partner identification, funding, monitoring and implementation of the chosen programs, with due consideration towards applicable regulatory requirements as well as the organization's philosophy.
Risk Management Committee	• Framing implementation, monitoring and review of the Mindtree risk management policy/plan • Systematic prioritization and periodical assessment of risks and ensuring resolution of issues if any by the management • Prudent Evaluation of Mindtree risk management procedures including risk recognition, assessment, minimization and definition of risk appetite
Administrative Committee	• Manage day to day business transactions in accordance to terms constituted by the Board

The composition and the role of each of the Committees has been detailed in the Corporate Governance section.

(iv) Board's time spent on Key Matters



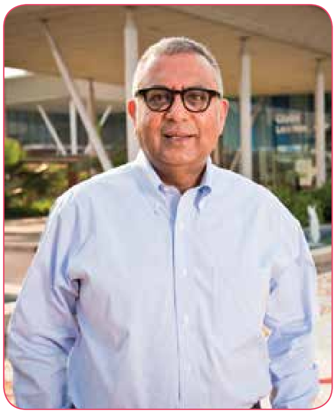
- Management's briefing on Company Performance
- Statutory Matters and Compliance
- Board Committees' Update
- Business and Strategic matters
- Board networking and engagement

(v) Board Selection and Remuneration

Directors are chosen based on a robust policy set out by the Nomination and Remuneration Committee to ensure that the Governance is of the highest standards and is aligned to the core values of Mindtree, which is firmly embedded in every Mindtree Mind and to the mission that Mindtree seeks to achieve.

The remuneration of the leadership team and Mindtree Minds' is determined based on the policy drawn up by the Nomination and Remuneration Committee and is driven by the success and performance of the individual person and 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 NRC within the salary scale approved by the Board and Shareholders.

(vi) Profile of the Members of the Board of Directors



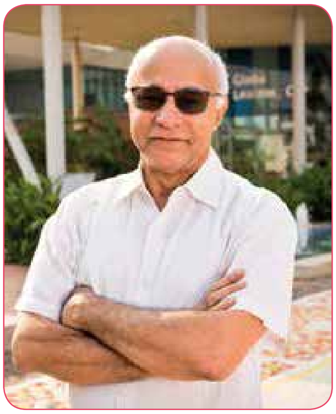
Akshaya Bhargava

Mr. Akshaya Bhargava has served as the Chief Executive Officer of the Wealth and Investment management division of Barclays. Prior to joining Barclays, he founded Infra Hedge with the vision of creating an investor centric hedge fund managed account platform for institutional investors. He is also the founder of Bridgeweave Ltd.

He was selected as a finalist in the 2005 Ernst & Young Entrepreneur of the Year Award. Mr. Bhargava holds a Bachelor's Degree in Economics (Honors) from Poona University and PGDM from Indian Institute of Management – Calcutta.

Experience: 22 years in Citibank, a former CEO of Infosys BPO, CEO of Butterfield Fulcrum Group, Founder of Infra Hedge.

Current Position:	No. of years of association with Mindtree:	Membership in Committees:-
Non-Executive and Independent Director	1 year 4 months	1 5



Subroto Bagchi

A visionary and an entrepreneur, Mr. Subroto Bagchi co-founded Mindtree in 1999. His leadership development, marketing and knowledge management initiatives have differentiated the company from competitors since its inception. Mr. Bagchi is also a best-selling business author and active supporter of social causes like mental health, blindness, geriatric care and engineering innovation. He studied Political Science at the Utkal University.

Experience: Former Chief Executive of Wipro's global research and development, Mr. Bagchi served as a Vice President at Lucent Technologies prior to joining Mindtree as a co-founder. He has also been serving as the Chairman of Odisha Skill Development Authority and has also served on the Board of Indian Oil Corporation.

Current Position:	No. of years of association with Mindtree:	Membership in Committees:-
Non-Executive and Non-Independent Director	18 years 8 months	2 4

1 Audit Committee 2 Nomination and Remuneration Committee

3 Stakeholders' Relationship Committee 4 Corporate Social Responsibility Committee

5 Risk Management Committee 6 Administrative Committee

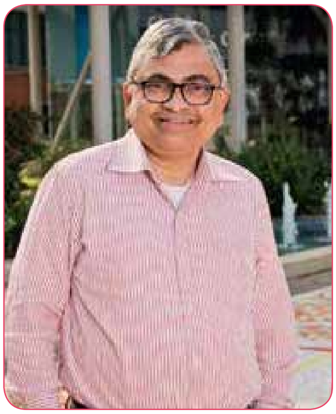
Chairperson Member

Apurva Purohit

Ms. Apurva Purohit pioneered the concept of consolidated media buying in India by launching the first-ever independent media buying agency, Lodestar in 1995. In the past, she has also launched successful TV brands like Zoom, India's first lifestyle channel and fashioned the re-launch strategy for Zee TV. She is also the author of the bestselling book "Lady, You're not a Man – the Adventures of a Woman at Work". Currently, she is President of Jagran Prakashan Limited.

Experience: A specialist in the media business, Ms. Purohit has managed media organizations for a large part of her career. She has been associated with Bennett Coleman & Company, Zee, Zoom and was the first President of Association of Radio Operators of India. She also served as the CEO of Music Broadcast Private Limited, which operates Radio City 91.1 FM.

Current Position:	No. of years of association with Mindtree:	Membership in Committees:-
Non- Executive and Independent Director	4 years 3 months	1 2



Krishnakumar Natarajan

Mr. Krishnakumar Natarajan co-founded Mindtree in 1999 and was instrumental in setting up Mindtree's U.S. operations, driving expansion in Europe and Asia Pacific region and transforming Mindtree's IT services business. During his earlier role as the CEO of Mindtree, Mr. Natarajan was ranked amongst the most valuable CEOs in India by Business World & Forbes in 2016. As Executive Chairman today, he plays a pivotal role in leadership development and ensures a high quality of governance. Mr. Natarajan holds a degree in Mechanical Engineering from the College of Engineering, Chennai and a master's degree in Business Administration from XLRI Jamshedpur.

Experience: An IT industry veteran with over 36 years of experience, Mr. Natarajan held several key positions at Wipro before co-founding Mindtree.

Current Position:	No. of years of association with Mindtree:	Membership in Committees:-
Executive Chairman	18 years 8 months	2 4 5 6

1 Audit Committee 2 Nomination and Remuneration Committee

3 Stakeholders' Relationship Committee 4 Corporate Social Responsibility Committee

5 Risk Management Committee 6 Administrative Committee

Chairperson Member

Milind Sarwate

Mr. Milind Sarwate is a Chartered Accountant, Cost Accountant and Company Secretary with a B. Com. (Honors) from the University of Bombay. He is also a CII-Fulbright Fellow (1996 Carnegie Mellon University, Pittsburgh, U.S.A.). He has been awarded the ICAI Award in the CFO - FMCG category in 2011 and the Best Performing CFO Award - FMCG & Retail in 2012 by CNBC TV-18. In 2013, Milind was inducted into the CFO India Hall of Fame by the CFO India Magazine.

Experience: 34 years of experience in finance, HR, strategic planning, business development and product supply across various sectors, largely consumer products & services. Milind also founded Increate Value Advisors LLP. He has, in the past, held various positions at Marico including CFO and CHRO. He currently serves as Independent Non-Executive Director on several Boards, such as Glenmark Pharmaceuticals, Matrimony.com, House of Anita Dongre etc.

Current Position:	No. of years of association with Mindtree:	Membership in Committees:-
Non-Executive and Independent Director	1 year 8 months	1

Parthasarathy N.S

Mr. Parthasarathy N. S. oversees the People Function, Kalinga – our global learning centre, Administration, Facilities, CIS, Investor Relations, Legal and the CTO organization. He also leads Mindtree's business in the APAC region. His vision and passion for delivery excellence has helped Mindtree deliver best-in-class service with significant value to our customers. Mr. Parthasarathy holds a Masters (Honors) degree from BITS Pilani and an M.Tech in Computer Science from IIT, Kharagpur. He is also an alumnus of Harvard Business School.

Experience: Prior to joining Mindtree, Mr. Parthasarathy served as the General Manager of Wipro's technology solutions division.

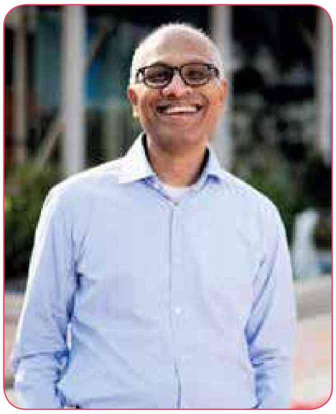
Current Position:	No. of years of association with Mindtree:	Membership in Committees:-
Executive Vice Chairman & COO	18 years 8 months	4 5 6

1 Audit Committee 2 Nomination and Remuneration Committee

3 Stakeholders' Relationship Committee 4 Corporate Social Responsibility Committee

5 Risk Management Committee 6 Administrative Committee

Chairperson Member



Rostow Ravanan

As CEO and Managing Director, Mr. Rostow is responsible for providing strategic direction and achieving industry-leading growth for Mindtree. Previously, he headed the Enterprise Service Lines group and was responsible for growing Mindtree's European operations, across both existing and new clients.
Mr. Rostow also served as the Chief Financial Officer for more than 10 years, where he was responsible for finance and allied functions. He spearheaded the successful completion of the IPO at Mindtree Limited in the year 2007. He holds a bachelor's degree in commerce from Bangalore University and is a qualified Chartered Accountant, Company Secretary and an alumnus of Harvard Business School.

Experience: Prior to joining Mindtree, Mr. Ravanan worked as a Business Value Manager with Lucent Technologies. He started his professional career at KPMG Corporate Finance and specialized in strategy consulting, mergers and acquisitions across various industries.

Current Position:	No. of years of association with Mindtree:	Membership in Committees:-
CEO & Managing Director	18 years 8 months	3 4 5 6

Professor Pankaj Chandra

Mr. Pankaj Chandra is a professor of operations and technology management at the Indian Institute of Management, Bangalore. His research and consulting are focused on manufacturing management, supply chain coordination, building technological capabilities and hi-tech entrepreneurship. He has a B.Tech. degree from the Institute of Technology - BHU and a Ph.D. from The Wharton School, University of Pennsylvania.

Experience: A tenured faculty at McGill University, Montreal between 1988 and 1995, Prof. Chandra has also been associated with IIM Ahmedabad and IIM Bangalore. He also served as the founding chairperson of the Centre for Innovation, Incubation & Entrepreneurship, IIM-Ahmedabad.

Current Position:	No. of years of association with Mindtree:	Membership in Committees:-
Non-Executive and Independent Director	6 years	2 3 4

1 Audit Committee
2 Nomination and Remuneration Committee
3 Stakeholders' Relationship Committee
4 Corporate Social Responsibility Committee
5 Risk Management Committee
6 Administrative Committee
Chairperson
Member

Manisha Girotra

Ms. Manisha Girotra is the Chief Executive Officer of Moelis & Company in India. She is a specialist in investment banking, mergers & acquisitions and wealth management. She has been nominated in Fortune's Most Powerful Women in Business Club in 2011 and was honored as a Young Global Leader 2010 by the World Economic Forum. Ms. Girotra, graduated in Economics from St. Stephen's College, Delhi and was awarded the "Dr. Manmohan Singh Gold Medal" for academic excellence for her Master's degree from the Delhi School of Economics.

Experience: Prior to joining Moelis, Ms. Girotra headed the India operations of UBS and Barclays de Zoete Wedd's investment bank. At UBS, Manisha oversaw the multiple businesses of the firm in India, including investment banking, equities trading, a proprietary equity and an onshore lending book.

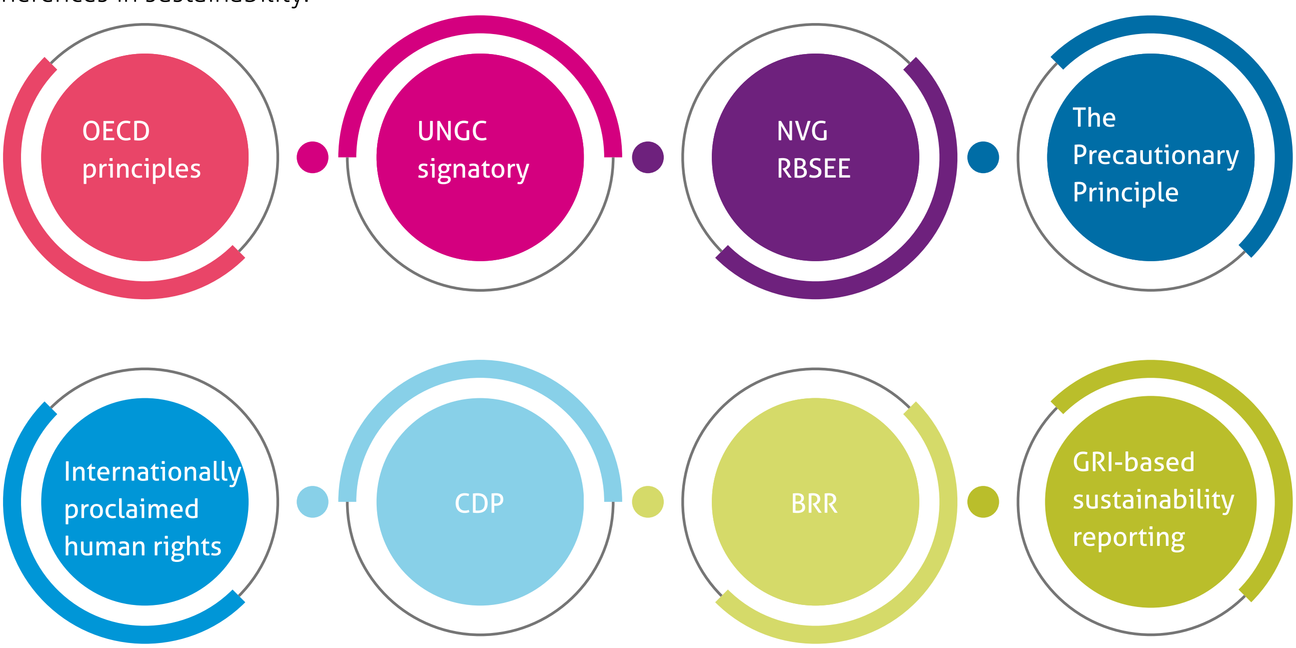
Current Position:	No. of years of association with Mindtree:	Membership in Committees:-
Non-Executive and Independent Director	3 years 10 months	None

1 Audit Committee
2 Nomination and Remuneration Committee
3 Stakeholders' Relationship Committee
4 Corporate Social Responsibility Committee
5 Risk Management Committee
6 Administrative Committee
Chairperson
Member

3. B. Sustainability

Our board sets the direction for sustainability. The Executive Vice Chairman & COO is the leader in-charge of sustainability, including sustainability reporting. Our Board reflects a wide range of expertise and excellence across diverse domains, including business responsibility aspects, with members involved in social causes and contributions. Economic, Environmental and Social (EES) aspects, at present, form a natural part of selection, leadership development and evaluation of performance of board members. A few of our top leaders carry EES goals as a natural part of their roles.

Mindtree endorses the following frameworks and adherences in sustainability:



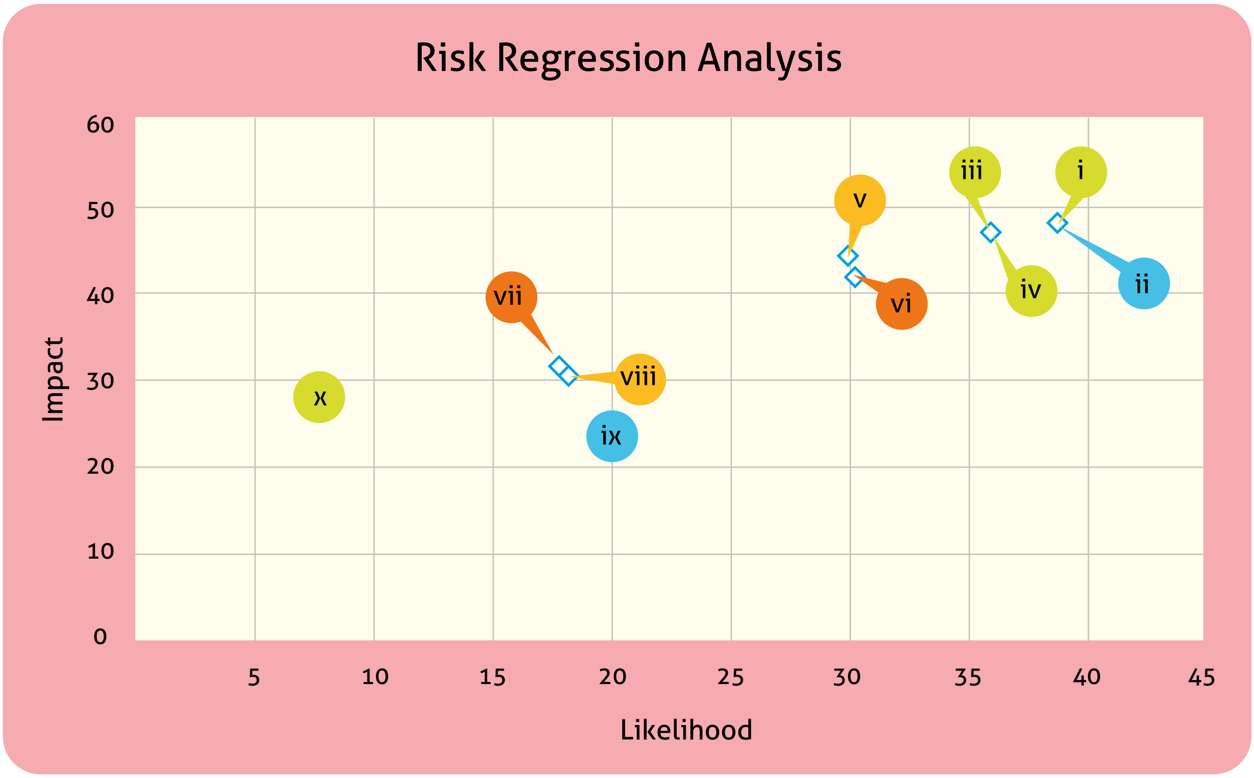
Towards achieving the highest order of Governance and Advocacy in pursuing sustainability, we have implemented the following policies viz. Integrity policy, Anti-bribery and Anti-corruption policy, Whistle-blower policy, Prevention of sexual harassment policy, Code of conduct for our people, Code of conduct for suppliers, Non-discrimination policy, Equal remuneration policy, Open door policy for communication, Environmental health and safety policy, CSR Policy, Maternity policy and Reasonable accommodation policy.

3. C. Risk Management

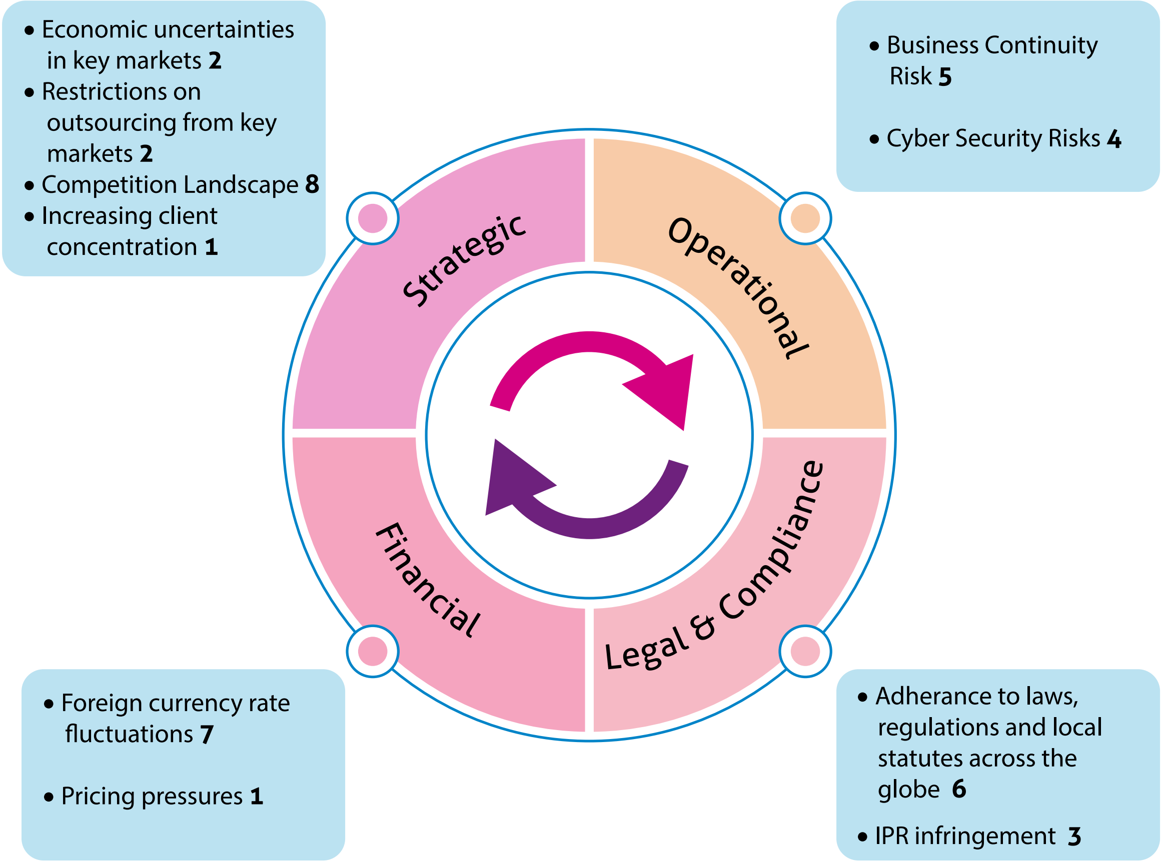
(i) The Enterprise Risk Management Process

(ii) Principal Risks at a Glance along with Ranking

Sl No.	Risk Type	Risk Description	Risk Ranking
i	Strategic Risks	Client Concentration	1
ii	Financial Risks	Pricing Pressures	1
iii	Strategic Risks	Economic Uncertainties	2
iv	Strategic Risks	Restrictions on outsourcing from key markets	2
v	Legal and Compliance Risks	Risk of IPR infringement	3
vi	Operational Risks	Cyber Security Risks	4
vii	Operational Risks	Business Continuity Risk	5
viii	Legal and Compliance Risks	Adherence to laws, regulations and local statutes across the globe	6
ix	Financial Risks	Foreign currency rate fluctuations	7
x	Strategic Risks	Competition Landscape	8



(iii) The Risk Landscape



*Number represent ranks as given under section 3. C. (ii) earlier

(iv) The Risk Mitigation Evaluation

STRATEGIC RISKS			
Risk Overview	Implications	Mitigation plan	Capitals Impacted
Economic uncertainties in key markets: Economic uncertainties in markets like the UK and the US can impact demand for IT services.	Mindtree may be impacted as the global economy is continuing to face volatility in the face of ups and downs in the market.	Focusing on wins in stronger markets and re-building European business. Focussing on customers that are relatively less exposed to geo-political risks.	Human Capital, Social and Relationship Capital & Financial Capital
Restrictions on outsourcing from key markets: Protectionism from countries like the US and the UK resulting in rising visa costs and tightening of visa related norms.	Tightening of visa regulations due to increased protectionism by countries like the US or the EU/UK and increased regulatory scrutiny of offshore IT service providers pose a significant threat to IT industry and to Mindtree.	Improving onsite-offsite revenue mix. Enhancements to global delivery centres and offering holistic value proposition to clients.	Human Capital, Social and Relationship Capital & Financial Capital
Competition Landscape: Mindtree faces competition from Indian as well as international companies and captive offshore centers. It also faces risk of competitors coming up with new offerings or different business models to gain market share.	Disruptive business models adopted by competitors can impact our business and can have an impact on our growth plans.	We are making efforts to change customer perception for Mindtree from being a technology provider to being a transformation partner. The new Digital Business group will play a key role in future growth.	Social and Relationship Capital & Financial Capital
Client Concentration: Mindtree faces the risk of having its revenue concentrated across a few top clients and having larger exposure to client specific risks.	Dependency on the demand from a few clients can have an impact on Mindtree's ability to grow.	Besides the top client accounts, Mindtree is focussing on strengthening its connect with the leadership team of the next set of top clients, to enhance its wallet share continuously.	Social and Relationship Capital & Financial Capital

OPERATIONAL RISKS			
Risk Overview	Implications	Mitigation plan	Capitals Impacted
Business continuity risks: Absence of a strong Business Continuity Plan can have a significant impact on Mindtree's operations	Lack of preparedness to tackle unforeseen hazards and incidents can cause discontinuation of critical business functions in the event of disasters and can even pose a risk to Mindtree Minds' safety.	A comprehensive Business Continuity Management Plan has been put in place and a crisis management team has been defined. Critical corporate infrastructure has been moved to cloud to provide additional resilience.	Social and Relationship Capital, Human Capital & Financial Capital
Cyber Security risks: As the landscape of IT industry is increasing towards mobile computing, cloud computing etc. this risk can have an impact on Mindtree.	Cyber security risks resulting from malware, hacking attacks and other security failures can cause loss of critical business information resulting into significant financial and non-financial losses including loss of reputation.	A strong Incident Resolution and Prevention Process along with an Intrusion Prevention System has been put in place to mitigate cyber security threats.	Intellectual Capital, Social and Relationship Capital & Financial Capital

LEGAL AND COMPLIANCE RISKS			
Risk Overview	Implications	Mitigation plan	Capitals Impacted
Adherence to laws, regulations and local statutes across the globe: Compliance with laws and regulations such as those related to data privacy, health and safety, immigration, social security across geographies is essential to avoid any legal penalties and to carry on seamless business operations.	Non – compliance in the geographies where we operate, due to changing regulations from time to time can have a considerable impact on Mindtree's effective operations and its Brand.	Dedicated in-house compliance team ensures compliance with laws and regulations. A dedicated data privacy team with members from a cross-functional team and project teams working to roll out the Data Privacy framework to be compliant with GDPR has been set up.	Human Capital, Social and Relationship Capital & Financial Capital

LEGAL AND COMPLIANCE RISKS

Risk Overview	Implications	Mitigation plan	Capitals Impacted
IPR infringement: Risk of Infringement of Intellectual Property violations resulting in lawsuits, loss of business and reputational damages**.**	Mindtree being a technology company provides value through its unmatched digital, packaged and platform solutions. IPR infringement can have serious financial as well as reputational consequences on the Company's performance and its brand.	Mindtree has taken a number of steps to increase the awareness level of Mindtree Minds by means like mandatory learning modules on IPR, executive communication, engaging messaging and presentations to senior managers. Mindtree has also implemented third party tools to monitor any IP infringements.	Intellectual Capital, Social and Relationship Capital & Financial Capital

FINANCIAL RISKS

Risk Overview	Implications	Mitigation plan	Capitals Impacted
Foreign currency rate fluctuations: A major portion of our revenues is in foreign currencies and a significant portion of our expenses is in Indian Rupees. Exchange Rate Fluctuations can affect operating results of Mindtree.	The rupee has been reasonably stable. However, a strengthening rupee can negatively impact our profits significantly, since we have considerable business in the Foreign markets such as US and Europe.	Mindtree has a formal Board-approved hedging strategy, which is reviewed periodically. Macro-economic scenario with special regard to any decision by the Federal Reserve Bank to raise US interest rates and impact of Brexit on GBP is continuously monitored.	Financial Capital
Pricing Pressures: Customer expectations and competitors' tactics can exert pricing pressures, which can bring down top line and operating margins.	Customers having distinct expectations on pricing or due to tactical movements on the part of our competitors to gain market share, can have an impact on Mindtree.	Higher value and differentiated services combined with our deep domain expertise in our core business areas should help us manage pressures on pricing. We are also focusing on increasing productivity to be in the forefront of the next wave of IT transformation.	Financial Capital & Social and Relationship Capital

3. D. Our Stakeholder Connect

Stakeholders	Interactions
Mindtree Minds	We believe that the 17,723 Mindtree Minds are the primary drivers of our business. Integrity, collaboration, commitment, customer delight and continuous learning is a way of life for each Mindtree Mind. Our people practices are revisited frequently with the clear objective of fine-tuning them to suit the ever-changing needs of the workforce – not just the millennials who come in from technology and management institutions globally but also the Mindtree Minds who have spent a longer tenure with the organisation. To support our cherished goal of being an 'Expertise-led, Culture-backed' organisation we engage with our Mindtree Minds through some of the key initiatives including Global Learning Centre at Bhubaneswar, Yorbit- a digital innovation for learning, Arboretum, Sustainability and Diversity, Succession planning, Exuberance, LEAD Programs. In addition to robust policies, practices, programs, people systems and applications, senior management periodically interacts through open house sessions and webcasts. Conversations, including skip level meetings with Mindtree Minds also include dialogues and issues, career progression and promotion, favouritism/ discrimination and performance management. To promote the highest level of accessibility, openness and transparency, Mindtree has adopted an open-door policy where any Mindtree Mind has access to Company's Leadership at any point of time.
Partners and Suppliers	Mindtree believes that a strong network of partners helps us accomplish our mission. We understand that successful alliances are a two-way endeavour and we aim to be the best possible partner to the companies we work with. We try to accomplish this in several ways. Partners bring many types of valuable resources to Mindtree that broaden our capabilities and help us differentiate our company in the marketplace. These resources include not only people and innovative technology, but also access to markets. We engage with our partners and suppliers through series of operational reviews and vendor meets, to obtain insights. We also undertake supplier satisfaction surveys and perform an annual supplier/ vendor evaluation.
Investors and Shareholders	Mindtree acknowledges the trust and support of all its Investors and Shareholders and is committed to creating long-term sustainable value for them. We engage with our investors through meticulous Analyst calls, quarter-end performance updates and regular meets to understand stakeholder expectations better. Our Stakeholders' Relationship Committee is dedicated towards redressal of Shareholder's grievances and such other matters as may be required from time to time. Mindtree strongly believes in integrity and transparency in its operations and stakeholders' communication.
Regulators and Public Policy Makers	Mindtree appreciates the pivotal role Regulators and Public Policy makers play in our existence and operations. Mindtree undertakes active participation in NASSCOM, CII events, proving repeatedly its excellence in service and innovation by means of awards and accolades won over the years. Mindtree, with the help of its well-established Steering Committee, also focuses on engaging with the State Government, by means of its 'Samruddhi Abhiyan', a model for Social Innovation touching lives of many.

Stakeholders	Interactions
Customers	Mindtree stands strong in terms of constantly creating value for its customers and delivering digital transformation from ideation to execution. We prioritize on delivering excellence with a focus on customer centricity. We engage with our customers regularly through a dual level Customer feedback practice. Quarterly Project Feedback surveys provides us with valuable insights on our engagement with customers and areas of improvements to enable us in serving them better. Annual Customer Experience Surveys conducted across all customers focus on 4 key areas i.e. Satisfaction, Loyalty, Advocacy and Business Value provide us with key enablers to leverage our strengths better and focus efforts on areas of improvement.
Communities and NGOs	Mindtree foundation spearheads all engagements with the Community and its contributions to the Society. We strongly believe in giving back and making a difference. We collaborate with non-governmental organizations (NGOs) to help the underprivileged with their basic needs, help the deserving with educational needs, empower People Who are Differently-abled (PWD) to reach their true potential and create employment opportunities. Apart from corporate programs, Mindtree Minds are also encouraged to give their time, volunteer and contribute to the causes that they believe in through the various Corporate Social Responsibility (CSR) programs anchored by the company.

3. E. Our Mindtree Minds

Mindtree Key Facts

Particulars	Units	FY18	FY17	Δ
Mindtree Minds	Nos.	17,723	16,470	8%
Lady Mindtree Minds	%	30	29	1%
Nationalities represented	Nos.	59	51	16%
Differently-abled Mindtree Minds	Nos.	46	46	0%
Attrition Rate	%	12.5	15.1	-3%
Lady Minds who continued post Maternity leave	%	94	93	1%
Lady Minds in management (in % of total number of employees) (Covering Senior and Top Management)	%	7.73	7.88	-0.15%
Utilization Rate	%	73.26	71.29	2%
Per Capita Training Hours	Hrs.	73.27	53.38	37%
Mindtree Minds Covered by Yorbit Globally including Mandatory Compliance Course	%	98.08	76.44	22%
Virtual Mode of Learnings imparted	%	82	64	18%
No. of Hours spent on Campus Recruits in residential trainings	Hrs.	838,720	604,395	39%
Training Expenses	INR million	148	164	-10%
Average Spend per learner	INR	8,425	9,957	-15%

Employee Engagement and Retention

Mindtree attracts talented professionals and is known to retain the talent over the years. The number of Mindtree Minds who have been with the company since inception are 11.
Number of Mindtree Minds who have been in Mindtree on their first job and have spent more than 5 years is 961.

Awards and Recognition

The Chairman's Award, which represents the highest recognition of excellence at the Company, identifies and celebrates individual achievements that have had a large impact on Mindtree and society. Focus on well-being of Mindtree Minds and the range of initiatives that comes with it further boost the engagement levels. Any Mindtree Mind is eligible to apply or be nominated for the Chairman's Award and Pillars Award annually.

SpotOn Is Mindtree' s innovative Rewards and Recognition platform which has been specifically built to strengthen the ways in which Mindtree Minds can recognize each other.

Mindtree won the Gold label award under Arogya World Healthy Workplace award in collaboration with Public Health Foundation.

Digital initiative on healthcare, powered by zoojoo.be saw involvement of 11,429 active users taking up 11,701 challenges during the year.

Learning Culture

Yorbit is Mindtree's proprietary cloud-based, online learning platform for life-long learners in the digital age. It is a home-grown cloud-based virtual learning platform that makes continuous learning accessible to Mindtree Minds across the organization at all Levels, Skills and Geographies at their own pace, space and time. Over 100,000 courses have been taken up on Yorbit till date.

Diversity in the Company

There are currently two women on the Board. The first and second management levels below the Executive Board comprises 18 Lady Mindtree Minds.
The overall percentage of Lady Mindtree Minds is 30%. In support of diversity, our talent acquisition initiative has been pursuing women recruitment target and achieving 49% campus hires as women for the last two years. It goes without saying that ability is still the primary selection criterion for any position at Mindtree.

Brief overview of Mindtree Recognitions and Awards

Manger Bunker box	Peer Bunker box	Aspirational Awards	Personal Awards
• Hat's off • Unstoppable • Master Mind • Eureka • A - Team	• Partnership • Trust & Respect • Accountability • Perseverance • Strategic Thinking • Influencing	• Annual Team Award • Chairman's Award • Outstanding Performer's Award • Pillar's Award	• Celebrating milestones (3, 6, 10, 15 Years)

Measures we use to manage our Non-Financial Performance

We used the following key measures to manage our non-financial performance in the areas of employee engagement, customer loyalty and leadership trust.

Employees and Social Investments

Supporting Customers by Nurturing Our Mindtree Minds: Our Mindtree Minds play a pivotal role in helping our customers succeed in the new digital economy. We believe that by providing an environment where our people can engage, develop their skills and draw on the support they need to create and innovate, Mindtree can help to make the world better digitally equipped. For this reason, we are fully committed to nurturing our people at every stage of their career at Mindtree.

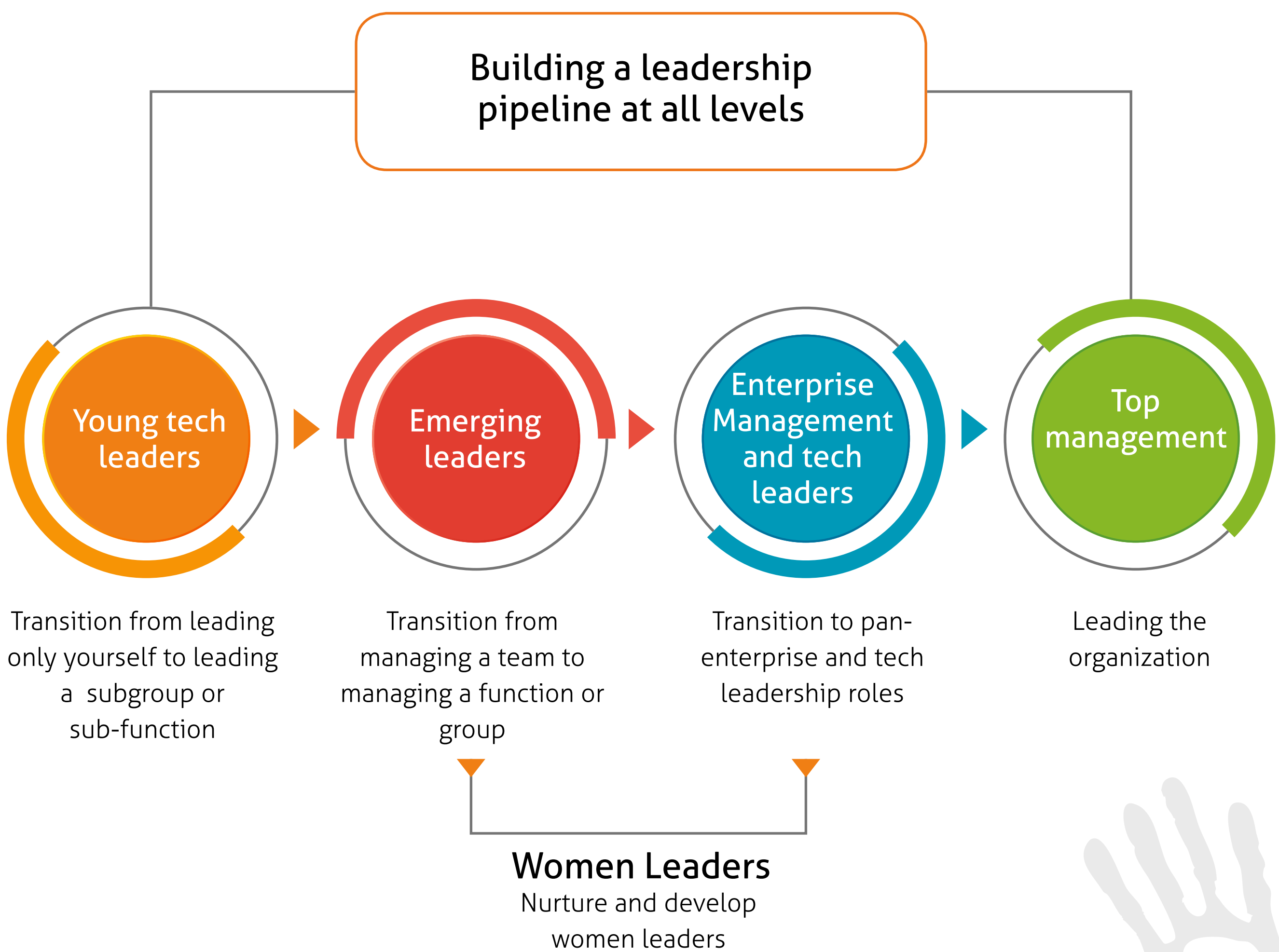
Our Talent Management strategy helps us transform the way we hire new talent with the help of infused automation in the form of IVR (Interactive Voice Response) and to transform the way we develop and retain our employees through our elaborate skill development tools available to all. At the same time, it allows us to create a culture at Mindtree that is able to deal with the complexity, speed and scope of a digital workplace. This culture inspires innovation, leads change and ultimately creates employee satisfaction.

Engagement with Educational Institutions

Our engagement with educational institutions is key to recruiting early and diversified talent. Mindtree works closely with over 40 colleges to hone and harness the best available pool of talent.

Leadership Talent Review Plan in place

Mindtree believes its Leadership and Governance in place acts as a key Strategic enabler resulting in smooth and efficient operations throughout the organization.



3. F. Giving back to Society

Mindtree strongly believes in the critical roles that businesses play in shaping communities that they operate in. Contributing to the society is embedded in Mindtree's Mission Statement. Over the years, we have structured our own social initiatives and created an enabling environment for our Mindtree Minds to engage local communities in an impactful manner. As a global corporate citizen, with the sole intention of giving back and without any expectation of return, our commitments towards 'giving back' have gone far and beyond regulatory mandates – we believe as a global leader in the technology space, we can leverage our internal capabilities to create solutions that lead to inclusive societies.

The social obligations of Mindtree are delivered through three modes – as Corporate Social Responsibility programs implemented by Mindtree Foundation through grassroots NGOs, encouraging volunteering activities among our Mindtree Minds and supporting Mindtree.org. In the last year, through these initiatives, Mindtree reached out to over 30,000 human lives.

Corporate Social Responsibility

Total spend (INR Millions)	FY18 : 124 FY 17: 109
Total outreach (Human lives)	FY18 : 23,836 FY 17: 32,117

Our investments in Corporate Social Responsibility (CSR) are aligned to our CSR policy and are implemented through the Mindtree Foundation. Since 2014, we have streamlined our CSR activities to focus on promoting Education, Livelihood generation and supporting development of People Who are Differently-abled (PWD).

We have collaborated with grassroots NGOs with sound technical expertise and strong community connect to deliver our CSR projects across 12 locations. Our block concentration approach ensures higher cost efficiencies and ensures penetration of outcomes. Further, acknowledging that development needs of societies are multi-dimensional and require holistically planned interventions, we are continuously striving towards implementing integrated CSR projects. 'Sanchalana' is an example of one such project that links education and livelihood generation components to provide a better quality of life to PWDs. The project with NGO 'The Association of People with Disability' has impacted 291 PWDs during the current year.

Learning from our experience with integrated development projects, we took a step further on our charter of social inclusion through the Samrudhhi Abhiyan. This new initiative in Kanakapura, Karnataka addresses gaps in education system/delivery, health and sanitation and sports development for thousands of children attending government schools. The Karnataka State Government taking notice of the outcomes of Samrudhhi Abhiyan has adopted the program and is scaling it up in other schools across the state.

Under the thematic areas of supporting PWDs, Mindtree has partnered with Aravind Eyecare since 2005 to develop solutions that will transform the lives of visually impaired individuals. In the last FY, we presented prototypes for DIGNIΦ (Digital Nethra for Eye) and VIKAS (Visual Intervention Kit with Analytics for Special Children) to Aravind for further testing and validation.

- DIGNIΦ , an Android based application, converts printed text image into audio inputs to the headset of the low-vision or visually impaired user. While it is currently available only in the English language, the plan is to launch it in 23 Indian languages going forward. In the future, it will also have capabilities of converting charts, diagrams and pictures to audio.

- VIKAS helps parents or care takers of children with Cognitive Visual Dysfunction (CVD) to conduct optical and perceptual function exercises at affordable prices at home.

Highlights of 2017-18 across thematic areas of focus

Education initiatives

- 13,395 students in Govt. schools learn basic Mathematics and Kannada in Kanakapura block under Mindtree Foundation - Sikshana project
- Agastya Mobile Science Labs reaches 6,000 children in 72 schools across Pune (Maharashtra) and Kanakpura (Karnataka)
- Under Suvidhya, 800 students from 5th - 7th grades learn Math and Science through tablets and technology platforms in Kanakapura
- 26 meritocratic students from underprivileged backgrounds in Kanakpura identified to pursue medical education under Narayana Health

Livelihood initiatives

- 1,400 rural youth in Koratagere were provided training in skills such as computer data entry, tailoring and embroidery, electrical motor winding, electrical wiring etc. under a partnership with BRDO
- 125 prison women skilled - which helps them earn remission from their tenure of punishment
- Under UMBC partnership, 52 urban poor women and youths in Bhubaneswar (Odisha) provided with entrepreneur skills and computer education to create sustainable livelihood opportunities
- 40 urban poor women are provided with livelihood skills needed to teach and nurture children from Balvadisin Bangalore, Karnataka, through KSCCW

Support for PWDs

- 291 differently abled children in rural Bijapur, through APD, provided with mobility aids, corrective surgeries, physiotherapies and access to school education
- 514 differently abled children in rural Tiruvallur (Tamilnadu) provided with early interventions - home based physiotherapies through SPASTN
- 75 differently abled children in Bengaluru (Karnataka) supported with education fees, corrective surgeries, assistive devices and physiotherapies through KSCCW
- In partnerships with AMBA, 247 intellectually challenged youth across Andhra Pradesh and Telangana were offered placement linked training computer data entry operations
- Several prototypes of assistive technology for PWDs are being developed in partnerships with experts such as Aravind Eyecare, SPASTN etc. These solutions being worked on by Mindtree Minds will benefit differently abled individuals.

Volunteering at Mindtree

Mindtree Foundation conceptualizes and facilitates the volunteering programs for the Mindtree Minds to participate. The in-campus volunteering activities like Blood-Donation, Stem-Cells Registration, Clothes Donation are facilitated along with the motivation and support from the senior leaders. For the out-reach programs like Technologists for Social Action (TSA) and Joy of Giving events Mindtree Foundation provides the transportation facilities and the food, organized through its core volunteers and field workers from NGO partners.

6,761 Volunteers

6 Projects undertaken in the FY 17-18

6,219 Lives impacted

Our highly motivated and socially conscious Mindtree Minds contribute both time and money to Mindtree Foundation's initiatives. Many of our CSR projects are selected such that there is scope for our Mindtree Minds to participate based on their skills and interest areas. Additionally, they also organize a multitude of initiatives such as blood donation drives, tree planting, regular visits to homes for underprivileged and neglected, stem cell registration, clothes donation etc.

IG (X) initiatives and platforms

INR 194.6 Million Investment

472,873 hours invested to build such platform

5 Domain solutions

46 Partners including 10 platform partners

In 2014, the engineers at Mindtree started working on a digital platform that improves access to technology solutions and professional services for those in India's informal sector. In a short span, Mindtree.org has been successful in reaching its vision of enabling social inclusion by supporting micro-businesses (in making them sustainable), creating a network of relevant eco-system players and providing linkages to sellers through a digital marketplace platform.

The platform provides stakeholders, across government agencies, social businesses, donors and impact investors and community based organizations, access to domain specific solutions that can be further customized based on their requirements. Further, with data analytics capabilities of the platform, stakeholders can track their initiatives and ascertain the outputs and impact periodically – the updated dashboard also allows for in-time identification of issues and speedy resolutions.

I Got Garbage

'Building capacities of waste collectors' and empowering communities to move towards 'Zero waste' cities

- 6 Cities
- 17 Partners
- 9,656 Waste collectors
- 300,550 Waste generators
- 35 Million kgs of waste diverted from landfill

"Being a Recycling manager in IGG has improved my health, income and I now conveniently use e-rickshaw provided by Mindtree. My kids are now going to English medium school."

– Janaki Ram, Wastepicker turned Recycling Manager – Hazaribagh

I Got Knowledge

'Impacting student learning outcomes' by creating conducive learning environments through building capacities of teachers and principals

- Better education for 2.5 lakh rural government school students across 4 states
- 6 Partners

Improving student learning through gap-strength-interest based learning plans, micro-learning interventions, principal leadership and teacher capacity development. I Got Knowledge technology suite also builds transparency in school management and brings together a community of relevant stakeholders such as teachers, parents and counselors to create a conducive learning environment.

University of Commons

Developing participatory solutions to most pressing social challenges by connecting 'Change Seekers' with communities

- 2,404 Changeseekers
- 306 Communities
- 6 Partners

"Thanks to UoC, my child is now confident in speaking, interacting with others. Confidence in the vision and eagerness to proceed. As a parent, I feel It is really good that they are getting opportunities for participating in community betterment." - Parent of young leader, Young Leaders Program

"The Creative Leadership Program is really a good platform to explore our leadership qualities. It exposed me to various ground realities of society and immersions were really insightful. I got to know ground realities, about change makers, their journey, which was inspirational."
- Participant, Creative Leadership Program

I Got Skills

Transforming the semi-skilled labour marketplace by emphasizing the concept of expertise of skills, building career paths for labour and creating opportunities for them to set up independent micro businesses.

- Skill training for 1.5 lakh candidates
- Career counselling and employment opportunities for 6.5 lakh youth
- 513,045 skill assessments
- 3 Partners

I Got Crops

'Securing livelihoods' for marginal farmers and artisans by enabling access to information, capacity building and market linkages

- 4 Partners
- 59 Farmer enterprises
- 34,000 farmers

"Typically, farmers get less than 14 - 20% of the revenue share of what the end customer pays. The Mindtree.org platform seeks to change this entire model thereby creating opportunities for such producers to significantly increase their income by up to 7 times" – Prashant Mehra

3. G. Partnerships and Alliances

Mindtree works in an inherently competitive market that is evolving at an unprecedented rate due to advances in technology and customer demands. To meet this rising demand trend, global companies need to innovate and invest in disruptive technologies to better compete with others in the market. The technology ecosystem banks heavily on integrative solutions, which is why it is important for technology service providers and innovators to collaborate to create sustainable solutions. At Mindtree, our idea of collaboration and partnership is to deliver appropriate technology solutions to new and existing clients that result in better business outputs and outcomes for them. When our clients achieve what they envisaged by deploying our partner enabled technology solutions it ensures their trust in us, which is our key priority when it comes to our customer engagement strategy. The growing complexities and dynamics of market demands and regulatory norms of evolving organizations drive our constant efforts to innovate and our partners help us deliver better every time. We have a two-pronged approach to partnerships:

1. Present-forward approach: Mindtree seeks technology innovators whose goal is long-term sustainable solutions to clients. These are partners whose vision goes beyond the stated requirement of the client to what will they need to be future ready.
2. Future-backward approach: Looking at the future needs of the market, customer trends and where the industry is moving towards, we set our strategy a few years into the future to be able to stay relevant and leaders in the market. We thus look for partners whose vision aligns with this aspect of our strategy.

Partnerships make us stronger

We are able to leverage our partnerships that bring valuable resources such as people, ideas and innovative technology, which differentiates us in the market place. Our partners also help us reach diverse markets and potential clients through their spread and network. We constantly engage with our partners as learning hubs rather than view them as mere contractors or vendors. Our endeavour is to grow together through constant cross learning and integration of solutions. A successful partner ecosystem has a multiplier effect on projects and customer value – being able to produce much more than the sum of the parts. Since 1999, our partnerships have been foundational, mutually beneficial and helped improve efficiencies enabling us to expand our reach and exceed expectations on challenging projects. With the right partners, we have tried out new ideas and expanded our footprint in the marketplace.

E.g. - One such partner is Conversable, which provides Chabot technology connecting consumers and brands through conversation using artificial intelligence with messaging and voice. This provides more personalized customer care, while reducing cost through automation.

Partner Ecosystem

Our strategic partner ecosystem includes global technology leaders such as Microsoft, SAP, Adobe and Salesforce and smaller, innovative start-ups like DataStax, ThingWorx and Conversable that develop the specialty breakthrough technologies of tomorrow. We have been able to create a partnership network that is constantly learning, adapting and enriching itself to meet the challenges of the market and future demands.

Partnering for Today and Tomorrow

Microsoft

Value of the Partnership: Mindtree's alliance with Microsoft began in 1999 and has continued to grow and strengthen over the last 19 years. Mindtree was one of the early partners to work with Microsoft Azure in 2008. Through Microsoft's partner-led sales model, Mindtree delivers value to its clients through our digital, testing, information management system (IMS) and other horizontal practices and industry verticals. In recognition of Mindtree's investments in delivering best-of-class Azure-based solutions that drove key client wins, Microsoft named Mindtree as Top Emerging Global Azure Partner for 2015. As a Microsoft Gold Cloud Partner, Mindtree is one of just 25 partners who have access to all Microsoft resources to deliver the best possible solutions to our customers.

Mindtree's investments in delivering best of class, Microsoft Azure-based solutions, lead to key wins involving workloads such as digital marketing on Azure, Azure IoT Suite and open source on Azure and analytics on Azure. Mindtree has more than 4,000 Microsoft experts, offering a vast knowledge base and skills in Azure, Office 365, Xamarin, SharePoint®, and Microsoft.NET platform, SQL Server®, BizTalk® and Windows Server®.

Value created for customers/client:

We leverage our partnership to deliver digital transformation services that our clients need to succeed in a cloud-first world:

- Azure: Design, build, migrate and run enterprise-grade on-premises, cloud and hybrid solutions
- Customer Experience Transformation and Digital Marketing including Adobe and Sitecore on Azure
- Insight-as-a-Service: 20 industry-specific algorithms, 35 pre-built solutions
- L1-L4 Azure and Azure Stack support
- Specific services include Azure cloud platform and application migration services for SAP®, SAP HANA®, SiteCore™, Duck Creek™ and Open Source.
- Our Office 365 services encompass Skype®, Yammer®, Exchange®, OneDrive®, Power BI™, Cortana® Analytics and SharePoint.

Our Microsoft Centre of Excellence (COE) continues to deepen and widen our partnership with the Microsoft team, developing our own unique Azure product offerings:

- Gladius IoT video surveillance and management platform
- Flooresense retail sales video and analytics platform
- ShotClasses mobile-based micro-learning and assessment platform

For clients looking to drive effective marketing with big and fast data, Mindtree's Decision Moments platform accelerates data to insights to business action, providing market mix analysis and omni-channel customer personalization.

SAP

Value of the Partnership: Mindtree and SAP have been strategic partners since 2008. Today the relationship is even stronger due to Mindtree's 2015 acquisition of Bluefin Solutions Limited, considered one of SAP's go-to HANA innovation partners, which deploys cutting-edge enterprise solutions around the world. We are currently the only integrated service provider in the world with expertise on the SAP HANA platform across all three major public cloud platforms: Amazon Web Services, Microsoft Azure and Google Cloud. Mindtree is also one of a handful of Lighthouse Partners, which lets us offer customers SAP's re-imagined enterprise resource planning solution, SAP S/4HANA via the public cloud.

SAP has taken a "cloud-first" focus and Bluefin Solutions Limited is uniquely positioned to advance its strategic vision. Beginning in 2025, SAP will no longer support ECC 6.0, its previous ERP solution. Enterprises must consider migrating to S/4HANA in the next few years. Bluefin's depth of understanding in this area, along with our unrivalled ability to deploy the software suite on-premises, or on a private, managed, public or hybrid cloud, will provide enormous value and flexibility to those ECC 6.0 customers when they embark on their SAP platform modernization journey.

Value created for customers/client:

Our strong relationship with SAP, enriched by four SAP mentors, gives us competitive advantages. We not only consult and implement SAP but also have our own product offerings built on SAP technology:

- **mInspect** integrates with SAP's commercial project management (CPM) application and leverages the key functionalities of its PICM add-on.
- **mPromo** integrates with SAP trade promotion management (TPM), empowering the field to plan, execute and track trade promotion events effectively with real-time insights into promotion performance.
- **mWorkspace** acts as a multi-project dashboard, displaying general project health indicators so managers can take corrective actions where necessary.

Our SAP Centers of Excellence (CoE) cover seven areas: HANA and business intelligence, S/4HANA, enterprise performance management, customer engagement, mobility UX and development, database and technology and project management. Each CoE has developed numerous proofs of concepts and solution accelerators to elevate user experience and streamline migrations and upgrades.

Salesforce

Value of the Partnership: Since 2004 Magnet 360 LLC, a Mindtree Company, has collaborated closely with Salesforce, serving international clients across every industry. Magnet 360 LLC holds multiple Salesforce Cloud Alliance Partner Full force certifications, attesting to its reputation as a strategic innovator within the Salesforce partner ecosystem. Salesforce relies on Magnet 360 LLC for multi-cloud expertise and marketing automation knowledge, as well as an agile approach in implementing award-winning solutions on the Salesforce platform.

Value created for customers/client:
As a Platinum partner, we specialize in Salesforce implementation strategies to drive digital growth through client engagement. Our core Salesforce expertise and our skill in implementing and integrating Salesforce's marketing automation solutions in conjunction with Salesforce Community Cloud helps us rise above competitors. We also have Salesforce-related expertise in:

- Web and mobile application development, maintenance and support
- AppExchange product development
- On-premises to cloud web and mobile application migration
- Heroku platform application development
- Cloud-based social listening solutions

Our new Munich CoE spans the full range of the Salesforce Customer Success Platform, including Sales Cloud, Service Cloud and Community Cloud. The centre provides European-based clients with end-to-end Salesforce consulting, development, delivery and support.

Adobe

Value of the Partnership: This year, Mindtree announced its advancement to Business Partner within the Adobe Solution Partner Program. Our partnership with Adobe brings together a full suite of customer experience transformation services and Adobe Experience Cloud solutions to accelerate digital transformation journey. Our growing relationship with Adobe provides a wide-open lane for our digital experts to unleash the power of Adobe Experience Cloud for our clients.

Value created for customers/client:
Mindtree is a recognized industry leader by Forrester for digital customer experience, digital operational excellence and application management. This recognition is a testimony to our expertise in helping global brands such as Avis Budget and Kellogg's elevate customer experience (CX) with:

- Comprehensive & integrated capabilities for Plan, Design, Build and Manage Adobe Experience Cloud solutions
- Digital studios to re-imagine the customer journey
- Agile factory model execution and automation best practices to operationalize CX at speed and scale
- Expertise in managing multi-partner ecosystem collaboratively
- Pre-built cloud-first data science and content accelerators

Together, we help our clients drive faster conversions and increase customer lifetime value.

Informatica

Value of the Partnership: Mindtree has been an Informatica partner since 2014. Mindtree has developed reusable business intelligence (BI) components that accelerate Informatica's BI and data warehousing implementations. This consists of a data integration layer that consolidates data from multiple transaction systems, an intelligence layer that contains spend-related business metrics and a presentation layer with intuitive, user-friendly dashboards for information delivery.

Value created for customers/client:

Mindtree and Informatica connect the world's cloud data and turn it into actionable insights. Together, we drive data personalization for enterprises by providing a comprehensive view of their customers and the real-world use of their products and services. As businesses continue to expand beyond on-premises solutions, they need partners who have the proven experience in connecting the world's cloud. Our industry-recognized expertise in Saleforce and SAP, combined with Informatica Cloud provides the confidence clients want to ensure high-performance integration at scale, real-time intelligent business processes and a secure, customer 360-view value for clients. Together, we help our clients strengthen data compliance, reduce risk, lower costs and grow their business.

Sitecore

Value of the Partnership: Mindtree is a Gold level partner of Sitecore. The partnership between Mindtree and Sitecore has designed best-in-class digital presence solutions. Mindtree's approach, methodology and deep experience in Customer Experience (CX) combines with Sitecore Experience Cloud to drive personalization. Mindtree's experience in web, mobile and social marketing and agency collaboration leverages Sitecore's strengths in web content management and commerce.

Mindtree has executed some of the largest Sitecore implementation and rollouts leveraging the expertise and leadership status in Digital. Clients such as P&G recognize us as the digital anchor partner for transforming their multi-channel digital presence platform on Sitecore.

Value created for customers/client:

The Sitecore Experience Platform includes web content engagement, customer intelligence, cross-channel delivery and commerce tool components. Mindtree helps customize, implement and support all of these applications.

- Managing Sitecore ecosystems: Mindtree manages production for all web, mobile and social development, including localization and maintenance across multiple channels for dozens of Sitecore customers. We simplify and integrate environments that deploy diverse technologies such as .NET, Microsoft SharePoint Server, Java and PHP. We also implement web analytics, content management and search engine optimization (SEO) systems, which can result in cost savings of 40% and speed time to market by 50%.
- Site development: Because of our extensive omni-channel omni-brand client experience and Sitecore competencies, we are frequently selected to build and maintain Sitecore sites. In some cases, the platform is already defined. In others, we perform an evaluation resulting in a Sitecore recommendation.
- The Digital Factory: We have worked extensively with Sitecore to create the ultimate omni-brand, omni-channel, omni-agency digital factory blueprint that incorporates a standardized migration model, adaptive templates and automated processes to rapidly modernize client-facing websites for large, multi-brand conglomerates. The web modernization model helps global organizations save money, reduce time to market and aggregate capabilities across brands.

4. DELIVERING VALUE

4. A. FY 18 Performance Highlights by Capital

Organizations depend on various forms of capital for their success. In this Integrated Report, the Capitals comprise financial, manufactured, intellectual, human, social and relationship and natural, which have been explained under each of the capitals as discussed below:

FINANCIAL CAPITAL (FC)

Financial capital is the pool of funds that is:

- available to an organization for use in the production of goods or the provision of services
- obtained through financing, such as debt, equity or grants, or generated through operations or investments.

Particulars	FY 18	FY 17
Revenue (INR Millions)	54,628	52,364
EBITDA (INR Millions)	7,405	7,181
PAT (INR Millions)	5,701	4,186
EPS (INR – Diluted)	34.28	24.89
Return on Capital Employed	26.5%	22.4%
Revenue per billable Mindtree Mind (in USD)	52,911	50,249
Days Sales Outstanding	67	65

Industry Revenue growth has been 7.8%

HUMAN CAPITAL (HC)

Human Capital includes people's competencies, capabilities and experience and their motivations to innovate, including their:

- alignment with and support for an organization's governance framework, risk management approach and ethical values
- ability to understand, develop and implement an organization's strategy
- loyalties and motivations for improving processes, goods and services, including their ability to lead, manage and collaborate

Particulars	FY 18	FY 17
Mindtree Minds	17,723	16,470
Training Hours per Mindtree Minds	73.27	53.38
Attrition Rate	12.5%	15.1%
Lady Mindtree Minds	30%	29%
Specially abled Mindtree Minds	46	46
Ethnic Diversity (#)	59	51

INTELLECTUAL CAPITAL (IC)

Intellectual Capital includes organizational, knowledge-based intangibles, including:

- intellectual property, such as patents, copyrights, software, rights and licences
- "organizational capital" such as tacit knowledge, systems, procedures and protocols

Particulars	FY 18	FY 17
# IPs / Patents	12	12
R&D Expense (INR Millions)	396	321
BOTs available to enable Automation	335	-

SOCIAL AND RELATIONSHIP CAPITAL (S&RC)

Social and Relationship Capital deals with the institutions and the relationships within and between communities, groups of stakeholders and other networks and the ability to share information to enhance individual and collective well-being.

Particulars	FY 18	FY 17
Customer Experience Survey (CES) Score – highest in Satisfaction, Loyalty, Advocacy and Value for money	5.81	5.49
CSR expenditure (INR Millions)	124	109
Number of CSR beneficiaries	23,836	32,117
# Active Customer	338	328
Income Taxes Paid (INR Millions)	1,632	1,771
Strategic Partnerships as at 31st March 2018 - 53		

NATURAL CAPITAL (NC)

Natural Capital relates to all renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organization. It includes:

- air, water, land, minerals and forests
- biodiversity and eco-system health

Particulars	FY 18	FY 17
Water consumption (kl per person / month)	0.85	1.02
Waste recycled	88.99%	89.28%
Waste generation (kgs)	362,676	398,342
GHG emissions (tons CO2e / employee / annum)	2.17	2.29

MANUFACTURED CAPITAL (MC)

Manufactured Capital relates to manufactured physical objects (as distinct from natural physical objects) that are available to an organization for use in the production of goods or the provision of services. Manufactured capital is often created by other organizations, but includes assets manufactured by the reporting organization for sale or when they are retained for its own use.

Particulars	FY 18	FY 17
Energy consumption (kw per person / month)	167.25	170.74
Office Floor space (Sq. ft.)	22,29,340	21,82,000
Office Locations	45	42
Labs / Innovation Centres (#)	4	3
Centres of Excellence / Design Studios	28	28

4. B. Awards and Recognition

Some of the significant awards are as follows:

Mindtree received the SAFA best presented Annual Report Award for 2016 for the communication and information technology sector for transparency, accountability and governance in our Annual Report by South Asian Federation of Accountants.

Mindtree received Special Commendation for Golden Peacock Award for Excellence in Corporate Governance – 2017 awarded by the Golden Peacock Award Secretariat, Institute of Directors, which is a token of its identification for adopting exemplary Corporate Governance practices.

Awarded the winner of the Silver Shield for the Annual Report including the financial statements for the year ended 31st March 2017 by the Institute of Chartered Accountants of India. We have won "The ICAI Award for Excellence in Financial Reporting" for 4 consecutive years.

Named as a leader in Continuous Testing Services in the Digital space by Forrester Research Inc.

Positioned as leader in Application Testing Services by Information Services Group (ISG).

Named as a "Rising Star" for Application Development Services by ISG.

Positioned as a leader in the Zinnov Zones for Product Engineering Services 2017.

Named a "Rising Star" in Public Cloud Infrastructure Consulting and Implementation Services, Public Cloud Infrastructure Managed Services and Public Cloud SAP Services by ISG.

Mindtree's SAP Practice wins the SAP Gold Quality Award in United Kingdom for workforce planning using SAP Business Planning & Consolidation suite.

Named among the Large System Integrators for Agile and DevOps services by Gartner.

5. ENHANCING VALUE

5. A. Strategic Priorities and Opportunities

We strongly believe that we are Born Digital and a long-term player in the Technology industry. The economic environment, industry trends, risks, opportunities and customer needs defines our purpose and influences how we run our business through a series of strategies to create value over the long term.

Our strategies are aligned to our Mission and Core Values and are percolated down to individual business units and work streams with clearly defined responsibilities across all employee levels.

Our strategy is formulated to suit the industry and environment in which we operate and are based on our interactions with our stakeholders. These strategies are primarily broken into three horizons (terms) based on the nature of the strategic initiatives and the purpose and the timeframe by when they need to be achieved. The model is flexible and can adapt to address opportunities and manage risks effectively.

Horizon 1
The Now

Horizon 2
Next 24 months

Horizon 3
Refer note below

Note: Initiatives involving continuous research, ideation, re-engineering and formulating offerings will be introduced based on customer needs.

Through the strategic initiative Mindtree 3.0, we have identified and set out our key strategies, which we believe are significant value drivers.

S1 - DIGITAL PACKAGES AND PLATFORM

PURPOSE
To Accelerate growth via leadership in a core set of winning packaged applications

STAKEHOLDERS IMPACTED
Customers, Mindtree Minds, Investors

TERM OF THE STRATEGY
Horizon 1 and Horizon 2

CAPITALS USED AND IMPACTED
FC, HC, IC, S&RC

Mindtree strongly believes that Digital is disrupting businesses and the way business is conducted across industry sectors. The "consumer age" marks collaboration, personalization and the shift of power from marketers to consumers, forcing businesses to offer high quality products and services in a personalized manner. Digital business is estimated to provide the Indian IT companies a USD 48 billion market by 2020 and thereby making it a great market opportunity for Mindtree for next several years.

The Roadmap:
CXOs of businesses are keener today than ever before to ride the digital wave and change the way business is done. Our vision is to "Make Businesses digital" by taking on a collaborative approach to create customized solutions across the value chain. In order to achieve our vision, we have positioned our Digital Business across six areas: Digital commerce; Digital marketing; Mobility; User experience design; Portals and collaborations; and The Digital Pumpkin. With significant investments in the digital space, we are enhancing our capabilities through strategic partnerships.

Key Outcomes:
We have continued to deepen our partnerships with a range of technology leaders such as Adobe, Salesforce, Sitecore, Cloudera, Duckcreek, Mulesoft etc. to deliver business solutions for our clients. Our wide range of partnerships are crucial for us to deliver unified offerings that help clients solve larger business problems such as customer experience reorganization, market services and products to a wider customer base, enable employee engagement and real time collaboration through employee portals.

Mindtree has reorganized its team with a focus on faster time to market and turnkey cloud based solutions to make Digital real for our customers. With the acquisitions of Magnet 360 LLC, Bluefin Solutions Limited and Relational Solutions Inc., Mindtree further strengthened its digital capabilities. A recent Zinnov study featured Mindtree as a leader in Digital Consulting and Transformation, Design & Experience, Digital Platform Integration and Data Management & Analytics. This positioning reinforces Mindtree's ability to deliver holistic digital transformation that integrates four key aspects: creating compelling customer experiences, digitizing the back-end value chain, developing sense and respond analytics, and shaping innovative business model evolution.

PURPOSE

To Accelerate growth via leadership in a core set of winning packaged applications

STAKEHOLDERS IMPACTED

Customers, Mindtree Minds, Investors

TERM OF THE STRATEGY

Horizon 1 and Horizon 2

CAPITALS USED AND IMPACTED

FC, HC, IC, S&RC

In September 2017, we opened our first international Digital Pumpkin innovation hub at Warren, NJ office to cater to the demands of Mindtree's U.S. based customers. The Digital Pumpkin is an interactive space that brings together multi-disciplinary teams to ideate, design and craft meaningful business solutions. Digital Pumpkin gives our clients access to expertise and supported platforms without having to travel internationally. Among some of the most successful technologies that are part of The Digital Pumpkin portfolio includes a wide range of digital solutions around Internet of Things, Artificial Intelligence, Cognitive Solutions, Virtual & Augmented reality, Machine Learning, Conversational, Cloud and Big data.

Our point solutions have shown good traction in the past year. Sales force automation, field intelligence and optimized route planning solution for a global CPG player, a digital marketing solution for a credit card provider; an agent portal solutions for a large insurance company are just a few of the customized solutions we delivered in FY 18.

The Outlook:

Currently, a more than third of our revenue is driven by providing digital services and our company has shown significant strengths in digital service line by enabling its clients to grow their business as well as run it efficiently. Over the next 2-3 years, we aspire to increase our revenues from Digital services to 50 percent of total Mindtree revenues.

S2 - FOCUSED INNOVATION FOR RUN AND GROW

PURPOSE
To sustain regular business and drive growth through new initiatives and transformations

STAKEHOLDERS IMPACTED
Customers, Mindtree Minds, Investors

TERM OF THE STRATEGY
Horizon 1 and Horizon 2

CAPITALS USED AND IMPACTED
FC, HC, IC, S&RC

As businesses across industry sectors and geographies change their approaches to conducting business, business processes are being restructured, reorganized and integrated. Mindtree helps deliver relevant solutions to businesses that helps them modernize processes to achieve efficiencies and higher quality outputs.

The Roadmap:
To cater to emerging business realities in the best possible way, Mindtree separated delivery organization and teams into 'Change The Business', owned by the Digital team, and 'Run The Business', owned by the IG delivery teams. Our focus is on 'One Platform-One solution'. Through 'Run Your Business', we integrate the traditional-run-the-business silos of infrastructure, applications and testing thereby modernizing the IT operations to achieve the twin goals of high-efficiency and high-quality. Through 'Grow Your Business', we leverage on the innumerable avenues provided by the digital world in the pursuance of business growth.

Key Outcomes:
Mindtree's position as a digital transformational leader has enhanced our ability to deliver unique integrated solutions customized based on the requirement of businesses. As an initiative towards this, Mindtree is deploying a multi-skilled transition team and project management office to manage large transformation project end to end. Further, we have worked on integrating various applications and digital capabilities to design a single platform to deliver our solutions. 'Change The Business' projects are now fully managed by the Digital Delivery (integrated face to ensure customer success) team and quality check protocols ensure the highest quality outputs - delivery governance framework has been established and CoE specific checks, templates & practices have been rolled out. Driving consultative approach to sales for 'Change The Business' programmes; focus on cross vertical capabilities in an Agile way with deep dive into design, tools and SI capabilities.

PURPOSE
To sustain regular business and drive growth through new initiatives and transformations

STAKEHOLDERS IMPACTED
Customers, Mindtree Minds, Investors

TERM OF THE STRATEGY
Horizon 1 and Horizon 2

CAPITALS USED AND IMPACTED
FC, HC, IC, S&RC

Mindtree's CAPE (Composable Automated Platform for Enterprises), a customizable plug-and-play platform, integrates enterprise technology landscape and accelerates the business' automation journey. Additional capabilities such as automated mobile application (AMS), Auto-Scaling and Auto healing and Dev-Ops through new marquee enterprise grade COTS, were further integrated with the platform in the last year.

MWatch platform is an integrated infrastructure management service delivery platform from Mindtree. It enables high levels of inbuilt real-time automation, which ensures quicker turnaround times while ensuring security and consistency in service delivery.

We have successfully delivered Run projects through CAPE and MWatch platforms. We enabled a major manufacturer client to optimize the supply network planning which resulted in reduction in planning run time by 60%.

ATLAS for SAP is a Mindtree's Managed Services offering that enables SAP customers to transition seamlessly from "Run the Business" to "Transform the Business." It facilitates risk-free transition of the SAP application landscape, optimizing operations via automation. This allows SAP applications to be developed and deployed at a pace in line with business demands of the digital age.

The Outlook:

Our continuing strategic investments in expertise for Domain, Digital and Run are clearly recognized by the market which led to end the year on a strong note with revenues of $846.8M, a growth of 8.6%. With a steady pipeline, optimistic demand environment and improvement in win ratios, we are poised for a stronger revenue growth in FY 19 compared to FY 18.

S3 - CONSULTING FIRST

PURPOSE

- To drive Omni-channel customer experience
- Driving competitive business advantage to our customers

The 'Consulting First' program is our renewed commitment to enhance capabilities within Mindtree to deliver the best in technology transformational solutions to our clients. The program looks at developing our teams' capacities to have meaningful engagements with our customers and is a step in the direction of becoming a trusted IT strategy partner for our clients.

STAKEHOLDERS IMPACTED

Customers, Mindtree Minds, Investors

TERM OF THE STRATEGY

Horizon 1 and Horizon 2

CAPITALS USED AND IMPACTED

FC, HC, IC, S&RC

The Roadmap:

The Consulting First program set up as a year-long 4 'Wave' process was launched in the third quarter of FY 18. It was based on three fundamental tenets – (1) promoting a Consultative Mind-set within the Company, (2) Build capacities of teams and provide them with right tools to engage with client and (3) Design meaningful indicators to measure the outcome of the initiative. The latter half of the last financial year was invested in formulating and operationalizing the strategy for the program. We developed and socialized within the Company 'Digital Consulting Frameworks', started a journey of building capacities of our Mindtree Minds in 'Customer Happy Journey' and Internet of Things (IoT), identified the test-bed accounts and created platforms for further discussions and experience sharing. Training on 'Consultative Selling' was further disseminated within Mindtree through multi-pronged means that included Yorbit, Classroom Training and On-the-job trainings (where our core advisory groups supported use of consultative concepts on live projects). 645 courses were taken on Consulting Core Skillset and 97 courses on Proposition oriented Consulting during the year. Sales and account managers took several trainings on modules such as 'Design Thinking', 'Challenger Sales' translating training into action.

Key Outcomes:

The end of FY 18 saw the launch of Mindtree's Consulting First Methodology and Framework – this includes revamped protocols for our Pre-sales, Sales teams engage clients leveraging Mindtree's Value Proposition. 60% of Mindtree's larger deals were because of our strong engagement with the CIOs. We have been able to change the way we interface with our customers using the Customer First approach.

The Outlook:

Efforts towards building relevant Consulting First training content, especially targeted at the delivery teams, will be continued in the initial part of FY 19. To further popularize and internalize the Consulting First program among our sales teams, we are also considering introduction of various incentive and award based initiatives. Consulting First is conceptualized as a dynamic program that focuses on creating an engaging experience for the client and thus translates into higher success rates for Mindtree – we are meticulously measuring the impact of the program.

S4 - AUTOMATION

PURPOSE
Improving Efficiency through Automation

STAKEHOLDERS IMPACTED
Customers, Mindtree Minds, Investors

TERM OF THE STRATEGY
Horizon 1 and Horizon 2

CAPITALS USED AND IMPACTED
FC, HC, IC, S&RC

Automation for bringing efficiencies in businesses was a key organizational priority for the period – for both us as well as our customers. Mindtree is the Digital Partner of Choice for most of our clients – our technology transformation solutions enable them to modernize their 'run' and accelerate 'growth'.

The Roadmap:

This is being achieved primarily by balancing automation with talent transformation. Within Mindtree, we have made significant investments in setting up learning and development infrastructure to cross-skill or upskill our Mindtree Minds. While access to learning content was enabled through platforms such as Yorbit (our massive digital learning platform), we launched HR policies that served as enablers to ensure that Mindtree Minds took up additional certifications on a bi-annual basis. The continual learning process guarantees that our Mindtree Minds are abreast with latest development in the space and can provide relevant solutions to clients.

Key outcomes:

For Mindtree:

As a step towards building internal capabilities, 150+ Mindtree Minds were reskilled on RPA/Automation Anywhere. Extending the automation solutions internally, in the last year, we were able to introduce automation into some of our own processes to increase efficiency. Mindtree introduced end-to-end automation across entire apps domain such as Delivery Platform, Yorbit (Internal Reskilling Platform) and GitLabs (Reusable components and scripts).

At the end of the financial year 2017-18, Mindtree had 335 BOTS in its workforce to take up tasks across several departments. To state an example, this sort of Robotic Process Automation (RPA) and intelligent automation using Machine Learning techniques made it possible for 4 full time employees to focus on higher value tickets – this means an additional savings of USD 112,000 per annum for Mindtree. Another example of successful deployment of RPA within Mindtree is our Chat-Bot MACI – it addressed over 100,000 queries of Mindtree Minds. This has reduced workload by around 32% across several departments.

PURPOSE
Improving Efficiency through Automation

STAKEHOLDERS IMPACTED
Customers, Mindtree Minds, Investors

TERM OF THE STRATEGY
Horizon 1 and Horizon 2

CAPITALS USED AND IMPACTED
FC, HC, IC, S&RC

For our clients:

We have made significant progress in our journey saving thousands of hours of effort by bringing efficiency in productivity by expanding our Robotic Process Automation (RPA) technology to our clients. Stating an example, cross-team collaboration sessions coupled with automation skills learned through courses enabled excellence in delivery that has translated into savings of approximately USD 370,000 for one of our clients.

Some of the latest automation solutions developed for the Banking and Financial Services vertical include Decision Moments_AML, Corporate Action AI, Client Onboarding RPA, Corporate Action RPA, Securities Lending RPA etc. On this joint journey towards digital transformation, we have helped create Intellectual Property (IP) assets, accelerators, tools and platforms for our clients. We enabled a major consumer goods client to automate the entire distributor creation business process in SAP systems using Automation Anywhere RPA BOTS, which resulted in reduction in process time by 70%.

Outlook:

Looking ahead, Mindtree is focusing on 'Industrialization of Automation' by making automation an integral part of our delivery. We will change the way we offer services to our customers while bringing in efficiencies across our operations. Our 'Automation First' approach is expected to yield greater cost savings, efficiency in delivering quality services and operational excellence across the organization's value network. Our automation specific service offerings will also be further expanded. We believe that there is great opportunity in the area of 'Automation Powered Business Process Re-Engineering' resulting in significant optimization and efficiency improvements.

Our Internet of Things (IoT) infrastructure that is currently underway will not only enable real time resource monitoring but also ensure occupant comfort in terms of ambient temperature and air-quality.

5. B. Future Outlook

Mindtree is optimistic about the demand environment across all our chosen verticals and continues to see improvement in our win ratio. Our continuing strategic investments in expertise for Domain, Digital and Run are clearly recognized by the market.

Our overall pipeline has increased by 32% compared to FY 17. Digital pipeline grew by a very healthy 66% compared to FY 17.

We continue to see very strong traction across all our verticals – Banking, Financial Services and Insuance, Technology, Media and Services, Travel and Hospitality, Retail, CPG and Manufacturing. Some of the engagements we have been executing for our clients are path breaking for their respective industries. We also have a strong recognition in the market place owing to our partnerships with Cloudera, AWS and Azure, content management with Adobe etc.

From a Financial Outlook perspective:

- We expect revenue growth momentum to be stronger in FY 19. With this, we are confident of improving the margin in FY 19 as compared to FY 18.
- We plan to hire 1,900 campus graduates in FY 19. We continue to invest in sophisticated hiring and learning platforms to upskill Mindtree Minds and deliver transformational business outcomes.
- Effective Tax Rate (ETR) for FY 19 would be in the range of 27-28%, a slight increase due to some of the facilities entering the 50% tax bracket. We expect this range to continue for next few years barring any new legislation that may affect the tax rate.

Our four strategic priorities elaborated earlier viz. Digital Packages and Platforms, Focused Innovation for Run and Grow, Consulting First and Automation will enable us to establish market leadership and provide industry-leading returns to our stakeholders.

6. Glossary

AI	Artificial Intelligence
AMBA	An NGO
APAC	Asia Pacific
APD	Association of People with Disability
Arboretum	On-boarding program for new Mindtree Minds
ATLAS	Managed Services Framework
BFSI	Banking, Financial Services and Insurance
Bluefin	Bluefin Solutions Ltd.
Bot	Software that acts autonomously to perform tasks which will be otherwise performed by a human
BPM	Business Process Management
BRDO	BEEM Rural Development Organization
BRR	Business Responsibility Report
CAPE	Composable Automated Platform for Enterprises
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CES	Customer Experience Survey
CFO	Chief Financial Officer
CHRO	Chief Human Resources Officer
CII	Confederation of Indian Industry
CIO	Chief Information Officer
CMMI	Capability Maturity Model Integration
CODM	Chief Operating Decision Maker
COE	Centre of Excellence
COTS	Commercial-off-the-shelf
CPG	Consumer Packaged Goods
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
CVD	Cognitive Visual Dysfunction
CXO	Person(s) belonging to the C-Suite (Chairman, CEO, MD, COO and the like)
Digital Pumpkin	Mindtree's unique Digital Innovation hub
DIGNIΦ	Digital Nethra for Eye
Discoverture	Discoverture Solutions LLC
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
ECC 6.0	ERP Central Component 6.0
EES	Economic, Environmental and Social
EPS	Earnings per Share
ERP	Enterprise Resource Package
ESPS	Employee Stock Purchase Scheme
EU	European Union
FTE	Full-time Employees
FY	Financial Year
GBP	Great Britain Pound
GD	Global Delivery
GDPR	Global Data Protection Regulations
GHG	Greenhouse Gas
GLC	Global Learning Center
GOI	Government of India
GRI	Global Reporting Initiative
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IEEE	Institute of Electrical and Electronics Engineers
IG	Industry Group

IG(X)	I Got X Initiatives (I Got Garbage, I Got Crops, I Got Knowledge, I Got Skills, University of Commons)
IGG	I Got Garbage
IIM	Indian Institute of Management
IIRC	International Integrated Reporting Council
IMF	International Monetary Fund
IMS	Information Management System
IND AA	India Ratings and Research Private Limited
INR	Indian Rupees
IoT	Internet of Things
IPO	Initial Public Offer
IPR	Intellectual Property Rights
ISG	Information Services Group
IT	Information Technology
KMP	Key Managerial Personnel
KSCCW	Karnataka State Council For Child Welfare
LEAD	Leadership Program
LEAN & DRIVE	Operational Excellence initiatives
LLC	Limited Liability Company
MAC	Media Access Control
MACI	Mindtree Automated Customer Interface
Mindtree Minds	The Talent pool of Mindtree
ML	Machine Learning
NASSCOM	National Association of Software and Services Companies
NGO	Non-Governmental Organization
NJ	New Jersey
NRC	Nomination and Remuneration Committee
NVG RBSEE	National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business
OECD	Organisation for Economic Co-operation and Development
PAT	Profit after Tax
PICM	Project Issue and Change Management
PWD	People Who are Differently-abled
PY	Previous Year
R&D	Research & Development
RCM	Retail, Consumer Packaged Goods and Manufacturing
ROI	Return on Investment
RPA	Robotic Process Automation
RSI	Relational Solutions Inc.
RSU	Restricted Stock Units
SaaS	Software as a Service
SAFA	South Asian Federation of Accountants
SI	System Integration
SPASTN	Spastics Society of Tamil Nadu
TCWG	Those Charged With Governance
TH	Travel and Hospitality
TMS	Technology, Media and Services
TSA	Technologists for Social Action
UK	United Kingdom
UMBC	Urban Micro Business Centre
UNGC	United Nations Global Compact
US	United States
USD	United States Dollar
UX	User Experience
VIKAS	Visual Intervention Kit with Analytics for Special Children
Yorbit	Mindtree's Internal Skilling Platform

Business Responsibility Report

Responsibility is an inherent part of being Mindtree. The Company was born 18 years ago as an enterprise offering IT solutions while making societies flourish. Embedding of social wellbeing into our vision and mission makes our business responsible.

A strong corporate governance foundation, responsibility for climate change mitigation and a nurturing approach to our people are the bases of forming our sustainability framework. The pillars of our sustainability framework are: Governance and advocacy, Workplace sustainability and Ecological sustainability. Our social inclusion ideology manifests as our CSR policy, board level committee and a steering committee on CSR. Sustainability framework and CSR framework together complete our responsibility agenda.

We are a UNGC signatory, and endorse globally relevant business responsibility principles such as human rights, ethics and precautionary principles and so on. Committed to transparency as a key value, we report our carbon footprint annually through CDP reports and our sustainability performance through GRI-based sustainability reports. We endorse National Voluntary Guidelines for responsible Business (NVG) and map our report to its principles and core elements.

A detailed policy architecture we have built is a testimony to our governance framework. The range of policies covers and guides several domains of business responsibility, adhering to statutory requirements and going beyond them. Ethics, integrity, human rights, social inclusion, stakeholder engagement, diversity, inclusion of people with disability, non-discrimination, health and safety and environmental responsibility are some of the areas where we have exclusive policies, plans and initiatives to ensure responsible business practices.

Our approach to workplace is apparent in referring to our employees as 'people' and not as 'human resources'. A varied set of engagement platforms and an ever evolving set of learning and development programs keep our talent pool engaged, energized and thriving. We leverage technology in a big way to engage and develop our talent pool, and have launched innovative platforms to reskill and multiskill them, in response to the external trends in new technology, automation and so on. Details of our interesting initiatives can be found in our sustainability report.

The approach to environmental sustainability is a combination of responsibility and smart business. The initiatives set forth for energy, emission, water and waste management have brought in constant savings for us while conserving resources of the planet as well. Our green buildings with their state-of the art- building management systems and energy efficient processes, now being backed by IOT, demonstrate our commitment to conservation, and our plans for solar power testify our ambitions in renewables. More details can be found in our sustainability report as well as in Annexure 6 under Directors' Report.

CSR at Mindtree is deployed through initiatives of the Mindtree Foundation in the form of social inclusion projects and the 'I Got' suite of platforms which bring in a technology leverage to solve social and environmental issues. The Mindtree Foundation, guided by the CSR policy, engages in grass roots level community projects, offering integrated solutions to the disadvantaged.

(Details are available in Annexure 7 of our Directors' report in this annual report and in our sustainability report.)

The following sections pertain to information asper the template suggested by SEBI.

SECTION A: General Information About The Company

1. Corporate Identity Number (CIN) of the Company:L72200KA1999PLC025564
2. Name of the Company: Mindtree Ltd.
3. Registered address: Mindtree Ltd, Global Village, RVCE Post, Mysore Road, Bangalore-560059, Karnataka, India
4. Website: www.mindtree.com
5. E-mail id: investors@mindtree.com
6. Financial Year reported: 01 April, 2017 -31 March 2018
7. Sector(s) that the Company is engaged in (industrial activity code-wise: Information Technology Sector)
8. List three key products/services that the Company manufactures/provides (as in balance sheet): Digital, Automation, Packaged Solutions. The other services include Application Development & Maintenance, Infrastructure Management, EAI, R&D, Testing, Consulting, Sales force and SAP.
9. Total number of locations where business activity is undertaken by the Company

   (a) Number of International Locations: 17

   (b) Number of National Locations: 5
10. Markets served by the Company – Local/State/National/International: America, Asia Pacific, Europe, India

SECTION B: Financial Details Of The Company (On Consolidated basis)

1. Paid up Capital (INR): 1,639 million
2. Total Turnover (INR): 54,628 million
3. Total profit after taxes (INR): 5,701 million
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

   As disclosed in the Directors' report- Annexure 7.
5. List of activities in which expenditure in 4 above has been incurred:

   A detailed table is disclosed in the Directors' report- Annexure 7.

SECTION C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

   The Company has 4 direct subsidiaries and 3 Step subsidiaries.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   The subsidiaries are subject to our principles and policies in ethics and responsibility and share several features of our best practices in workplace sustainability. Our CSR and environmental investments are, however, focused in our India operations.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

Our suppliers and distributors are yet to participate in our BR activities.

SECTION D: Br Information

1. Details of Director/Directors responsible for BR

   (a) Details of the Director/ Director responsible for implementation of the BR policy/policies

   1. DIN Number: 00146954
   2. Name: N.S. Parthasarathy
   3. Designation : Executive Vice Chairman, President and COO

   (b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00146954
2	Name	N. S. Parthasarathy
3	Designation	Executive Vice Chairman, President and COO
4	Telephone number	080-67064000
5	e-mail id	Parthasarthy.NS@mindtree.com

2. Principle-wise (as per NVGs) BR Policy/policies

   (a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y		Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words) People policies including POSH, nondiscrimination, ethics such as whistle blower policy, anti-slavery policy etc. are as per the national and global norms. Other policies (e.g. sustainability, CSR, EH&S) have originated internally from our values.	Y	Y	Y	Y	Y	Y		Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y		Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y		Y	Y
6	Indicate the link for the policy to be viewed online?	Links are provided below this table								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y		Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y		Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y		Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y		N	Y

Website links to our policies:

P1: https://www.mindtree.com/sites/default/files/2018-01/Mindtree%20Whistle%20Blower%20Policy%20-%20Jan%208th%202018.pdf

http://www.mindtree.com/sites/default/files/mindtree-anti-slavery-and-anti-human-trafficking-policy.pdf

Integrity Policy (http://www.mindtree.com/code-conduct)

P2: http://www.mindtree.com/sites/default/files/mindtree-sustainability-policy.pdf
Also http://www.mindtree.com/sites/default/files/mindtree-environment-health-and-safety-policy.pdf

P3: https://www.mindtree.com/sites/default/files/2017-12/Equal%20Opportunity%20Policy%20New.pdf

P4: https://www.mindtree.com/sites/default/files/2017-12/Equal%20Opportunity%20Policy%20New.pdf
Also, Reasonable Accommodation policy (internally published)

P5: Equal Opportunity policy (https://www.mindtree.com/sites/default/files/2017-12/Equal%20Opportunity%20Policy%20New.pdf)

P6: http://www.mindtree.com/sites/default/files/mindtree-environment-health-and-safety-policy.pdf

P7: There is no distinct policy on public advocacy. Please refer to the details given under Principle 7 of this Annual Report for details of our advocacy and outreach engagements.

P8: http://www.mindtree.com/corporate-social-responsibility-policy

P9: http://www.mindtree.com/code-conduct

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)							✓		

✓ *There is no distinct policy on public advocacy. Please refer to the details given under Annexure 7 of Directors' report for details of our advocacy and outreach engagements*

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

We have a Board Committee on CSR. The CSR Committee generally meets on a quarterly basis. Further, the frequency of meetings is determined by the Chairman on need-basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

BRR as a part of our annual report and Sustainability report both are published every year.(http://www.mindtree.com/about/sustainability)

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

   Our policy extends to all our units, and our trainings on ethics and integrity cover all our contractors. Code of conduct for suppliers orients them to our expectations on ethics. Our NGO partners are well versed with and attuned to our values.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   Our grievance redressal mechanisms are open to complaints of a wide nature. We had 1 complaint pending redressal at the beginning of the year, we have received 372 stakeholder complaints in the year 2017-18 and resolved 372, with 1 pending due for redressal.

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   Being a software solutions Company, our products and services do not involve ESG risks. Our processes and operations follow the precautionary principles and strive for resource conservation at all levels. Our energy, water, emission management processes are detailed out in our sustainability report, with our emissions being reported under CDP regularly. Our CSR platforms (e.g. IGG) leverage technology in a big way to address social risks and create social opportunities.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   Not applicable.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   Local sourcing applies to materials and talent as well at Mindtree. Local hiring is followed as a norm at all levels. Our procurement function sources predominantly from local sources close to the location of use and consumption, as a matter of principle and as smart business strategy to cut down on transit and time. This applies to our operations across the globe.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Our norm of local sourcing also has a focus on minorities and the disadvantaged members of the society. Our procurement initiatives have identified a set of women-based enterprises and have included them in the supply chain. We do not have any specific initiatives to enhance their capabilities at present.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   Recycle and reuse is a principle for us. Our recycling proportion has always been at high levels, thanks to our efficient segregation which has been improving further constantly. Our food composting converts our wet waste into manure that goes back to the earth. We have not only been efficient in our waste management but also managed to contain the magnitude of waste generated in the first place, through awareness campaigns and behavioral corrections. Our recycling stands at 88.99% in the year 2017-18.

Principle 3: Businesses should promote the well-being of all employees

1. Please indicate the Total number of employees: 17723
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 1319
3. Please indicate the Number of permanent women employees: 5187
4. Please indicate the Number of permanent employees with disabilities: 46
5. Do you have an employee association that is recognized by management? No.
6. What percentage of your permanent employees is members of this recognized employee association?

   NA

7. Please indicate the Number of complaints relating to child labor, forced labor, involuntary labor, and sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labor/forced labor/involuntary labor	0	0
2	Sexual harassment	1	0
3	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

   (a) Permanent Employees: 67.71%

   (b) Permanent Women Employees: 73.38%

   (c) Casual/Temporary/Contractual Employees: 22.52%

   (d) Employees with Disabilities: 65.22%

Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders?

   Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

   Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   Our CSR policy makes it a point to focus attention on the disadvantaged segments of the society and directs the CSR efforts to change their lives. People with disability, poor, uneducated people from the rural hinterlands of the country, especially children, youth and women from these backgrounds are the key beneficiaries of our CSR endeavors, often assisted by our employee volunteers in several ways. Our CSR endeavors (detailed in annual report as well as in sustainability report) give a detailed view of our initiatives and the way we impact these segments.

Principle 5 : Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   All our operations, functions, people, contractors, supply chain partners are subject to our stance on human rights.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   Refer to point 7 under principle 3 above.

Principle 6 : Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

   All our locations- permanent and contractual employees are covered in our EHS policy.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

   The Company has a number of initiatives for resource conservation under the Ecological sustainability pillar of our sustainability framework. Climate change is a risk we are committed to address in varied ways, and taking significant steps in renewable energy. Please refer to our sustainability report 2017-18 (http://www.mindtree.com/sustainability/mindtree-sustainability-report.pdf)

3. Does the company identify and assess potential environmental risks? Y/N

   No. Environmental risks are covered and owned by respective function heads, and do not get exclusively covered for formal risk evaluation in our ERM framework on a regular basis. We respond to risks of natural disaster with alacrity, and do consider broad global risks in the ERM framework; we do not have formal/exclusive focus on potential environmental risks under our formal framework.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

   No. Not applicable.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.

   Yes, we are committed to clean technology initiatives. Please refer to our Directors' Report-Annexure 6 in this report and also the section on Conserving Resources in our Sustainability Report. Also, please check http://www.mindtree.com/about/sustainability

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes, our emissions and waste generated lie within the permissible limits.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   Nil

Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   (a) CII

   (b) NASSCOM

   (c) FICCI

   (d) ASSOCHAM

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Our leadership has actively participated in industry association platforms and has advocated issues and actions in areas such as inclusive development policies, sustainable business principles, in addition to a range of policy advocacy and practice-sharing across themes such as workplace engagement, diversity, women-friendly practices, and anti-sexual harassment mechanisms and so on.

Principle 8 : Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   The Directors' Report-Annexure 7 shares details of our social inclusion initiatives. Our sustainability report carries a broad picture of our inclusion impacts.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

   The Mindtree Foundation is supported by a set of committed NGO partners who undertake the execution of our social inclusion projects. Mindtree Foundation leadership team is deeply engaged and involved in the execution guidance and monitoring, since we believe in grassroots work with personal involvement. Thousands of our people contribute as volunteers throughout the year, bringing in personal involvement to the cause. Our technology platform for social inclusion works with a diverse set of external partners.

3. Have you done any impact assessment of your initiative?

   Our direct involvement at the field level of social change enables us to constantly assess, monitor and improve our performance. We deploy an effectiveness index to measure the effectiveness of the interventions by our Foundation. We did not carry out third party impact assessments of our CSR work yet.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

   Please refer to Annexure 7, Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Our social inclusion initiatives are integrated models which involve several stakeholders at the grassroots. All our projects are long term projects as well. This enables us to monitor, follow through and sustain the initiatives from design to adoption constantly. In our experience, community has not only benefitted but also has participated enthusiastically, often helping us to evolve our projects to the next level. By observing the impacts, the Government of Karnataka has adopted our Sikshana Education project and the Samruddhi Abhiyaan to the Government Schools across entire Karnataka state.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   Nil

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)

   Not applicable, since ours is a software solutions Company.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   Nil

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   We carry out an annual customer experience survey in order to obtain customer feedback on our performance. We solicit feedback on four key measures- satisfaction, loyalty, advocacy and value for money. Trends show high scores across all measures. The year 2017-18 has given us highest scores so far, with above industry average scores on overall satisfaction and advocacy. (Graph displayed in Management Discussion Analysis of this report.)

Directors' Report

Dear Shareholders,

Your Directors have immense pleasure in presenting Nineteenth Board's Report of Mindtree Limited ("Mindtree") or ("Company"), together with the audited consolidated and standalone financial statements for the year ended March 31, 2018. The consolidated performance of the Company has been referred to wherever required.

Financial Performance ₹ in million

Financial Particulars	For the year ended March 31			
	2018	2017	2018	2017
	Consolidated		Standalone	
Revenue from operations	54,628	52,364	53,250	50,396
Other income	1,902	553	1,901	553
Total revenues	**56,530**	**52,917**	**55,151**	**50,949**
Employee benefits expense	35,641	34,125	33,949	32,438
Finance costs	169	191	168	191
Depreciation and amortization expense	1,715	1,858	1,552	1,703
Other expenses	11,582	11,194	11,539	10,773
Total expenses	**49,107**	**47,368**	**47,208**	**45,105**
Profit before tax	7,423	5,549	7,943	5,844
Tax expense	1,722	1,363	1,694	1,384
Profit for the year	**5,701**	**4,186**	**6,249**	**4,460**
Other comprehensive income	128	(621)	117	(566)
Total comprehensive income	**5,829**	**3,565**	**6,366**	**3,894**

Your Company's financial statements for the year ended March 31, 2018 are the financial statements prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. The standalone numbers for all the comparative periods have been restated to give impact to the Amalgamation of subsidiaries with your Company resulting in a common control business combination (refer to Note 32 of the standalone financial statements).

Company Performance

On consolidated basis, revenue for the year was ₹ 54,628 million signifying a growth of 4.3% in Rupee terms. Your Company had 338 active customers as on March 31, 2018 of which 118 customers had revenues in excess of US$ 1 million, 38 customers had revenues in excess of US$ 5 million, 17 customers had revenues in excess of US$ 10 million, 4 customers had revenues in excess of US$ 25 million, 1 customer had revenues in excess of US$ 50 million and 1 customer had revenues in excess of US$ 100 million.

EBITDA margins have dropped marginally by 0.1% from 13.7% in the previous year to 13.6% in the current year. Total employee benefit expense have increased by 4.4%. Employee benefits expense, as a percentage to revenue, has remained the same at 65.2%. The increase is in line with increase in revenue and increase in head count (March 31, 2018: 17,723; March 31, 2017: 16,470). Other expenses increased due to increase in travel expenses and subcontractor expenses.

Our effective tax rate is at 23.2% when compared to 24.6% in the previous year. PAT has grown by 36.2% and as a percentage of revenue, has increased from 8.0% to 10.4% in the current year, mainly on account of increase in revenue, other income and foreign exchange gain in the current year as compared to forex loss in the previous year.

On standalone basis, revenue for the year was ₹ 53,250 million signifying a growth of 5.7% in Rupee terms. EBITDA margins have increased marginally from 14.5% in the previous year to 14.6%. The growth in revenue (5.7%) was higher than the growth in employee benefits expense (4.7%). Other expenses increased due to increase in travel expenses and subcontractor expenses.

Our effective tax rate is at 21.3% when compared to 23.7% in the previous year. PAT has increased by 40.1% to ₹ 6,249 million as compared to ₹ 4,460 million in the previous year mainly on account of increase in revenue, other income and foreign exchange gain in the current year as compared to forex loss in the previous year.

Buyback of Equity Shares

Pursuant to the approval of the Board of Directors on June 28, 2017, your Company completed the Buyback of 42,24,000 Equity Shares of ₹ 10/- each at a price of ₹ 625/- per Equity Share amounting to ₹ 2,640 million representing 2.51% of the total issued and paid-up equity share capital of the Company.The Buyback was undertaken by the Company to return surplus funds to the Equity Shareholders and thereby, enhancing the overall returns to Shareholders. The shares were bought back on a proportionate basis, from those Shareholders who were Shareholders of the Company as on July 11, 2017, the record date for the buyback under the tender offer route in accordance with the provisions contained in SEBI (Buyback Regulations), 1998, as amended and the Companies Act, 2013 and the applicable Rules thereof. In accordance with the Companies Act, 2013, the Company has created a Capital Redemption Reserve of Rs. 42 million equal to the nominal value of the shares bought back.

Share Capital

Your Company allotted 124,765 Equity Shares of ₹10/- each, to various employees ("Mindtree Minds") on exercise of stock options under various Employee Stock Option Plans (ESOPs)/ Mindtree Employee Restricted Stock Purchase Plan 2012 (ESPS/ERSP 2012) during Financial Year 2017-18. Further, 42,24,000 Equity Shares of ₹10/- each, were bought back during the year. Consequently, the paid-up equity share capital has changed from ₹ 1,680,255,460/- as on March 31, 2017 to ₹1,639,263,110/- as on March 31, 2018.

People Function

Making Mindtree a Great Place to Work

In pursuit to our technology transformation journey, we are progressing extensively as early adaptors of Automation, the current technology wave. Two major focus areas – Industrialization of Automation and Extension of Automation Services have been identified. To list out a few of our solutions in Automation – Advanced Learning Engine (ALEN), Mindflow, CodeMill and MACI. MACI, is an internal chat bot created on People Hub, our intranet, to address queries of Mindtree Minds. More than 6,530 Mindtree Minds have interacted with MACI and 100,000+ queries have been addressed. We stand out to be a leader in Automation and are ensuring to leverage the benefits of Automation for our own internal processes and systems.

Exhibiting outstanding work to our customers has been our key driver to making Mindtree a memorable Company. Our annual client experience survey results have been the best we have earned so far.

337 respondents across 127 Mindtree Clients have provided detailed feedback and our clients rank us highly in our four key metrics of Advocacy, Satisfaction, Loyalty and Value for Money. There are many factors contributing to these positive results but the single largest determinant is our Delivery Excellence.

At Mindtree, we firmly believe in the power of inclusiveness, and have been encouraging effective action for advancing and recognizing women across Mindtree. While women formed 16% of our talent pool in 2004, today that number is at 30%. We believe that our strong focus in this area - via policy guidance, strategic push in talent acquisition, special support mechanisms for women, engagement forums, career tracks, coaching and mentoring for growth have enabled us to reach this position today.

Headcount

The total number of Mindtree Minds including subsidiaries as on March 31, 2018 was 17,723 as against 16,470 as on March 31, 2017.

Business Responsibility Report

At Mindtree, fulfilment of environmental, social and governance responsibility is an integral part of its operations. The Business Responsibility Report comprehensively covers your Company's philosophy on Corporate Social Responsibility and sustainability initiatives pertaining to the conservation of environment, conducting green awareness events, its commitment towards society, enhancing primary education, etc. The Business Responsibility Report, which is in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "LODR Regulations") is attached hereto in this Annual Report. The Business Responsibility Report is also available on the Company's website: https://www.mindtree.com/about-us/investors.

Credit Rating

Your Company has been rated by India Ratings and Research Private Limited (Ind-Ra, a Fitch Group Company) for its Banking facilities. It has re-affirmed the highest credit rating for your Company's Short Term facilities with A1+ rating. For Long Term bank facilities, it has also re-affirmed Long Term Issuer Rating of 'IND AA' with a Stable outlook to your Company.

The affirmation reflects your company's continued strong credit profile, liquidity position, strong corporate governance practices, financial flexibility and conservative financial policies.

Mergers and Amalgamations

During the year, your Company received the Order of the Hon'ble National Company Law Tribunal ("Hon'ble NCLT") approving the Scheme of Amalgamation of Discoverture Solutions LLC and Relational Solutions Inc., the wholly owned subsidiaries with your Company. The Order was filed with the Registrar of Companies on June 7, 2017, which being the effective date of Amalgamation.

Your Company's Board of Directors approved the Amalgamation of Magnet 360, LLC, the wholly owned subsidiary of Mindtree Limited with the Company on October 06, 2017. The Hon'ble NCLT, Bengaluru Bench of Karnataka vide its Order dated December 14, 2017, had directed a meeting of Unsecured Creditors and Equity Shareholders of your Company on Wednesday, January 31, 2018 at 10.00 AM and 11.00 AM, respectively, for the purpose of approving the Scheme of Amalgamation of Magnet 360, LLC with Mindtree Limited under Sections 230 to 232 read with Section 234 and other applicable provisions of the Companies Act, 2013. The Unsecured Creditors have approved the Scheme of Amalgamation unanimously and the Shareholders have approved the same with requisite majority, as prescribed under applicable laws and in accordance with the Order of the Hon'ble NCLT. Subsequently your Company has filed a petition with the Hon'ble NCLT and the final Order approving the Scheme of Amalgamation is awaited.

Dividend

Your Directors have declared the following interim dividends during the year:

(i) The Board of Directors on October 25, 2017, declared a first interim dividend of ₹ 2/- per equity share of face value of ₹ 10/- each and a special dividend (interim) of ₹ 2/- per equity share of face value of ₹ 10/- each on account of completion of 10 years of Initial Public Offering (IPO). The above dividends were paid to the Shareholders on November 7, 2017;

(ii) The Board on January 17, 2018, declared a second interim dividend of ₹ 2/- per equity share of face value of ₹ 10/- each, to the Shareholders which was paid on January 30, 2018;

(iii) The Board on April 18, 2018 declared an interim dividend of ₹ 2/- per equity share of face value of ₹ 10/- each, to the Shareholders, which will be paid on or before May 10, 2018.

Further, your Directors have also recommended, a final dividend of ₹ 3/- per equity share of face value of ₹ 10/- each, for the Financial Year ended March 31, 2018 which is payable on obtaining the Shareholders' approval at the Nineteenth Annual General Meeting. The final dividend, if approved, will be paid on or before July 31, 2018.

The dividend payout amount for the current year inclusive of tax on dividend will be ₹ 1,742 million as compared to ₹ 2,005 million in the previous year.

Dividend Policy

Your Company has formulated Dividend Policy in accordance with LODR Regulations, for bringing transparency in the matter of declaration of dividend and to protect the interest of investors. The Dividend Policy is available on the website of the Company: https://www.mindtree.com/dividend-policy

Your Company 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.

Subsidiaries

Your Company had four direct subsidiaries and three step down subsidiaries as on March 31, 2018. The Board of Directors at its meeting held on January 19, 2017, have approved the proposal to transfer the business and net assets of its wholly owned subsidiary, Bluefin Solutions Limited (Bluefin) to your Company against the cancellation and extinguishment of the Company's investment in Bluefin. The same was completed during the year. Further, the dormant step down subsidiaries, Reside, LLC, Numerical Truth, LLC and M360 Investments, LLC were liquidated during the year.

In accordance with Section 129 (3) of the Companies Act, 2013, a separate statement containing salient features of the financial statement of the subsidiaries of the Company in Form AOC-1 is given in Annexure 1.

In accordance with Section 136 (1) of the Companies Act, 2013, the annual report of your Company containing inter alia, financial statements including consolidated financial statements, has been placed on our website: https://www.mindtree.com/about-us/investors. Further, the financial statements of the subsidiaries have also been placed on our website: https://www.mindtree.com/about-us/investors. The Company will make available physical copies of these documents upon written request by any Shareholder of the Company.

Awards and Recognitions

During the year under review, your Company received the following awards and recognitions:

- Named as a leader in Continuous Testing Services in the Digital space by Forrester Research Inc.;
- Positioned as leader in Application Testing Services by Information Services Group (ISG);
- Named as a 'Rising Star' for Application Development Services by ISG;
- Named as a "Rising Star" in Public Cloud Infrastructure Consulting and Implementation Services, Public Cloud Infrastructure Managed Services and Public Cloud SAP Services by ISG;
- Mindtree's SAP Practice wins the SAP Gold Quality Award in United Kingdom for workforce planning using SAP Business Planning & Consolidation suite;
- Positioned as a leader in the Zinnov Zones for Product Engineering Services 2017;
- Named among the Large System Integrators for Agile and DevOps services by Gartner;
- SAFA Best presented Annual Report Award for 2016 for the Communication and Information Technology Sector for transparency, accountability and governance in our Annual Report by South Asian Federation of Accountants;
- Winner of Golden Peacock Award of "Special Commendation in Corporate Governance - 2017" awarded by the Golden Peacock Awards Secretariat, Institute of Directors;
- Winner of the Silver Shield for the Annual Report including the financial statements for the year ended March 31, 2017 by the Institute of Chartered Accountants of India (ICAI).

Branding

At Mindtree, we firmly believe that our brand represents our identity, values and beliefs. We function on the principles of Collaborative Spirit, Unrelenting Dedication and Expert Thinking and have therefore consciously and deliberately incorporated these elements into our branding and logo. Mindtree's brand voice is bright, confident and active which reflects our forward thinking, confidence, strength and passion. These themes are woven across all our collaterals in a unique and personalized way fostered by our fresh design thinking.

Every year Mindtree elevates its brand by wielding the right mix of Public Relations, Social Media, Advertisement and Digital Marketing. This year we have embarked upon executing our new digital strategy, 'Mindtree 3.0' which has been instrumental in strengthening our digital leadership and deepening our engagements. We have also launched a brand new website which is a reiteration of the fact that digital is in our DNA. The website being a key asset to drive sales and engagement has been designed to provide optimal user experience across all digital devices with intuitive navigation and streamlined menus. In addition, with a meticulously planned social media strategy we have doubled our follower base with focused advertisement campaigns.

Investor Relations

Your Company has an effective Investor Relations Program ("IR") through which the company continuously interacts with the investment community across various channels (Periodic Earnings Calls, Annual Investor / Analyst Day, Individual Meetings, Video-conferences, Participation in sell-side conferences, One on One interactions through Non-Deal Roadshows). Your Company ensures that critical information about the Company is available to all the investors by uploading all such information on the Company's website under the Investors section. Your Company also sends regular email updates to analysts and investors on upcoming events like earnings calls, declaration of quarterly and annual earnings with financial statements.

Your Company is receptive to the needs of the investment community through periodic IR Perception Studies conducted by an independent agency and also by seeking direct feedback from the analysts and investors. Your company strives to adopt emerging best practices in IR and building a relationship of mutual understanding with investor/analysts.

Infrastructure

In the beginning of the year, your Company had 22,29,340 sq. ft of space consisting of 17,768 seats spread across various locations in India apart from Mindtree Kalinga – Training and residential facility for 500 campus minds measuring about 3,02,000 sq. ft . Following are the key changes made during the year:

Bhubaneswar: Your Company has not added any new seats during the year under review. However, Company has taken up construction of Software Development Block Building measuring about 180,000 sq.ft, which is nearing completion. One floor consisting of about 400 seats will be ready for occupation by May 2018. Rest of 800 seats will be made ready for occupation as and when business requires the same.

Hyderabad: Your Company has signed up for leasing additional space and about 650 seats are likely to be ready for occupation by October 2018.

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.

You will be happy to know that East campus of your Company located at Whitefield, Bengaluru and also Mindtree Kalinga Campus located at Bhubaneswar have been certified as PLATINUM rated facilities by India Green Building Council. In addition, East Campus of Mindtree at Whitefield has won prestigious EMERSON CUP for innovative and energy efficient HVAC design.

Your Company is in the process of installation of 550KW solar power plant at Mindtree Kalinga – Bhubaneswar. This is likely to be commissioned by June 2018. When completed, this will meet about 30% of power requirement of the campus.

These achievements stand testimony to your company's strong commitment towards sustainable best practices.

Deposits

Your Company has not accepted any Deposits during the Financial Year 2017-18 and as such, no principal or interest were outstanding as on March 31, 2018 as per the provisions of Companies Act, 2013 and the Rules framed thereunder.

Board of Directors

At the year ended March 31, 2018, the Board of Directors comprised of three Executive and Promoter Directors, one Non-Executive and Promoter Director and five Independent Directors including two Women Directors.

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. N S Parthasarathy, Executive Vice Chairman retires by rotation and being eligible, offers himself for reappointment at the ensuing Nineteenth Annual General Meeting.

Dr. Albert Hieronimus, and Prof. Pankaj Chandra, Non-Executive and Independent Directors of the Company have retired from the Board on April 01, 2017 and April 01, 2018 respectively, due to the completion of their tenure.

Mr. V G Siddhartha, Non-Executive Director resigned from the Board on March 9, 2018 due to pre-occupation with his primary businesses.

There were no other changes in Key Managerial Personnel (KMP) during the year.

Criteria for the appointment of Directors

The Nomination and Remuneration Committee (NRC) is responsible for developing competency requirements for the Board based on Industry and Strategy of the Company. The Board composition analysis reflects in depth understanding of the Company's strategies, environment, operations, financial conditions, compliance requirements, etc.

In terms of Section 178(3), (4) of the Companies Act, 2013 and LODR Regulations, NRC has formulated criteria for determining qualifications, positive attributes and Independence of Directors which are as follows:

a. Qualifications: The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise, personal, professional or business standing.

b. Expertise: The person to be chosen as a Director shall have relevant expertise in the fields of information technology, sales /marketing, finance, taxation, law, governance and general management.

c. Positive Attributes: Apart from the duties of Directors as prescribed in the Companies Act, 2013, Directors are expected to demonstrate high standards of integrity, ethical behavior and independent judgement. The Directors are also expected to abide by the applicable code of conduct.

d. Independence: The Committee satisfies itself with regard to the criteria for independence of the Directors as required under applicable statutes in order to enable the Board to discharge its function and duties effectively.

e. Reappointment: In case of reappointment of Non-Executive and Independent Directors, the NRC and the Board takes into consideration the performance evaluation of the Director and his/her engagement level.

Remuneration Policy

Your Company's remuneration policy framed by NRC is focused on recruiting, retaining and motivating high talented individuals. It is driven by the success and performance of the individual employees and the Company. Your Company endeavors to attract, retain, develop and motivate a high performance workforce. Your 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 NRC within the salary scale approved by the Board and Shareholders.

Details of remuneration to Directors

The information relating to remuneration of Directors as required under Section 197(12) of the Companies Act, 2013, is given in Annexure 3.

Declaration of Independence by Independent Directors

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and LODR Regulations, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and that of LODR Regulations.

Board Evaluation

The Board has carried out annual evaluation of performance through an external agency in line with the applicable provisions of the Companies Act, 2013 and LODR Regulations of the following in detail:

(i) The Board as a whole;

(ii) The Functioning of Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee;

(iii) Individual Directors including that of Independent Directors;

(iv) Chairman of the Board

The participants in the process were Board Members, Company Secretary and People Function representatives. The Board evaluation was conducted through questionnaires having qualitative parameters and one on one sessions with Directors to deep dive into Directors' responses to the questionnaires. The questionnaires were framed in line with the guidance note issued by SEBI on January 05, 2017.

The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of criteria such as Board composition, Board mechanism, Board information, dynamics, Board member engagement and development, roles and responsibilities of Mindtree Board, engagement with stakeholders and regulators,etc.

The performance of the Committees were evaluated after seeking inputs from the Committee members on the criteria such as understanding the terms of reference, Committee composition, Independence, contribution to Board decisions, etc.

The performance of the individual Directors was evaluated after seeking inputs from all the Directors other than the one who is being evaluated. The evaluation was based on the criteria such as Directors' understanding on the Company's mission, Company's market position, qualification and experience of the Director, Directors' commitment, preparation at the meetings, etc.

The performance of the Board Chairman was evaluated after seeking inputs from all the Directors on the basis of the criteria such as commitment, positive and appropriate relationship with CEO/Board members, promotion of effective relationship and communication, etc.

The Board evaluation report was submitted to the Board Chairperson and the Chairperson of Nomination and Remuneration Committee. The Board Chairperson discussed the results of evaluation of the individual Directors separately with them in detail.

The evaluation report highlighted that Mindtree is already at the forefront of many global good practices on board processes and governance. The report also suggested the areas where we need to focus on strengthening few processes. The outcome of the evaluation of the Board, Committee and that of Chairperson were discussed at NRC and at the Board meeting in detail.

Number of meetings of the Board

The Board of Directors of the Company met seven times during the Financial Year 2017-18. The details of Board Meetings are provided in the Corporate Governance Report. The gap intervening between two meetings of the board is within the stipulated time frame prescribed in the Companies Act 2013 and LODR Regulations.

Board Committees

The following are the details of the Board Committees during the Financial Year 2017-18:

1 Audit Committee;

2 Nomination and Remuneration Committee;

3 Stakeholders' Relationship Committee;

4 Corporate Social Responsibility Committee;

5 Risk Management Committee and

6 Administrative Committee

The composition of each of the above Committees, their respective roles and responsibilities are provided in detail in the Corporate Governance Report.

Vigil Mechanism / Whistle Blower Policy

The Company's vigil mechanism allows Directors and employees to report their concerns anonymously about unethical behavior, actual/ suspected fraud, violation of Code of Conduct/business ethics. The vigil mechanism provides adequate safeguards against victimization of Directors and Employees, who avail this mechanism. All employees and Directors have access to the Chairperson of the Audit Committee. The Company has established a Whistle Blower Policy. The details of the Whistle Blower Policy and the Committee which oversees the compliance are explained in detail in the Corporate Governance Report.

Related Party Transactions

All related party transactions were entered into with the prior approval of the Audit Committee. During the Financial Year 2017-18, all the transactions with related parties were entered into at arm's length and in the ordinary course of business. None of such related party transactions required the approval of the Board of Directors or the Shareholders as per Companies Act, 2013 or LODR Regulations. Further, there were no materially significant related party transactions that may have potential conflict of interests of the Company at large.

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.

The details of the related party transactions as required under the Companies Act, 2013 and rules made thereunder are attached in Form AOC-2 as Annexure 5.

Employee Stock Option Plans and Employee Stock Purchase Scheme

Your Company believes that granting ESOPs will result in wealth creation and retention of employees, attracting new talents and inculcating the feeling of employee ownership as they are responsible for the management, growth and prospects of your Company.

During the year, your Company has granted Restricted Stock Units under Employee Stock Purchase Scheme namely Mindtree Employee Restricted Stock Purchase Plan 2012 (ESPS or ERSP 2012).

The Employee Stock Option Plans and ESPS or ERSP 2012 are in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 ("Employee Benefit Regulations") and there has been no material changes to these Plans during the Financial Year 2017-18. The summary information of various Employee Stock Option Plans (ESOPs) and ESPS or ERSP 2012 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 fair value- based method of accounting, in line with prescribed SEBI guidelines. Refer to Notes to accounts of Standalone Financial Statements of this Annual Report for details on accounting policy.

Disclosure on ESOPs or ESPS or ERSP 2012, details of options granted, shares allotted on exercise, etc. as required under Employee Benefits Regulations read with SEBI circular no. CIR/CFD/POLICYCELL/2/2015 dated June 16, 2015 are available on the Company's website: https://www.mindtree.com/about-us/investors.

No employee was granted options (under ESOPs or ESPS/ERSP 2012), during the year, equal to or exceeding 1% of the issued capital.

Details of unclaimed shares

The details of unclaimed shares as required under LODR Regulations is provided in Annexure 2.

Liquidity

Your Company maintains sufficient cash to meet its operations and strategic objectives. Cash and investments (net of short term borrowings) have increased from ₹ 7,390 million as on March 31, 2017 to ₹ 7,430 million as on March 31, 2018. The funds have been invested with banks, highly rated financial institutions and debt schemes of mutual funds.

Litigation

No material litigation was outstanding as on March 31, 2018. Details of litigation on tax matters are disclosed in the financial statements.

Corporate Governance

At Mindtree, Corporate Governance is not a mere legal obligation. Your Company provides utmost importance to best Governance practices and are designed to act in the best interest of its stakeholders. The Fundamentals of the Governance at Mindtree includes transparency, accountability, integrity and Independence. A detailed report on Corporate Governance is available as a separate section in this Annual Report. Auditors' Certificate on Corporate Governance obtained from Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No.008072S) for compliance with LODR Regulations, is provided as Annexure 9 and is a part of this Report.

Transfer of Dividend to Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, 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. The balance lying with the unpaid/unclaimed dividend accounts have been transferred to the account of IEPF authority on attainment of the said 7 years, in accordance with the above provisions. The Company had transferred unpaid dividend amounts within the statutory period to the IEPF. During the Financial Year 2017-18, unpaid or unclaimed dividend of ₹ 554,450/- (Rupees Five Lakhs Fifty Four Thousand Four Hundred and Fifty only) was transferred to the IEPF.

The details of the consolidated unclaimed/unpaid dividend details drawn up to the date of Eighteenth Annual General Meeting on July 18, 2017 as required under the Companies Act 2013, and rules made thereunder has been uploaded on the Company's website: http://www.mindtree.com/about-us/investors/unpaid-dividend-information

Attention is drawn that the unclaimed/ unpaid dividend for the Financial Years 2010-11 (Final) and 2011-12 (Interim) is due for transfer to IEPF during August 2018 and November 2018. 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.

Transfer of Shares in favor of Investor Education and Protection Fund (IEPF) Authority

Pursuant to the applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares on which dividends have not been claimed for 7 consecutive years were required to be transferred in favor of IEPF authority.

Accordingly, the Company through individual notices and a newspaper notice in Business Standard and Kannada Prabha, requested concerned Shareholders to encash their unclaimed dividend warrants on or before the dates mentioned in those notices, in order to circumvent their shares being transferred in favor of IEPF Suspense account. Post the above due dates mentioned in those notices, the Company had transferred 9,900 shares in favor of IEPF Authority during the Financial Year 2017-18.

Auditors

a) Statutory Auditors:

Your Company at its Sixteenth Annual General Meeting held on June 22, 2015 has appointed M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S) as Statutory Auditors of the Company up to the conclusion of the Twenty First Annual General Meeting at a remuneration as may be fixed by the Board of Directors and Audit Committee in consultation with the Auditors thereof.

b) Secretarial Auditor:

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 Mr. G Shanker Prasad, Practising Company Secretary.

Auditor's Report and Secretarial Audit Report

The Auditor's report and Secretarial Audit Report do not contain any qualifications, reservations or adverse remarks. Report of the Secretarial Auditor is annexed as Annexure 8 and is a part of this report.

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 the salary in excess of the prescribed limits under the above Rules 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

Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as Annexure 6 to this 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, 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 Companies Act, 2013, 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 LODR Regulations, is disclosed separately in this Annual Report.

Sustainability and Corporate Social Responsibility Initiatives

Sustainability framework at Mindtree is based on triple-bottom line, people, planet and profit.

Sustainability is ingrained into our vision of making societies flourish. While sustainability makes smart business sense in terms of resource conservation, our technological competencies give us an opportunity to solve larger issues of sustainable development. Mindtree is increasingly involved in taking these opportunities forward. Our priorities are set by pressing sustainability issues in the global and national contexts, issues that touch us deeply and our capabilities to execute ideas. Our short term goals are satisfactorily bearing fruit in terms of resource efficiencies, and our medium term plans for clean energy have progressed well.

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	January 29 2018	February 28, 2019	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	July 17, 2017	July 17, 2020	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	November 28, 2016	November 27, 2019	Once in 3 years	ISO/IEC 20000 is an international IT standard that allows companies to demonstrate excellence and prove best practice in IT management.
ISO 14001:2004	BSI	September 21, 2016	September 14, 2018	Once in 2 years	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	BSI	September 21, 2016	September 24, 2019	Once in 3 years	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.

Certificate Name	Issuing Authority	Certification Date	Certificate Expiry Date	Frequency of Surveillance Audits	Description
Information Security Management System - ISO/IEC 27001:2013	BSI	May 18, 2015	May 09, 2018	Once in 3 years	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.
CMMI Dev L5 Ver 1.3	QAI	June 08, 2016	June 09, 2019	Once in 3 years	CMMI for development contains practices that cover project management, process management, systems engineering, hardware engineering, software engineering and other supporting processes used in development and maintenance.

Code of Conduct for Prevention of Insider Trading in Mindtree securities

Your Company has formulated Code of Conduct for Prevention of Insider Trading in Mindtree Securities ("Code") in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. 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 Persons and other Mindtree Minds. Mr. Jagannathan Chakravarthi, CFO, continues to act as Compliance Officer under the Code.

Internal Control Systems and Adequacy of Internal Financial Controls

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Audit committee defines the scope and authority of the Internal Auditor. The Audit Committee, comprises of professionally qualified Directors, who interact with the statutory auditors, internal auditors and management in dealing with matters within its terms of reference.

The Company has a proper and adequate system of internal controls. Adequate internal controls ensures transactions are authorized, 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 program of internal audits and management reviews supplements the process of internal financial control framework. Documented policies, guidelines and procedures are in place for effective management of internal financial controls.

To maintain its objectivity and independence, the internal auditor reports to the Chairman of the Audit Committee of the Board. The internal auditor 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 auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions proposed to fix the observations are presented to the Audit Committee of the Board.

The internal financial control framework design ensures that the financial and other records are reliable for preparing financial and other statements. In addition, the Company has identified and documented the key risks and controls for each process that has a relationship to the financial operations and reporting. At regular intervals, internal teams test identified key controls. The internal auditors also perform an independent check of effectiveness of key controls in identified areas of internal financial control reporting.

Disclosure as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to provide a work environment that ensures every Mindtree Mind is treated with dignity and respect. The Company is also committed to promote equality at work and an environment that is conducive to the professional growth for all employees and encourages equal opportunity. Your Company does not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment including sexual harassment.

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. Mindtree has constituted a POSH Committee at various locations. This Committee governs and regulates the behavior of Mindtree Minds in all matters regarding Sexual Harassment. The POSH Committee at various locations handles all complaints arising out of respective locations of the Company. 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 committee:

- Every Mindtree Mind is supposed to undergo mandatory e-learning module on "Prevention of Sexual Harassment" at workplace.
- Every new employee is trained on Prevention of Sexual Harassment during induction program.

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. The Internal Complaints Committee is trained by external agencies.

ICC investigates and provides its recommendations to the management and it acts upon such recommendations.

Penal consequences of Sexual Harassment ("SH") and the constitution of the ICC is displayed at conspicuous places.

The following are the summary of the complaints received and disposed off during the Financial Year 2017-18:

In India

a) No. of SH complaints received: 1

b) No. of SH complaints disposed off: 1

Rest of the World

a) No. of SH complaints received: 0

b) No. of SH complaints disposed off: 0

Any other material changes and commitments

Any material changes and commitments affecting the financial position of the Company, occurred between April 1, 2018 and the date of signing this report have been reported in the financial statements.

Audit Committee Recommendation

During the year, all 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 extract of the Annual Return in form MGT-9 is annexed herewith as Annexure 4.

Significant & Material Orders passed by Regulators or Courts

There are no significant and material orders passed by Regulators or Courts, during the year under review.

Particulars of Loans, Guarantees and Investments u/s 186

Disclosure on details of loans, guarantees and investments pursuant to the provisions of Section 186 of the Companies Act, 2013, and LODR Regulations, are provided in the financial statements.

Risk Management Policy

Enterprise Risk Management (ERM) program is a strategic discipline, which supports the Mindtree's objective to support sustainable growth and generating value for its customers, investors, employees and other stakeholders. ERM encompasses areas of organizational exposure to risk (financial, strategic, operational and compliance). ERM also provides a structured process for management of risks whether those risks are quantitative or qualitative in nature.

This is achieved by deploying an effective risk management framework, which helps proactively identifying, prioritize and mitigate risks. The Enterprise Risk Management (ERM) framework at Mindtree is designed by incorporating elements of leading risk management standards such as:

- COSO; Enterprise Risk Management- Framework by Treadway Commission
- ISO 31000: 2009 by ISO
- IRM Risk Management Standard

Listing Fees

The Company affirms that the annual listing fees for the year 2018-19 to both National Stock Exchange of India Limited (NSE) and BSE Limited (Bombay Stock Exchange) has 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 Departments of Central and State Governments, Tax Authorities, Reserve Bank of India, Ministry of Corporate Affairs, 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 . The Board also would like to thank our 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.

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2018

Krishnakumar Natarajan
Chairman

Annexure 1

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Financial Summary of the Subsidiaries

₹ in million

Name of Subsidiary	Mindtree Software (Shanghai) Co. Ltd		Magnet 360, LLC	
Particulars	As at March 31		As at March 31	
	2018	2017	2018	2017
Members' Funds	NA	NA	1,465	969
Share capital	14	14	NA	NA
Reserves and Surplus	-	(2)	(880)	(495)
Total Assets	15	13	900	886
Total Liabilities	1	1	315	412
Details of investments	-	-	-	-
Total income	11	14	1,810	2,052
Profit /(Loss) before taxation	**2**	**-**	**(387)**	**(161)**
Provision for taxation	-	-	-	-
Profit /(Loss) after taxation	2	-	(387)	(161)
Proposed dividend	-	-	-	-
% of share holding	100%	100%	100%	100%
Reporting Currency	**CNY**	**RMB**	**USD**	**USD**
Exchange Rate to INR on March 31	10.3711	9.4115	65.1100	64.8500

Name of Subsidiary	Bluefin Solutions Limited (consolidated)*		Bluefin Solutions Sdn Bhd - Malaysia**	
Particulars	As at March 31		As at March 31	
	2018	2017	2018***	2017***
Members' Funds	NA	NA	NA	NA
Share capital	-	-	2	NA
Reserves and Surplus	-	594	-	NA
Total Assets	-	961	2	NA
Total Liabilities	-	367	-	NA
Details of investments	-	-	-	NA
Total income	866	2,411	-	NA
Profit/ (Loss) before taxation	**(188)**	**(76)**	**-**	**NA**
Provision for taxation	-	2	-	NA
Profit /(Loss) after taxation	(188)	(78)	-	NA
Proposed dividend	-	-	-	NA
% of share holding	100%	100%	100%	NA
Reporting Currency	**GBP**	**GBP**	**MYR**	**NA**
Exchange Rate to INR on March 31	91.2520	80.9025	16.8460	-

** Refer to Note 32 of the standalone financial statements.*

*** Status changed from step down subsidiary to subsidiary w.e.f September 01, 2017.*

**** 2017 and 2018 numbers were consolidated along with Bluefin UK until August 31, 2017, where in Bluefin Solutions Sdn Bhd - Malaysia was a step down subsidiary.*

Note: The detailed financials of the subsidiaries shall be made available to any Shareholder seeking such information.

For and on behalf of the Board of Directors

N. Krishnakumar
Executive Chairman

Rostow Ravanan
CEO & Managing Director

Jagannathan Chakravarthi
Chief Financial Officer

Vedavalli Sridharan
Company Secretary

Place: Bengaluru
Date: April 18, 2018

Annexure 2

A. Details of unclaimed shares as per LODR Regulations

(a) As required under the LODR Regulations, the Registrar and Share Transfer Agent of the Company has sent three reminders to the Shareholders whose physical shares were unclaimed/undelivered. These unclaimed/undelivered shares have been transferred to Unclaimed Suspense Account opened by the Company as required under LODR Regulations, when no response was received from any Shareholder to the reminders.

The status of the aforesaid unclaimed shares, as on March 31, 2018 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, 2017	304	60,620
Number of Shares transferred in favour of IEPF Authority from the Unclaimed Suspense Account during FY 2017-18	-	2,918
Number of Shareholders / legal heirs to whom the shares were transferred from the Unclaimed Suspense Account during FY 2017-18	2	324
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on March 31, 2018	302	57,378

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

For and on behalf of the Board of Directors

Krishnakumar Natarajan
Chairman

Place: Bengaluru
Date: April 18, 2018

Annexure 3

Details of Ratio of Remuneration of Directors

[Section 197(12) of the Companies Act, 2013, read with 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	30.32
Rostow Ravanan	31.09
N S Parthasarathy	16.85
Subroto Bagchi	2.31
Pankaj Chandra	2.31
Apurva Purohit	2.31
Manisha Girotra	2.31
Milind Sarwate	2.31
Akshaya Bhargava[1]	7.91

[1] *Remuneration paid in GBP*

(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	-23%
N S Parthasarathy	-8%
Rostow Ravanan	103%[1]
Subroto Bagchi	0%
Pankaj Chandra	-79%[2]
Apurva Purohit	0%
Manisha Girotra	0%
Milind Sarwate	0%
Akshaya Bhargava	0%
Jagannathan Chakravarthi	-4%
Vedavalli S	-1%

[1] *The increase is due to the change in variable plan as per his new role.*

[2] *Pursuant to the exercise of DSOP in FY 16-17*

(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 FY 17-18 is 1%. 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, 2018 and the median remuneration of the cost-to-the Company of all the Mindtree Minds globally as on March 31, 2017. 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 excluding subsidiaries as on March 31, 2018 was 17,552 and as on March 31, 2017 was 16,110.
(v) 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 % of increase was 6% for employees who were in the current compensation review cycle. For the Executive Directors, there was no change in the fixed remuneration as compared to the previous Financial Year 16-17. 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 Financial Year. In addition the compensation revision of the senior leadership team is approved by the Nomination and Remuneration Committee.
(vi) 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(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and forming part of the Directors' Report for the Financial Year ended March 31, 2018

A. Top 10 Employees (in terms of remuneration)

Sl. No.	Employee Name	Designation	Qualification	Age (in years)	Previous Employer	Total Experience (in years)	Designation at Previous Employment	Date of Joining	Amount in ₹	Country of employment
1	Guita Blake	Senior Vice President	MS	55	Atos	26	Head of System Integration	1-Feb-2016	46,085,871	UK
2	Nalin Vij	Vice President	Master's Degree - Management	46	R-Systems Inc	20	Director, Sales	1-Mar-2005	30,353,954	US
3	Paul Gottsegen	Executive Vice President	MBA	55	Infosys Limited	30	Vice President, CMO	1-Oct-2013	29,465,365	US
4	Krishna Kishore Surisetti	Associate Vice President	B.Tech	38	Infosys Technologies Limited	18	Sr. Project Manager	6-Sep-2010	27,304,843	US
5	Rostow Ravanan	CEO & Managing Director	CA , CS	47	Lucent Technologies	24	Business Value Manager	5-Aug-1999	26,898,754	India
6	Krishnakumar Natarajan	Executive Chairman	PGDM	61	Wipro Technologies	37	Group President	5-Aug-1999	26,233,657	India
7	Kamran Ozair	Executive Vice President	MS	50	Cambridge Technology	30	Director	5-Aug-1999	25,711,079	US
8	Sankar Subramanian	Senior Director - Business Development	PGDM	52	Tata Consultancy Services	18	Consulting	27-Jan-2014	23,560,264	US
9	Manish Bhargava	General Manager	MBA	39	HCL Technologies	15	Business Development Manager	6-Jun-2011	22,557,034	UK
10	Ralf Siegbert Reich	Associate Vice President	Diploma in Financial Management	56	Wipro	30	Vice President	1-Apr-2014	22,365,986	Germany

* *For employees based overseas, the average exchange rates as on March 31, 2018 have been used for conversion to INR.*

B. Employees drawing remuneration of ₹ 1.02 crore or above per annum posted in India (other than Employees included in A above)

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 (in ₹)
1	Erwan Carpentier	Senior Vice President	LLB	44	Wipro Limited	17	Legal Head Of Europe	12-Jan-2015	15,234,862
2	Gaurav Johri	Senior Vice President	PGDM	47	On mobile Asia Pacific	21	Sub-Head, Corporates & M-Commerce	25-Feb-2008	16,647,710
3	Manas Chakraborty	Senior Vice President	M.Sc	49	HCL Technologies	22	Associate Vice President	01-Feb-2016	11,994,179
4	N S Parthasarathy	Executive Vice Chairman, President & COO	M.Tech	57	Wipro	34	General Manager	14-Aug-1999	14,577,895
5	Ramesh Gopalakrishnan	Executive Vice President	BE	50	Tata Infotech	27	Core Member E-Commerce Group	14-Aug-2000	13,604,079

C. Employees employed for part of the year with an average salary of ₹ 8.5 lakhs per month posted in India

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 (in ₹)
1	Ram C Mohan	Executive Vice President	BE	55	Vinciti AQ	33	Chief Operations Officer	19-Jan-2006	15,034,049

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2018

Krishnakumar Natarajan
Chairman

Annexure 4

Form No. MGT-9
Extract of Annual Return as on the Financial Year ended on March 31, 2018

[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. Telephone: +91 80 6706 4000 e-mail: investors@mindtree.com Website: www.mindtree.com
Whether listed Company: Yes / No	Yes. Listed on BSE Limited (Bombay Stock Exchange) and National Stock Exchange of India Limited (NSE)
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai- 400 083, India. Tel: +91 22 4918 6000 | Fax: +91 22 4918 6060 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
Computer Programming, Consultancy and Related Activities	620	100

III. Particulars of Holding, Subsidiary and Associate Companies

Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary	% of shares/ membership held	Applicable Section
Mindtree Software (Shanghai) Co. Limited	Room 541, Standard Chartered Tower, No. 201 Century Avenue, Pudong, Shanghai, China.	(2013) 0229	Subsidiary	100	2(87)
Magnet 360, LLC	5757 Wayzata Boulevard Minneapolis, MN 55416 USA	2778888-2	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	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)

** Status changed from step down subsidiary to subsidiary during the Financial Year 2017-18.*

Notes:

1. Discoverture Solutions, LLC and Relational Solutions Inc. Subsidiaries of the Company amalgamated with the Company with effect from June 7, 2017.

2. Numerical Truth, LLC, Reside, LLC and M360 Investments, LLC, Step-Down Subsidiaries of the Company, liquidated on February 22, 2018.

IV. Shareholding Pattern (Equity Share capital break up as % to total Equity)

(i) Category wise Shareholding

Category of Shareholders	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 AND PROMOTER GROUP									
1) Indian									
a) Individual/ HUF	16,823,110	-	16,823,110	10.0122	14,709,446	-	14,709,446	8.9732	(1.039)
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/ FI	-	-	-	-	-	-	-	-	-
e) Any other (Persons Acting in Concert (PAC)	3,754,772	-	3,754,772	2.2346	4,944,677	-	4,944,677	3.0164	0.7818
SUB TOTAL (A) (1)	**20,577,882**	**-**	**20,577,882**	**12.2468**	**19,654,123**	**-**	**19,654,123**	**11.9896**	**(0.2572)**
2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	--	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other-Foreign Promoter Company	2,446,984	-	2,446,984	1.4563	2,268,375	-	2,268,375	1.3838	(0.0725)
SUB TOTAL (A) (2)	**2,446,984**	**-**	**2,446,984**	**1.4563**	**2,268,375**	**-**	**2,268,375**	**1.3838**	**(0.0725)**
Total Shareholding of Promoters and Promoter Group (A)= (A)(1)+(A)(2)	**23,024,866**	**-**	**23,024,866**	**13.7032**	**21,922,498**	**-**	**21,922,498**	**13.3734**	**(0.3298)**
B. PUBLIC SHAREHOLDING									
1) Institutions									
a) Mutual Funds	11,235,659	-	11,235,659	6.6869	8,981,813	-	8,981,813	5.4792	(1.2077)
b) Banks/ FI	688,793	-	688,793	0.4099	3,861,173	-	3,861,173	2.3554	1.9455
c) Central Govt./ State Govt.	-	-	-	-	358,208	-	358,208	0.2185	0.2185
d) Venture Capital Fund	-	-	-	-	-	-	-	-	-
e) Alternate Investment Funds	-	-	-	-	1,434,439	-	1,434,439	0.8751	0.8751
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs (including Foreign Portfolio Investors)	65,845,349	-	65,845,349	39.1877	68,347,781	-	68,347,781	41.6942	2.5065
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B) (1)	**77,769,801**	**-**	**77,769,801**	**46.2845**	**82,983,414**	**-**	**82,983,414**	**50.6224**	**4.3379**

Category of Shareholders	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	
2) Non Institutions									
a) Bodies corporates	32,612,656	-	32,612,656	19.4093	31,434,410	-	31,434,410	19.1759	(0.2334)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11,654,329	154,681	11,809,010	7.0281	8,262,048	134,792	8,396,840	5.1223	(1.9058)
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	13,408,590	118,540	13,527,130	8.0506	16,292,408	13,280	16,305,688	9.9470	1.8964
c) Others (specify)									
Clearing Member	1,178,662	-	1,178,662	0.7015	741,211	-	741,211	0.4522	(0.2493)
Foreign Nationals	604,110	50,771	654,881	0.3898	633,373	13,400	646,773	0.3946	0.0048
Hindu Undivided Family	403,039	-	403,039	0.2399	271,627	-	271,627	0.1657	(0.0742)
Non Resident Indians (Repatriable)	886,097	59,678	945,775	0.5629	633,140	50,423	683,563	0.4170	(0.1459)
Non Resident (Non Repatriable)	449,726	-	449,726	0.2677	484,927	-	484,927	0.2958	0.0281
Directors (excluding Promoter Directors)	5,649,750	-	5,649,750	3.3624	40,000	-	40,000	0.0244	(3.3380)
Trusts	250	-	250	0.0001	15,360	-	15,360	0.0094	0.0093
SUB TOTAL (B) (2)	**66,847,209**	**383,670**	**67,230,879**	**40.0123**	**58,808,504**	**211,895**	**59,020,399**	**36.0042**	**(4.0081)**
Total Public Shareholding (B) = (B) (1) + (B) (2)	**144,617,010**	**383,670**	**145,000,680**	**86.2968**	**141,791,918**	**211,895**	**142,003,813**	**86.6266**	**0.3298**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	167,641,876	383,670	168,025,546	100.00	163,714,416	211,895	163,926,311	100.00	

(ii) Shareholding of Promoters and Persons Acting in Concert (PAC)

Sl. No	Name of the Promoters and Persons Acting in Concert	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	7,994,412	4.758	-	6,102,262	3.723	-	(1.035)
2.	Subroto Bagchi	5,255,700	3.128	-	5,098,221	3.11	-	(0.018)
3.	LSO Investment Private Limited	2,446,984	1.456	-	2,268,375	1.384	-	(0.072)
4.	N S Parthasarathy	2,404,562	1.431	-	2,340,527	1.428	-	(0.003)
5.	Rostow Ravanan	1,168,436	0.695	-	1,168,436	0.713	-	0.018
6.	Susmita Bagchi	2,769,300	1.648	-	2,687,577	1.64	-	(0.008)
7.	Akila Krishnakumar	840,000	0.50	-	1,105,627	0.674	-	0.174
8.	Sanjay Kumar Panda	60,000	0.036	-	58,050	0.035	-	(0.001)
9.	Seema Ravanan	16,072	0.01	-	16,072	0.01	-	-
10.	Siddarth Krishna Kumar	10,000	0.006	-	510,000	0.311	-	0.305
11.	Abhirath K Kumar	-	-	-	510,000	0.311	-	0.311
12.	N G Srinivasan	28,000	0.017	-	26,477	0.016	-	(0.001)
13.	Jayanthi Vasudevan	19,600	0.012	-	19,600	0.012	-	-
14.	Jayasri Dwarakanath	9,800	0.006	-	9,274	0.006	-	-
15.	Krishnaswamy L P	2,000	0.001	-	2,000	0.001	-	-
	Total	**23,024,866**	**13.703**	-	**21,922,498**	**13.373**		

Note:

1. Promoters & Persons Acting in Concert (as defined under SEBI Regulations)- persons listed in Sl. No.1 to 5 are classified as Promoters and persons listed in Sl. No. 6 to 15 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

	Krishnakumar Natarajan	Subroto Bagchi	LSO Investment Private Limited	N S Parthasarathy	Rostow Ravanan	Cumulative Shareholding (Total No. of shares)	Reason for Change
Shares as on April 1, 2017 (At the beginning of the year)	7,994,412	5,255,700	2,446,984	2,404,562	1,168,436	19,270,094	-
% of total shares of the Company as on April 01, 2017 (At the beginning of the year)	4.758%	3.128%	1.456%	1.431%	0.695%	11.468%	-
Date wise increase/ decrease during the year (Sale/ Purchase/ allotment/ Transfer/ Bonus/ Buyback)							
03-May-2017	(240)	-	-	-	-	19,269,854	Sale
15-May-2017	-	-	(30,000)	-	-	19,239,854	Sale
11-Sep-2017	(181,910)	(157,479)	(113,609)	(64,035)	-	18,722,821	Buyback of shares
15-Sep-2017	(900,000)	-	-	-	-	17,822,821	Transfer by way of gift
20-Sep-2017	(510,000)	-	-	-	-	17,312,821	Transfer by way of gift
29-Jan-2018	-	-	(35,000)	-	-	17,277,821	Sale
13-Mar-2018	(300,000)	-	-	-	-	16,977,821	Sale
Shares as on March 31, 2018 (At the end of the year)	6,102,262	5,098,221	2,268,375	2,340,527	1,168,436	16,977,821	-
% of total shares of the Company as on March 31, 2018 (At the end of the year)	3.723%	3.110%	1.384%	1.428%	0.713%	10.358%	-

(iv) Change in Shareholding of Persons Acting in Concert (PAC) including date wise increase / decrease in each of the PAC's Shareholding during the year specifying the reasons for increase / decrease

	Susmita Bagchi	Akila Krishna kumar	Sanjay Kumar Panda	Seema Ravanan	Siddarth Krishna Kumar	Abhirath K Kumar	N G Srinivasan	Jayanthi Vasudevan	Jayasri Dwarakanath	Krishnaswamy L P	Cumulative Shareholding (Total No. of shares)	Reason for Change
Shares as on April 1, 2017 (At the beginning of the year)	2,769,300	840,000	60,000	16,072	10,000	-	28,000	19,600	9,800	2,000	3,754,772	-
% of total shares of the Company as on April 01, 2017 (At the beginning of the year)	1.648%	0.500%	0.036%	0.010%	0.006%	-	0.017%	0.012%	0.006%	0.001%	2.235%	-
Date wise increase/ decrease during the year (Sale/Purchase/allotment/ Transfer/Bonus/ Buyback)												
11-Sep-2017	(81,723)	(34,373)	(1,931)	-	-	-	(1,523)	-	(526)	-	3,634,696	Buyback of shares
15-Sep-2017	-	400,000	-	-	500,000	-	-	-	-	-	4,534,696	Receipt by way of gift
20-Sep-2017	-	-	(19)*	-	-	510,000**	-	-	-	-	5,044,677	*Sale/ **Receipt by way of gift
14-Mar-2018	-	(100,000)	-	-	-	-	-	-	-	-	4,944,677	Sale
Shares as on March 31, 2018 (At the end of the year)	2,687,577	1,105,627	58,050	16,072	510,000	510,000	26,477	19,600	9,274	2,000	4,944,677	-
% of total shares of the Company as on March 31, 2018 (At the end of the year)	1.640%	0.674%	0.035%	0.010%	0.311%	0.311%	0.016%	0.012%	0.006%	0.001%	3.016%	-

(v) Shareholding of Directors (excluding Promoter Directors) and KMP

	Pankaj Chandra (Independent & Non-Executive Director)	Jagannathan Chakravarthi (Chief Financial officer)	Cumulative Shareholding (Total No. of shares)	Reason for Change
Shares as on April 1, 2017 (At the beginning of the year)	40,000	7,982	47,982	
% of total shares of the Company as on April 01, 2017 (At the beginning of the year)	0.024%	0.005%	0.029%	
Date wise increase/ decrease during the year (Sale/ Purchase/ allotment/Transfer/Bonus/ Buyback)				
23-Jun-2017	-	4,665	52,647	Acquired shares by way of ESPS
11-Sep-2017	-	(506)	52,141	Buyback of shares
1-Dec-2017	-	(200)	51,941	Sale
8-Dec-2017	-	(300)	51,641	Sale
2-Feb-2018	-	(641)	51,000	Sale
16-Feb-2018		(100)	50,900	Sale
23-Feb-2018	-	(400)	50,500	Sale
Shares as on March 31, 2018 (At the end of the year)	40,000	10,500	50,500	
% of total shares of the Company as on March 31, 2018 (At the end of the year)	0.024%	0.006%	0.031%	

Notes:

1. Ms. Apurva Purohit, Ms. Manisha Girotra, Mr. Milind Sarwate, Mr. Akshaya Bhargava, Independent Directors were not holding any equity shares of the Company as on March 31, 2018.
2. V G Siddhartha, Non-Executive Director resigned from the Board on March 09, 2018.
3. Vedavalli S, Company Secretary was not holding any equity shares of the Company as on March 31, 2018.

(vi) Shareholding Pattern of top ten Shareholders (other than Directors, KMP, Promoters and Promoter Group)

	Coffee Day Enterprises Limited	Nalanda India Fund Limited	Coffee Day Trading Limited	Amansa Holdings Private Limited	V G Siddhartha	UTI-Equity Fund	Life Insurance Corporation of India	Rekha N Shah	Nalanda India Equity Fund Limited	S Janakiraman	Cumulative Shareholding (Total No. of Shares)	Reason for change
Shares as on April 1, 2017 (At the beginning of the year)	17,461,768	15,796,356	10,594,244	7,329,305	5,469,750	2,792,704	-	3,650,000	2,859,520	2,940,487	68,894,134	Opg Bal.
% of total shares of the Company as on April 01, 2017 (At the beginning of the year)	10.392%	9.401%	6.305%	4.362%	3.255%	1.662%	-	2.172%	1.702%	1.750%	41.002%	Opg Bal.
Date wise increase/ decrease during the year (Sale/ Purchase/ allotment/Transfer/Bonus/ Buyback)												
7-Apr-2017	-	-	-	300,000	-	(1,200)	-	-	-	-	69,192,934	Purchase/ Sale
21-Apr-2017	-	-	-	777	-	-	-	-	-	-	69,193,711	Purchase
28-Apr-2017	-	-	-	17	-	-	-	-	-	(10,000)	69,183,728	Purchase/ Sale
5-May-2017	-	-	-	-	-	-	-	-	-	(10,000)	69,173,728	Sale
12-May-2017	-	-	-	-	-	-	-	-	-	(12,450)	69,161,278	Sale
19-May-2017	-	-	-	-	-	-	-	-	-	(7,550)	69,153,728	Sale
26-May-2017	-	-	-	-	-	(25,000)	-	-	-	(20,000)	69,108,728	Sale
2-Jun-2017	-	-	-	(30,099)	-	(14,600)	-	-	-	-	69,064,029	Sale
9-Jun-2017	-	-	-	-	-	(35,600)	-	-	-	(11,000)	69,017,429	Sale
16-Jun-2017	-	-	-	-	-	(32,800)	-	-	-	-	68,984,629	Sale
7-Jul-2017	-	-	-	-	-	(60,000)	-	-	-	-	68,924,629	Sale
25-Aug-2017	-	-	-	-	-	8,000	-	-	-	-	68,932,629	Purchase
8-Sep-2017	-	-	-	-	-	7,000	-	-	-	-	68,939,629	Purchase
11-Sep-2017	-	-	-	(171,713)	-	(63,318)	-	(320,191)	-	(67,175)	68,317,232	Buyback of shares
15-Sep-2017	-	-	-	-	-	2,400	-	-	-	-	68,319,632	Purchase
22-Sep-2017	-	-	-	-	-	73,000	62,070	-	-	-	68,454,702	Purchase
29-Sep-2017	-	-	-	-	-	-	183,647	-	-	-	68,638,349	Purchase
6-Oct-2017	-	-	-	-	-	8,000	88,205	-	-	-	68,734,554	Purchase
13-Oct-2017	-	-	-	-	-	80,000	259,000	-	-	-	69,073,554	Purchase
20-Oct-2017	-	-	-	-	-	70,000	321,202	-	-	-	69,464,756	Purchase
27-Oct-2017	-	-	-	-	-	75,000	236,619	-	-	-	69,776,375	Purchase
3-Nov-2017	-	-	-	-	-	30,000	732,637	-	-	-	70,539,012	Purchase

	Coffee Day Enterprises Limited	Nalanda India Fund Limited	Coffee Day Trading Limited	Amansa Holdings Private Limited	V G Siddhartha	UTI-Equity Fund	Life Insurance Corporation of India	Rekha N Shah	Nalanda India Equity Fund Limited	S Janakiraman	Cumulative Shareholding (Total No. of Shares)	Reason for change
10-Nov-2017	-	-	-	-	-	(2,400)	513,435	-	-	-	71,050,047	Purchase/ Sale
17-Nov-2017	-	-	-	-	-	120,000	210,118	-	-	-	71,380,165	Purchase
24-Nov-2017	-	-	-	-	-	275,000	38,534	-	-	-	71,693,699	Purchase
1-Dec-2017	-	-	-	-	-	80,000	-	-	-	-	71,773,699	Purchase
15-Dec-2017	-	-	-	-	-	125,000	-	-	-	(26,192)	71,872,507	Purchase/ Sale
22-Dec-2017	-	-	-	-	-	-	-	-	-	(10,000)	71,862,507	Sale
29-Dec-2017	-	-	-	-	-	(1,573)	38,320	-	-	(24,000)	71,875,254	Purchase/ Sale
5-Jan-2018	-	(725,202)	-	-	-		76,905	-	-	(10,000)	71,216,957	Purchase/ Sale
12-Jan-2018	-	(454,942)	-	-	-	53,346	590,402	-	-	(10,000)	71,395,763	Purchase/ Sale
19-Jan-2018	-	(48,000)	-	-	-	23,566	-	-	-	(10,000)	71,361,329	Purchase/ Sale
26-Jan-2018	-	-	-	-	-	25,916	-	-	-	(20,000)	71,367,245	Purchase/ Sale
2-Feb-2018	-	-	-	-	-	(20,369)	-	-	-	(10,000)	71,336,876	Sale
9-Feb-2018	-	-	-	-	-	81,429	81,597	-	-	-	71,499,902	Purchase
23-Feb-2018	-	-	-	-	-	144,979	-	-	-	-	71,644,881	Purchase
2-Mar-2018	-	-	-	-	-	(50,000)	-	-	-	(60,000)	71,534,881	Sale
9-Mar-2018	-	-	-	-	-	15,000	-	-	-	(40,000)	71,509,881	Purchase/ Sale
16-Mar-2018	-	-	-	(696,694)	-	11,578	-	-	-	-	70,824,765	Purchase/ Sale
23-Mar-2018	-	-	-	-	-	86,319	-	-	-	-	70,911,084	Purchase
31-Mar-2018	-	-	-	-	-	10,377	-	-	-	-	70,921,461	Purchase
Shares as on March 31, 2018 (At the end of the year)	17,461,768	14,568,212	10,594,244	6,731,593	5,469,750	3,891,754	3,432,691	3,329,809	2,859,520	2,582,120	70,921,461	Clg Bal.
% of total shares as on March 31, 2018 (At the end of the year)	10.652%	8.887%	6.463%	4.106%	3.337%	2.374%	2.094%	2.031%	1.744%	1.575%	43.264%	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	Unsecured Loans (Commercial Paper Liability)	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
(i) Principal Amount	-	18,323,600	935,453,000	-	953,776,600
(ii) Interest due but not paid	-	-	-	-	-
(iii) Interest accrued but not due	-	458,089	6,723,646	-	7,181,735
Total (i+ii+iii)	**-**	**18,781,689**	**942,176,646**	**-**	**960,958,335**
Change in Indebtedness during the financial year					
Addition	-	4,511,536,556	57,823,354	-	4,569,359,910
Reduction	-	(1,505,130,608)	(1,000,000,000)	-	(2,505,130,608)
Net Change	**-**	**3,006,405,948**	**(942,176,646)**	**-**	**2,064,229,302**
Indebtedness at the end of the financial year					
(i) Principal Amount		3,013,742,700	-		3,013,742,700
(ii) Interest due but not paid	-	-	-	-	-
(iii) Interest accrued but not due	-	11,444,937	-	-	11,444,937
Total (i+ii+iii)	**-**	**3,025,187,637**	**-**	**-**	**3,025,187,637**

VI. Remuneration of Directors and KMP

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Amount in ₹

Particulars of Remuneration	Krishnakumar Natarajan (Executive Chairman)	Rostow Ravanan (CEO & Managing Director)	N S Parthasarathy (Executive Vice Chairman, President & COO)	Total
Gross Salary				
(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act,1961	25,334,119	24,452,002	13,751,230	63,537,351
(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	60,815	876,153	56,555	993,523
(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission-as % of Profit	-	-	-	-
Others – Specify				
Others – Non- taxable reimbursements	838,723	1,570,599	770,110	3,179,432
Total (A)	26,233,657	26,898,754	14,577,895	67,710,306
Overall Ceiling as per the Companies Act, 2013				754,522,318

B. Remuneration to other Directors:

Amount in ₹

Particulars of Remuneration	Name of the Director						
	Pankaj Chandra	Subroto Bagchi	Apurva Purohit	Manisha Girotra	Milind Sarwate	Akshaya Bhargava	Total
Independent Directors							
Fee for attending Board /Committee meetings	-	-	-	-	-	-	-
Commission	2,000,000	-	2,000,000	2,000,000	2,000,000	6,843,900	14,843,900
Others, (Perks Tax)	-	-	-	-	-	-	-
Total (1)	**2,000,000**	**-**	**2,000,000**	**2,000,000**	**2,000,000**	**6,843,900**	**14,843,900**
Other Non-Executive Directors							
Fee for attending Board Committee meetings	-	-	-	-	-	-	-
Commission	-	2,000,000	-	-	-	-	2,000,000
Others, please specify	-	-	-	-	-	-	-
Total (2)	**-**	**2,000,000**	**-**	**-**	**-**	**-**	**2,000,000**
Total Managerial Remuneration (B)=(1+2)	**2,000,000**	**2,000,000**	**2,000,000**	**2,000,000**	**2,000,000**	**6,843,900**	**16,843,900**
Overall Ceiling as per the Companies Act, 2013							**75,452,232**

C. Remuneration to KMP 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	3,082,150	6,916,904
(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	239,004
(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-
Stock Option	-	2,369,237
Sweat Equity	-	-
Commission-as % of Profit Others – Specify	-	-
Others (Non-taxable reimbursements)	137,946	494,145
Total (C)	3,220,096	10,019,290
Overall Ceiling as per the Companies Act, 2013	Not Applicable	

VII. Penalties / Punishment/ Compounding of Offences:

There were no penalties/punishment or compounding of offences during the year ended March 31, 2018.

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2018

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 Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto:

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	Not Applicable. There were no transactions or arrangements which were not at arm's length and which were not in the ordinary course of business during Financial Year 2017-18.
(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

(a) Name(s) of the related party and nature of relationship	Not Applicable. There were no material contracts or arrangements with related parties during Financial Year 2017-18.
(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) Date(s) of approval by the Board	
(f) Amount paid as advances, if any:	

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2018

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 Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

(A) Conservation of Energy:

Workplace forms a key pillar in implementation of best practices in Ecological sustainability. Your Company prioritizes adoption of sustainable programs to continuously optimize costs and reduce carbon emissions. Your Company during the FY 2017-2018, used over 2.51 million units of Solar Power at Mindtree Whitefield Campus, which constitutes over 69 % of the total power demand of that campus, resulting in the reduction of cost by ₹ 5.26 million and 2,181 tons of carbon emissions for FY 2017-2018.

With an aim towards power conservation in operation and maintenance of the facilities, best practices were implemented through which your Company was able to save over 18.13 lakhs units per annum with a net cost savings of over ₹ 14.51 million.

Your Company has contributed in a reduction of 1,605 tons of carbon emission towards the power saving of 18.13 lakhs unit.

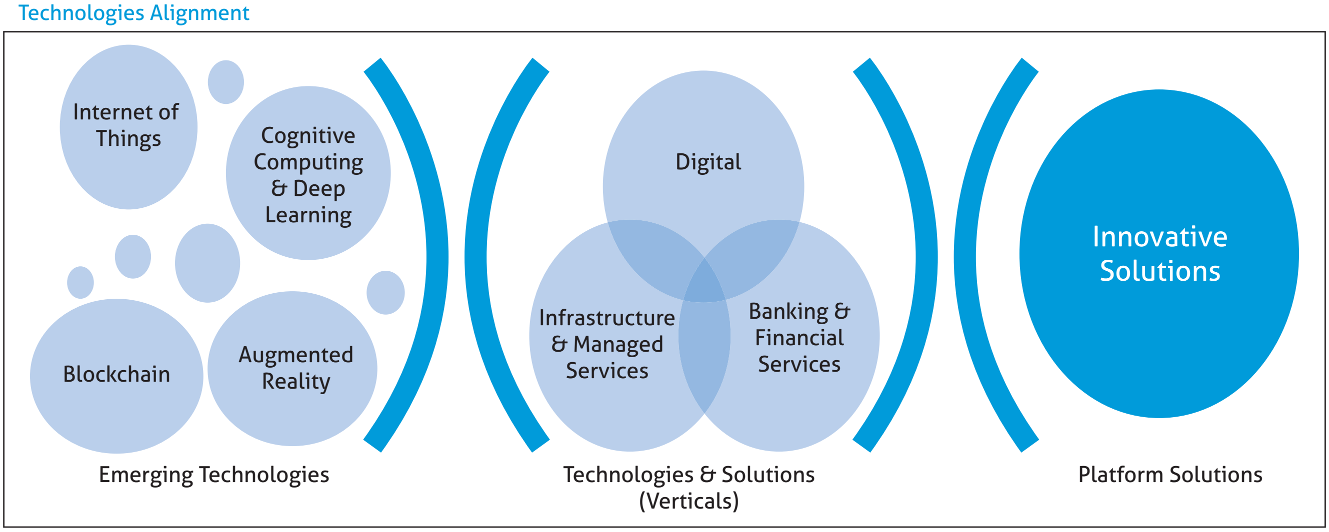
Solar water heating system were implemented which helped in avoiding the usage of electricity by 3.10 lakhs units, reduction of cost by ₹ 2.19 million and reducing the carbon emission of 284 Tons for the FY 2017-2018.

To maintain ecological balance and to ensure the adherence of your company's EHS policy, many initiative towards water conservation, such as rain water harvesting, rain water earth charging, usage of aerator, methodology to control required flow of water, usage of sub-soil water are initiated which helped in reducing the water consumption by 6,694 KL (from April 2017 to March 2018).

(B) Technology Absorption:

Your Company has more than 17 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.

Technologies Alignment



I 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, the following emerging technologies were explored in depth and several reusable assets were built to enable delivery.

Internet of Things

Your Company recognizes that Internet of Things (IoT) will be an area of focus for many of its customers. Your Company has therefore invested in building capabilities in device engineering, IoT specific protocols and application development. Your Company has created horizontal solutions for 'Remote Monitoring of Assets', and 'Employee location sensing'. These solutions are targeted at factories and premises. Your Company has also invested in building hardware solutions to integrate with multiple wired and wireless systems, to sense location indoors and outdoors, and to enable long-range communication. Your Company already has established credentials in the space of Short Range Wireless Communication, and In-vehicle systems. These investments will enable your Company to build and position IoT solutions for its customers and prospects in all its verticals in the areas of Smart Factories, Smart Premises, Connected Travelers, and Connected Vehicles.

Your Company is involved in crucial solution integration and value added reselling partnerships with industry leading IoT PaaS platforms such as ThingWorx™, Microsoft Azure™, IBM Watson IoT, and AWS IoT.

Solution Accelerators

Product/Solution/Accelerator	Description
Skylark	IoT Edge analytics suite enable customers to perform self-service business analytics on sensor data.
Falcon	Cloud deployed highly scalable analytics engine designed to perform analytical operations on aggregated information from millions of geographically distributed networked devices/data sources.
Thing Simulator	Advanced IoT scenario modelling and debugging tool to help simulate complex real life use cases.
Asset+	It is a platform for asset lifecycle management and remote asset monitoring. It provides workflows for asset registration, approval and decommissioning. It comprises of a sophisticated stream processing engine for authoring complex rules and taking action on rule breaches. Asset+ is built on both AWS and Azure cloud platforms.
People+	A platform for accurate, real time location sensing of people and assets inside premises. It can correlate location with roster tasks and execute rules such as overcrowding, zone violations, roster violations etc. It provides rich visualizations such as heat maps, traversed path, nearby assets etc. People+ is built on Azure cloud platform.

Cognitive Computing and Deep Learning

Under the 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.

Your Company is working on using Deep Learning and Cognitive Computing in various domains such as Travel, Retail, and Education, to predict behavior of consumers, and to personalize solutions.

To enable faster machine learning, the CTO organization is making investments in state-of-the-art GPU based systems.

Conversational Applications

The way users interact with systems is evolving, and now, interaction through conversation or chat, is becoming increasingly adopted. This way of interacting, called Conversational Applications, is an area that is expected to become more established, with companies such as Facebook, Google, and Microsoft providing platforms on which to build such applications. Your Company is investing in building frameworks and capability on conversational applications, using platforms such as Microsoft Bot Framework, Microsoft LUIS, Facebook Messenger, and Google's API.ai. Your Company is also investing in integrating these conversational capabilities with its other capabilities on Automation to be able to build automation solutions that use conversation as a way to interact with systems such as ticketing software.

1. **MindFlow:** A Mindtree's Conversational Platform, that can Integrate, Orchestrate and Automate with different NLP/ NLU engines, ability to integrate deep learning and machine learning algorithms for business users to create specific domain conversational apps for B2E, B2C and B2B bots. The vision of this platform is to ensure;
   a. Faster go to market;
   b. Easy maintainable;
   c. Reduce dependency on Developers;
   d. Enhance customer experience.
2. **MACI:** Chat bot on peoplehub for Mindtree Minds, has 7000+ users, 40234 queries answered & 32% workload reduced.
3. **Voice Bots:** Seamless integration with Alexa, Google Home, Cortana and Cloud IVR Application

Tools and Technologies:

- Microsoft Technologies, C#, Html5, AngularJS
- MongoDB, MS-SQL
- NLP/NLU: RASA, LUIS, DialogFlow, Wit.ai, LEX, QnAMaker
- Redis cache
- Azure hosting

AI, Machine Learning & Deep Learning

1. **POCs/Pilots:** We have worked on 36 POCs/Pilots in areas of decision augmentation, virtual agents, process optimization (non RPA), product intelligence and smart bots.
2. **Advanced Learning Engine :** An accelerator to do ML modeling, testing and deployment to any platform. Pre-trained models that can

bootstrap implementations in several areas like sentiment analysis, entity extraction, service ticket classification, intent classification.

3. **Process Optimization:** Extend the RPA system to include intelligent automation using ML via., Artificial Neural Net Framework. Built a ML Dispatcher which learn to triage service tickets and route to the appropriate RPA bot or support engineer. It has helped 4 FTEs to focus on higher value tickets and saved $112,000 per year.
4. **Structuring of Unstructured Data:** Helped client to classify the documents and extract entities from the documents even if the placement is different across documents. Deep Neural Network model has increased document classification accuracy and helped in extraction of text from scanned documents.
5. **Loyalty rewards with receipts:** Helped in receipt validation and product mapping to help client in providing loyalty based discounts to the customers. It involves structuring unstructured receipt data to identify product and variance from retailer and product mapping using a robust MDM
6. **Image based product search:** Provides a completely new, visual way to search for items in a catalogue. Provides contextual search and similar experience of assistance from a knowledgeable store associate

Tools & Technology

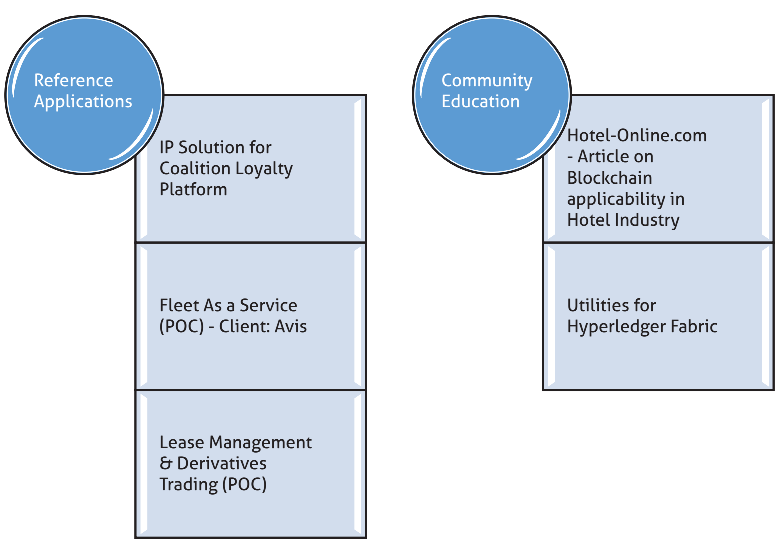
- Emphasis on open source tools & platforms
- Platforms: TensorFlow, Keras, Pytorch, Caffe and others as applicable
- Technology: Deep Neural Networks
- Language: Python

Automation

Your Company recognizes that Automation is a business imperative as it is becoming ever so critical to achieve enhanced efficiency, improved productivity and higher quality while realizing significant cost savings and automation will be a big disruptor in the IT industry. Your Company is therefore working on building solutions for automating various aspects of IT such as build and deployments, cloud management, infrastructure monitoring and management, support and defect triage, problem resolution and robotic process Automation. Your Company is investing on building a strategic platform, CAPE (Composable Automated Platform for Enterprises) to rapidly bring together multiple automations at various stages of Enterprise IT lifecycle and integrate them. Your Company is also investing on integrating its work on autonomous computing and cognitive technologies such as Machine Learning and Deep Learning, to be able to achieve intelligent automation systems with capabilities like self-healing and inherently becomes adaptive.

Blockchain

Blockchain is a new technology that can change how multi-party transactions happen in Banking, Finance, Logistics, and Energy. Blockchain can significantly change how business partners interact with each other, and can create new business models around disintermediated transactions. Your Company is investing in Blockchain technologies such as Ethereum and Eris, and in building solutions utilizing these technologies in the areas of smart contracts. Your Company will therefore be well positioned to embrace this technology as it becomes mainstream.



Augmented Reality and Virtual Reality

In the world where physical and virtual entities are integrated, Mixed Reality, Augmented Reality and Virtual Reality will become the next way of interacting with our surroundings and information systems. Augmented Reality provides a way to superimpose information on things as we look at them, and Virtual Reality is a way to interact with systems in 3D. Your Company is considering that this is the next wave of user interaction, and is therefore investing in building capability in these areas. Your Company is investing in building skills in technologies such as Google VR, and Microsoft Hololens. Technology contributions include the following:

RFPs

- **VR Audit –** VR based audit learning and simulation
- **Style Me –** AR based app for styling of hair
- **Project Relief (Paid PoC) –** Gauge pain levels and relieve by meditational video, and providing recommendations. Also tracks user history

Roadshows/awareness creation

- **Retail Client -** Provided overview to Satish Kaliah (Volvo) and team, and also to Anumodh
- **Sales Team –** Set by Priyanka Gaur for providing overview of XR capabilities
- **Consumable Goods Client–** Had provided overview of all of our apps to Chief Architect of the client
- **Electronics Client–** Provided overview of the XR based applications
- **Consumable Group Client–** Presented the capabilities to Corporate heads, MD, CEO, chiefs, Raw Materials division heads and Vice Presidents etc.,
- **Financial Client –** Set up by Sudheer Kotagiri, demoed to client at their customer visit

Reference Applications

- **HoloRetail:** The AR based Retail application provides the user a mixed reality experience to pick items using gestures, view product details of an item present on the shelf, compare the items and place them in a virtual shopping cart.
- **Easy Vehicle diagnostics (WIP):** An MR based app for service engineers - data exchange with OBD Scanner and highlight faulty parts; Simulation of repair on virtual models/actual vehicle
- **Flight Vision –** for Osmosis 2017
- **Destination Explorer –** for Osmosis 2017
- **Future of Mine -** for Coal Mine Client

Resilience Engineering

As software systems become increasingly complex, and as more and more mission critical tasks require such software systems, it is essential to build systems that are resilient to failure. Your Company recognizes that this requires both engineering discipline and framework for building systems that are fault tolerant, and self-healing. Your Company is investing in building frameworks for Autonomic Computing, which will enable your Company to build robust, mission critical solutions for its customers.

II. Emerging Architecture Patterns and Technologies

Your Company has been building capabilities and reference implementations using Microservices 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, Polymer, ReactJS, Ionic and Cordova. Your Company also recognizes Big Data as being critical to new, data intensive applications, and recognizes that it is essential to architect systems that are able to deal with data at scale. Your Company invested in building capability in architecture patterns that deal with both big data in batch, and in real-time. Your Company has also invested in serverless-architecture.

Future Microsoft Technologies

Your Company also invested in building capabilities and solutions using emerging Microsoft technologies like ASP.Net Core, QSharp, SQL Server 2017, Microsoft Teams, Azure ML, Azure Functions and Containers and working towards architectures like Mesh App which follows API First design.

Solutions for Verticals and Service Lines: Banking and Financial Services

Under the BFS practice and packages organization, your Company is working on using innovative technologies to solve challenges in niche areas in the banking and capital markets value chain. In this Financial Year, your Company has focused on the developing solutions in disruptive technologies aimed at helping banks and financial institutions address regulatory obligations and other path breaking solutions in the banking, securities and payment industry. These investments are starting to yield results and we are seeing traction with our clientele and analyst interactions.

1. **Decision Moments-AML:** Mindtree's Decision Moments is a data analytics platform to apply continuous learning algorithms to large data pools. We have used this innovative sense-and-respond system to help companies to uncover compelling insights that improve over time and create more value from their digital transformation. The 'AML' app in Decision Moments helps Banks in analyzing the customer transactions & identify suspicious transactions (which could be related to Money Laundering) using Exploratory & Predictive Analysis techniques.
2. **Corporate Action AI:** Mindtree's BFS practice, in collaboration with CTO team, has created a AI solution which automates the process of scrubbing corporate action notification to generate a golden copy. It uses Deep Neural Net model for identifying and classification based on unstructured document content. It identifies key fields related to corporate action like dates and entitlements by using custom deep learning model trained to recognize entities.

3. **Chatbot:** Mindtree's BFS practice, in collaboration with the Digital team, has created a chatbot solution that helps banks, credit card providers and credit rating agencies to service customers in a digital just-in-time interaction mode. This solution is built using Microsoft Luis framework technology and hosted on the Azure platform. This can be integrated with Facebook and Skype Bot framework. The chatbot POC showcases general FAQ answering capability as well as the authentication feature for answering customer confidential information.
4. **Client Onboarding-RPA:**The current process of on-boarding customers in the Financial Services industry are disjointed and resource intensive. BFS CoE has created a RPA powered client onboarding solution that automates the onboarding process. Incomplete mandatory fields are scanned through OCR and inserted in the relevant fields and automated confirmation or incomplete alert notifications are sent to customers and relevant service representatives.
5. **Corporate Action-RPA:**The automation of corporate actions processing is a textbook example of the overlap between external standardization, process harmonization and technology innovation that is necessary for operations professionals to achieve real progress. The solution aims at automation of the corporate action lifecycle. The various tasks involved in the lifecycle scrubbing of CA Announcements, Notifications generation, Calculation of eligibility and entitlements, sending instructions and generate accounting entries. The solution is implemented using Automation Anywhere.
6. **Securities Lending RPA:** The solution aims at automation of the securities lending process. The solution uses Automation Anywhere to automate and minimize human intervention in the various tasks involved in the lifecycle including initiation, risk management, short sale negotiation, settlement, collateral substitution and addition, recall and guarantee. The solution will bring in cost savings by improving efficiency in the securities lending process.
7. **Portfolio Management Solution:** The Portfolio Management Application is a web-based portal and application for Asset Managers to manage their assets and portfolio, perform functions to do their day-to-day activities smoothly and to enable the sales and marketing team to provide services to their clients. The solution aims at identifying user personas to this application, map user journeys, develop focus groups and heat maps for information distribution. The solution aims at visualizing the ideas and thought process behind the next generation Portfolio Management application.

Solutions for Verticals and Service Lines: Infrastructure and Managed Services

The Infrastructure solutions for customers include:

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 customer's IT landscape for both infrastructure and applications running either in an hosted/on premise datacenter or public (Azure, AWS)/private cloud. Your Company continues to enhance MWatch to add capabilities like application monitoring, monitoring on Cloud, etc. It is also a very powerful enabler of Automation of a variety of tasks to enhance engineer productivity. With its capability to optimize IT performance, it helps customers to not only reduce the operational cost but also reduce the downtimes. 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.

imPulse

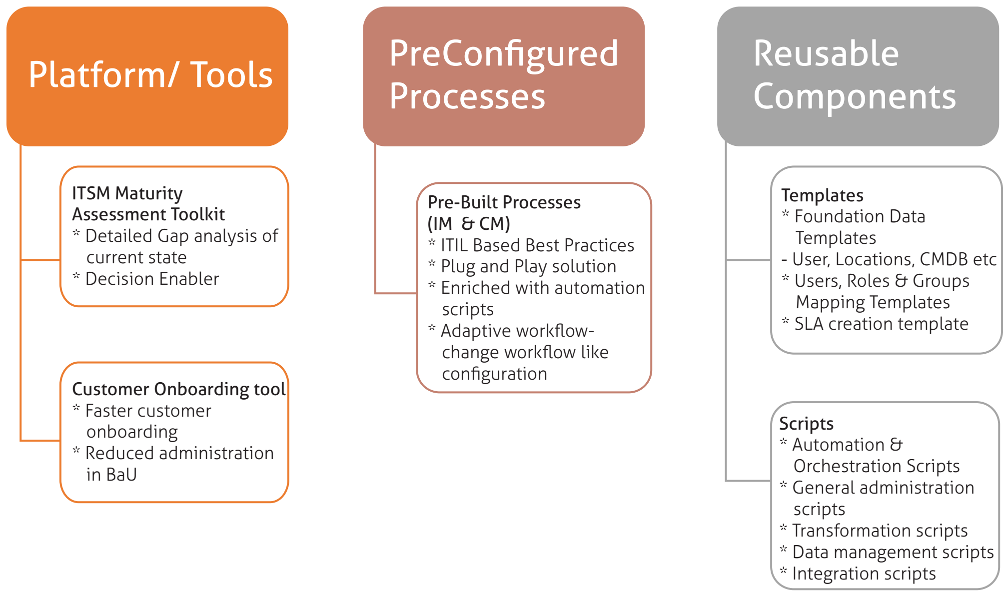
Your Company recognizes that for managing IT operations, managers look at a multitude of data sources like, ticketing tools, text data, and log data across multiple products. To make available meaningful & actionable information in a timely manner, your Company has built imPulse (infrastructure management Pulse), for IT managers. This allows for traversing from a macro view of operations to drill down to the last element of delivery. imPulse runs in key projects, collects inputs from various ticketing tools such as ServiceNow, SalesForce, MWatch, ITRP, SDE, etc., and provides timely, insightful operational metrics. imPulse has been made available to customers as well.

D-Engine

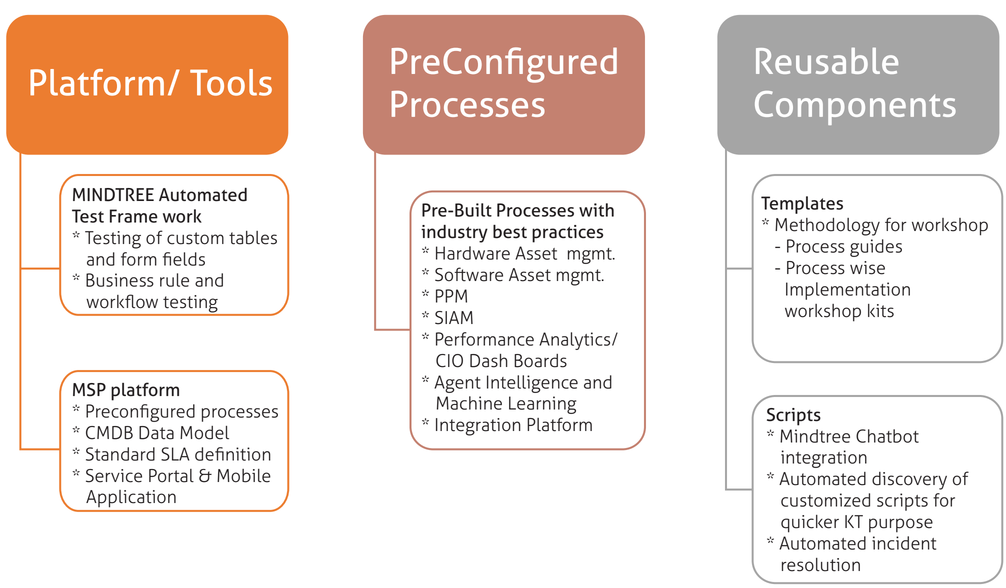
D-Engine is a stack orchestration and maintenance tool, which automates CI/CD for applications with the underlying infrastructure provisioned through 'Infrastructure as Code'. DevOps driven automation projects are normally complex and require multiple teams to handle operations, driving up costs. D-Engine steps ahead of these issues using a 'No Ops' approach, with complete automation handling of project operations. D-Engine also provides centralized control to manage all the resources, independent of on-cloud (AWS, Azure and GCP) or on-premises (AzureStack, OpenStack and VMware).

Practices and Service Now Accelerators

Solution Accelerators – Readily Available



Solution Accelerations – Future Roadmap



Solutions for Verticals and Service Lines: Digital

Your Company is continuing to invest in building Digital solutions across industries and business functions. Some of these solutions are listed here:

Solution Accelerators in Digital Marketing

Decision Moments for Marketers

Mindtree and Adobe have embarked on a joint initiative for marketers to deliver personalized experiences across touchpoints to gain customer knowledge, improve serviceability and drive loyalty. Adobe Experience Cloud will be powered by Mindtree's data science platform, Decision Moments to influence and engage customers at multiple micro-moments across channels in their purchase journey. Marketers can effectively measure the value delivered from their investments and track the effectiveness of their campaigns with a test and learn approach. Decision Moments will be the customer data hub of Adobe Experience Cloud to integrate, consolidate and manage online, offline and third-party data to provide a single view of the customer for identifying and targeting high value – high fidelity customers.

Production accelerators for Sitecore

A rich set of components and site templates built on Sitecore 9 & Azure to help our customers reduce cost and time-to-market. A joint go-to-market strategy with Sitecore, supported by Microsoft, makes it a win-win model.

Drupal - DevOps & deployment kit

A developer starter kit for Drupal 9 that includes best practices, reference implementations & DevOps aimed at improved productivity at consistent quality

Headless Commerce (B2C)

- We have used AEM as the store front for handling all order capturing ecommerce flow for Hybris 6.2.
- The functionality include catalog upload/real time price call / inventory call, Order placement, Catalog browsing
- We have implemented same with WCS 8 also

Conversational Commerce

- Bringing the end to end ecommerce flow to chat bot using conversations
- Support – Product browsing , real time price, User authentication, Check out and After sales
- Support in FB and Skype also

Direct-to-Consumer features

- Seamless customer order flow from DTC platform
- Integrated order management system
- Scalable to support multiple types of orders, quantities, and configurations
- Pick and Pack Fulfillment
- Reverse logistics and return processing
- Inventory Management and Low Stock Alerts
- Dedicated Customer Service representatives
- Warehouse and storage options available

Solutions for Verticals and Service Lines: Integrated Services

On June 21, 2017, Your Company formally introduced Integrated services through a well-rounded campaign with a global press release, a series of social media posts on LinkedIn, Twitter & Facebook and with widespread internal communication. The Launch aimed to spread awareness amongst Mindtree's customers and social media followers about how in an era, where Digital is dramatically speeding up the pace of doing business, Integrated Services helps IT leaders to run core operations more nimbly while reducing cost and investing more in "grow the business" projects. As a part of the Integrated Services launch campaign, Integrated Services E-books and Blogs were shared over Email with potential clients.

Mindtree's Integrated Services

Your Company's solution facilitates Continuous Integration, Continuous Automation and Continuous Delivery, across the full IT stack including – Development, Application Management, Infrastructure, Testing and Packages, thereby creating tighter alignment to the business to deliver the results of faster time to market, better quality releases and reduced TCO.

Your Company's Integrated Services approach uses the following key solution themes:

- Integrate the IT lifecycle phases through Mindtree's unique Integrated Service Delivery framework
- Adopt an enterprise-wide unified DevOps approach (Agile and DevOps across the IT lifecycle)
- Drive LEAN and automation across and within the lifecycle phases of Build, Test, Maintain and Run
- Enable a culture of integrated feature teams and move towards full stack (cross skilled) engineers
- Provide real-time visibility of change and run pipeline through your Company's in-house developed meta-platform CAPE.

Integrated Services powered by CAPE

Mindtree CAPE, is a customizable plug-and-play platform built by your company to integrate the enterprise technology landscape and accelerate the automation journey. In order to enhance the enterprise capabilities several new tools have been integrated with CAPE. Few of the tools and capabilities integrated are listed below:

- New Added capability to automate Mobile Application deployments
- Enhanced Dev-Ops capabilities by integrating new marquee enterprise grade COTS products with CAPE
- Auto-Scaling and Auto healing capabilities, making the platform micro services ready

Your Company also demonstrated integrated services delivery & CAPE enabled automation to one of the leading American consumer goods company recently. This was achieved by harmonizing the existing end-to-end toolchain in the IT lifecycle, for business critical Digital Marketing portfolio of applications with key drivers to increase productivity and ability to deliver faster.

Value & Benefits

- Visualization of the end-to-end value stream at one place, with unified dashboard for meaningful Insights and actions
- Increase in story points delivered per sprint (observations needed for a few more releases, before finalizing inferences)

- Faster feedback loop, lowering waiting time between teams.
- Self-service deployments, more autonomous scrum team using workbench automation enabled by CAPE
- Cross-skilling, better utilization of resources – enablement towards full stack engineers

Your Company also launched Integrated Services for Duck Creek – an insurance industry product and Digital marketing solutions which offers a differentiated way of managing end-to-end IT services and aims to provide a superior digital experience supported across devices. The solutions helps to get a unified view across the IT lifecycle through a platform led approach using CAPE accelerator with pre-built Integrations between Duck Creek/ Digital marketing components and other tools in the CI/CD toolchain to deliver the results of faster time-to-market, better quality releases and reduced Total Cost of Ownership (TCO).

III. Platform Solutions

Your Company's Platforms & Solutions Group (PSG) provides SaaS and mobile enabled intelligent platforms to help clients provide better experience to their customers and employees, and improve the operational efficiency. The current portfolio has mix of industry focused and cross industry platforms:

- IoT platforms suite: Your Company has adopted a multi-dimensional approach to IoT that involves monitoring and analytics across sensors and cameras. We have augmented your Company's Gladius Video Management Platform to reposition it as an IoT Platform that forms the foundation for 3 state of the art systems:
  - **Gladius Digital Surveillance:** Your Company's Gladius Video Management & Analytics Platform is transforming security, safety and surveillance space with advanced analytics, and on-cloud storage and analytics. Its value proposition of creating a central intelligence backbone over existing cameras and other security infrastructure is resonating well in almost all industry segments. Its advanced analytics is also helping critical infrastructures provide enhanced safety of employees and visitors.
  - **Gladius IoT:** The Smart Facilities platform adopts the open and intelligent approach to optimize facility management costs in distributed commercial buildings with disparate legacy infrastructure. It connects with sensors and systems like building management, water management etc. to improve energy efficiency, reduce maintenance costs and provide enhanced safety and security.
  - **Flooresense In-store Analytics:** A store associate platform that increases in-store conversions, builds customer loyalty and helps in better shopper engagement. It does all these by leveraging the existing video cameras and IoT sensors at stores to provide real time recommendations about shoppers' needing assistance at the shop floor without identifying them. Flooresense also provides analytical insights on shopper's journey such as heat maps, dwell time reports and conversion ratios using the same infrastructure.
- **InspectMind** is mobile-first SaaS platform to automate asset/facility inspection processes across industries. It serves use cases like - environmental inspections, project audits, pre-underwriting and claims inspections, equipment maintenance inspections, quality checks etc. It provides facility to configure intelligent data capture forms, enables on the go data capture using mobile devices and distribution of inspection information. It also provides intelligent analytics on the survey data out of the box. InspectMind is ideal for entities which deal with frequent and/or variety of inspections.
- **ShotClasses** is a mobile based micro-learning platform that enables workforce and partners to stay up-to-date for enhanced productivity, efficiency and better business outcomes. It delivers bite-sized content relevant to the learner's focus area, such as:
  - Disseminating product knowledge to sales and customer service teams
  - Onboarding new joiners on standard operating procedures and internal processes
  - Periodic internal communications

  Your Company has spent ₹ 396 million on research and development during the year 2017-18.

(C) Foreign exchange earnings and Outgo –

Foreign exchange earnings	₹ in million
Income from software development	51,786
Other income	9
Total	**51,795**

Foreign exchange outgo	₹ in million
Branch office expenses	27,451
Travel expenses	199
Professional charges	14
Others	408
Total	**28,072**

For and on behalf of the Board of Directors

Place: Bengaluru
Date: April 18, 2018

Krishnakumar Natarajan
Chairman

Annexure 7

Annual Report on CSR Activities

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 stated in https://www.mindtree.com/corporate-social-responsibility-policy

2. The composition of the CSR Committee:

   The members of the CSR Committee of the Board as on March 31, 2018 are:

   a) Mr. Krishnakumar Natarajan, Chairman

   b) Mr. Subroto Bagchi, Member

   c) Prof. Pankaj Chandra, Member

   d) Mr. N S Parthasarathy, Member

   e) Mr. Rostow Ravanan, Member

3. Average Net Profit of the Company for last three Financial Years : ₹ 5,219,862,985/-

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : ₹ 104,397,260/-

5. Details of the CSR spent during the Financial Year 2017-18:

   a) Total amount to be spent for the Financial Year: ₹ 104,397,260/-

   b) Total amount spent for the Financial Year : ₹ 124,184,861/-

   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 projects or programs were undertaken	Amount of outlay budget - project or program wise	Amount spent on the 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 farmer's earning	Schedule 7(i), Eradicating poverty Schedule 7 (ii) Promoting education	1) Bengaluru, Kalaburgi (2) Karnataka (1) Hoshangabad, Sehore, Chhind-wara (2) Madhya Pradesh (1) Pudukottai and Arapukottai (2) Tamil Nadu (1) Medak (2) Telengana (1) Kanker (2) Chattisgarh (1) Mayurbhanj (2) Orissa	71,771,296	Direct: 71,771,296	71,771,296	Direct: 71,771,296
II.	**RR Run:** Walkathon and Marathon. 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	700,000	Direct: 700,000	700,000	Direct: 700,000
III.	**Employee Cost :** Cost of the employees working on CSR	Administrative Expenses	-	5,913,565	Overhead: 5,913,565	5,913,565	Direct: 5,913,565
IV.	**Donation to Mindtree Foundation:** Donation has been made to Mindtree Foundation during the year	Details as provided below:	Details as provided below:	45,800,000 Details of the Projects are given below:	45,800,000 Details of the Projects are given below:	45,800,000 Details of the Projects are given below:	45,800,000 Through Mindtree Foundation
	Total CSR Expenditure (I+II+III+IV)			**124,184,861**	**124,184,861**	**124,184,861**	**124,184,861**

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 projects or programs were undertaken	Amount outlay budget - project or program wise	Amount spent on the 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 youths with or without 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 SI. No. IV			
Yuva Jyoti	To create sustainable livelihood opportunities for school dropouts and unemployed rural youths	Schedule 7 (ii), Promoting vocational skills	(1) Bychapura and Koratagere (2) Koratagere Taluk, Tumakuru 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) Vijapura Taluk (2) Vijapura District, Karnataka				
Learning Enhancement	To improve learning levels of students in Govt. higher primary schools from the "entire" Kanakapura Taluk	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 from 4th to 6th Std and teachers	Schedule 7 (ii), Promoting education	(1) Pune, Maharashtra (2) Kanakapura, Karnataka				
Community Based Rehabilitation – Disability Inclusive Development (CBR-DID)	510 children with disabilities are benefitted through early detection, early intervention, and post-corrective therapies and school readiness interventions in Community Based Rehabilitation Centres. The awareness programs on disabilities are conducted to the public.	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				
Learn and Earn Centres	Train intellectually challenged youngsters over 16 years of age in computer data entry such that they earn their livelihood with dignity.	Schedule 7(ii), Promoting Education and vocational skills	(1) Rangareddy, Medhak, Ongole, Kakinada, West Godavari & Srikakulam district (2) Andhra Pradesh				
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 Training Institute (BSTI)	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				

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 projects or programs were undertaken	Amount outlay budget - project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Educate Zilla	To improve quality of education in Mathematics and English and the ability to pursue higher education to every child studying in 6, 7, 8 Std in Govt. Schools through technology based solutions	Schedule 7(ii), Livelihood Enhancement to the rural youth.	(1) Kanakapura Taluk (2) Ramanagara District, Karnataka	As per details provided in Sl. No. IV			
Prerana	To improve quality of education delivered by the Govt. schools across Karnataka through motivational interventions. This includes motivational inputs created by the Sikshana in addition to the workbooks. Sikshana will also provide the necessary resources for knowledge transfer of running the "Prerana" program to the Govt. Education department, monitor the implementation of the same and measure and report the effectiveness of the program in the schools using APT (Analytics, Process and Tools) a digital hybrid platform.	Schedule 7(ii), Promoting education	(1) Mysuru District, Tumakuru District, and Vijapura District, (2) Karnataka				
Bal Roshini	To identify children with disabilities from economically weaker background and support them for their school education by ways of Academic Fees, Assistive Devices, Physiotherapies etc.	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 projects or programs were undertaken	Amount outlay budget - project or program wise	Amount spent on the 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 from 6 to 15 ages with learning difficulties from 12 Govt. schools. 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) Bengaluru Rural (2) Karnataka	As per details provided in SI. No. IV			
Information Accessibility	1. To develop knowledge base on Information Accessibility, including the best practices, guidelines and standards vis-a-vis disability inclusion and to formulate recommendations to the Government. 2. To bring together stakeholders for creating awareness and building capacity on the issue of information accessibility for people with disabilities. 3. To advocate with the Governments at the Centre and State level for ensuring information accessibility for persons with disabilities vis-à-vis the Digital India and Accessible India Campaigns and other programme, schemes and initiatives of the Government.	Schedule 7 (iii), Providing measures for reducing inequalities faced by socially and economically backward groups	Across India				

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 projects or programs were undertaken	Amount outlay budget - project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Coaching Program - Education	To provide special coaching in Mathematics, Science, English, Social, and in Kannada subjects to 7th to 10th standard children from 5 Govt schools from 10 villages around Bychapura	Schedule 7(ii), Promoting education	(1) Bychapura (2) Koratagere Taluk, Tumakuru District, Karnataka	As per details provided in Sl. No. IV			
VACHANA	Sparsh in collaboration with APD conducts screening camps in rural areas and identify children with disabilities from families with poor economic background and do complex surgeries, post-surgical physiotherapies, provide mobility-aids and will do follow-ups	Schedule 7 (iii), Providing measures for reducing inequalities faced by socially and economically backward groups	(1) Vijapura Taluk (2) 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 CSR Policy of the Company.

For and on behalf of the Board of Directors

Rostow Ravanan
CEO & Managing Director

Krishnakumar Natarajan
Chairman of CSR Committee

Place: Bengaluru
Date: April 18, 2018

Annexure 8

G.SHANKER PRASAD ACS, ACMA
PRACTISING COMPANY SECRETARY
#10, AG's Colony, Anandnagar, Bangalore – 560 024. Tel: 080 42146796
email : gsp@graplind.com

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2018

[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,
CIN:L72200KA1999PLC025564
Bengaluru

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mindtree Limited (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 2018 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 2018 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder; and the applicable provisions of Companies Act, 1956;

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'), as applicable:-
   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 (Issue and Listing of Debt Securities) Regulations, 2008;
   f) 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;
   g) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

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 Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
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 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/ Committee 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.
- The decisions at the Board and Committee meetings were carried with requisite majority/taken unanimously and the related discussions were duly recorded in the minutes.

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 there were following specific events/actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. mentioned above - Buyback of 42,24,000 equity shares of ₹ 10/- each at a buyback price of ₹ 625/- per equity share, Passing of the Order by the Hon'ble National Company Law Tribunal (NCLT) approving the Scheme of Amalgamation of Discoverture Solutions LLC. (Transferor Company 1) and Relational Solutions Inc. (Transferor Company 2) with the Company and Filing of Petitions with the Hon'ble National Company Law Tribunal (NCLT) for the Amalgamation of Magnet 360, LLC (Transferor Company) - the wholly owned subsidiary of the Company, with the Company.

G. Shanker Prasad
ACS No.: 6357
CP No: 6450

Place: Bengaluru
Date: 18.04.2018

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 other laws as may be applicable to the Company referred to in Para (vi) of the report including corresponding State Laws, wherever applicable, and the relevant regulations thereunder.)

A. Environmental Laws
   a) Air (Prevention & Control of Pollution) Act, 1981
   b) Environment (Protection) Act, 1986
   c) Water (Prevention and Control of Pollution) Act, 1974
   d) Cigarettes and other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003
   e) Electricity Act, 2003
B. Employment Laws
   a) Labour Welfare Fund Acts and the Rules made thereunder
   b) Apprenticeship Act 1961 and the Rules made thereunder
   c) Factories and Establishments (National, Festival and Other Holidays) Acts and the Rules made thereunder.
   d) Maternity Benefit Act, 1961
   e) Minimum Wages Act, 1948
   f) Payment of Bonus Act, 1965 and the Rules made thereunder
   g) Payment of Gratuity Act, 1972 and the Rules made thereunder
   h) Payment of Wages Act, 1936
   i) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
   j) Child and Adolescent Labour (Prohibition and Regulation) Act, 1986
   k) Contract Labour (Regulation and Abolition) Act, 1970
   l) Employees' Provident Funds and Miscellaneous Provisions Act, 1952
   m) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Rules made thereunder
   n) The Employee's Compensation Act, 1923
   o) The Equal Remuneration Act, 1976 and the Rules made thereunder
   p) The Employee State Insurance Act, 1948 and the Rules and regulations made thereunder
   q) The Industrial Employment (Standing Orders) Act, 1946 and Rules made thereunder
   r) The Shops and Commercial Establishments Acts and Rules made thereunder
   s) Workmen Compensation Act, 1923
   t) Tax on professions, Trade, callings and employment Acts and Rules made thereunder
   u) Industrial Disputes Act, 1947
   v) Rights of Persons with Disabilities Act, 2016
C. Establishment Laws
   a) Lift Acts
   b) Fire Acts
   c) Town Panchayats, Municipalities and Municipal Corporations (Collection of Tax On Professions, Trades, Callings And Employments) Rules, 1999
   d) Municipal Laws
   e) Food Safety and Standards Act, 2006
   f) Petroleum Act, 1934 and the Rules made thereunder
   g) Explosives Act 1884
D. Fiscal Laws
   a) Central Goods and Service Tax Act 2017 and Rules made thereunder**
   b) Integrated Goods and Service Tax Act 2017 and Rules made thereunder**
   c) Value Added Tax Acts*
   d) Central Excise Act, 1944 and the Rules made thereunder*
   e) The Finance Act, 1994 (Chapter V and Section 94) and the regulations made thereunder
   f) Income-Tax Act, 1961 and the Rules made thereunder
   g) Entry of Goods Acts*
   h) Foreign Exchange Management Act, 1999 and the Rules made thereunder
   i) Foreign Trade Policy 2015-2020
E. Sectoral Laws
   a) Information Technology Act, 2000 and the applicable Rules thereunder
   b) Special Economic Zones Act, 2005 and the Rules made thereunder
   c) National Telecom Policy, 1999

F. Other Laws
   a) Micro, Small and Medium Enterprises Development Act, 2006
   b) Motor Vehicles Act, 1988.
   c) Competition Act, 2002

   ** Upto 30th June, 2017*
   *** From 1st July, 2017*

II. (Letter referred above)

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: 18.04.2018

Annexure 9

Independent Auditor's Certificate on Corporate Governance

To the Members of Mindtree Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated September 04, 2017.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of Mindtree Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining 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.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.
9. 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 DELLOITTE HASKINS & SELLS

Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji

BENGALURU, April 18, 2018

Partner
(Membership No. 203685)

Corporate Governance Report

I. Company's Philosophy on Corporate Governance

Mindtree Limited (hereinafter referred to as 'Mindtree' or 'Company'), believes that Corporate Governance is an essential element of business, which helps the Company to fulfill its responsibilities to all its stakeholders. Mindtree is committed to adopting global best practices in Governance and Disclosure. Mindtree believes that highest standards of Corporate Governance are essential to enhance long term value of the Company for its stakeholders and practice the same at all levels of the organization. Ethical business conduct, integrity and commitment to values, which enhance and retain stakeholders' trust are the traits of your Company's Corporate Governance.

Good Governance practices stem from the culture and mindset of the organization. Your Company considers fair and transparent Corporate Governance as one of its core management tenets. Your Company follows the best governance practices with highest integrity, transparency and accountability.

Your Company has won the Golden Peacock Award of "Special Commendation in Corporate Governance – 2017" awarded by the Golden Peacock Awards Secretariat, Institute of Directors, which is a token of your Company's identification for adopting exemplary Corporate Governance practices.

Salient features of Mindtree'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
- Follow openness in our communication to all our stakeholders

The Corporate Governance Structure of Mindtree can be described through three layers namely:

- Shareholders appoint Board of Directors and entrust them necessary powers;
- Board leads strategic management and appoints various Committees to handle specific areas of responsibilities;
- The Executive Management and the Committees take up specific responsibilities and day to day affairs as set by the Board.

Mindtree's Values

Mindtree strongly believes in integrity and transparency in its operations and stakeholders' communication. All employees ("Mindtree Minds") are expected to adhere to the highest standards of integrity. Mindtree Minds are guided by the values of collaborative spirit, unrelenting dedication and expert thinking. These values are core to all our operations.

Mindtree's Mission

We engineer meaningful technology solutions to help businesses and societies flourish.

Mindtree believes in the power of people and the impact people can have on technology. The 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.

II. The Board of Directors (The Board)

As on March 31, 2018, more than half of the Board comprised of Independent Directors. The Board composition comprised of nine Directors consisting three Executive and Promoter Directors, one Non-Executive and Promoter Director, five Non-Executive and Independent Directors, including two Women Directors. The composition of the Board was in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") and Companies Act, 2013.

The Board Members are not related to each other. Number of Directorships held by Executive, Non-Executive and Independent Directors are within the permissible limits under Listing Regulations and Companies Act, 2013. The necessary disclosures regarding change in Committee positions, if any, have been made by all the Directors, during the year under review. None of the Directors is a Member of more than 10 Committees or Chairperson of more than 5 Committees across all Public Companies (only Audit Committee and Stakeholders' Relationship Committee).

The details of Board Members along with shareholding details in the Company, number of Directorship(s)/ Chairmanship in other Indian Companies and position on Committee Chairmanship /Membership on the Board of other Public Companies (only Audit Committee and Stakeholders' Relationship Committee) as on March 31, 2018 are provided below:

Name of the Director	Age	Designation/Position	Date of Original Appointment	Director Identification Number (DIN)	Shareholding in Mindtree as on March 31, 2018	Directorship in other Indian Companies		Position held in Committees of the Board of other Public Companies	
Executive and Promoter Directors						As Chairperson	As Director	As Chairperson	As Member
Mr. Krishnakumar Natarajan	61	Executive Chairman	Aug 09, 1999	00147772	6,102,262	-	1	-	-
Mr. N S Parthasarathy	57	Executive Vice Chairman, President & COO	Jan 01, 2014	00146954	2,340,527	-	1	-	-
Mr. Rostow Ravanan	47	CEO & Managing Director	May 20, 2014	00144557	1,168,436	-	1	-	-
Non- Executive and Promoter Director						As Chairperson	As Director	As Chairperson	As Member
Mr. Subroto Bagchi	61	Non-Executive and Non-Independent Director	Aug 05, 1999	00145678	5,098,221	-	2	-	-
Independent Directors						As Chairperson	As Director	As Chairperson	As Member
Prof. Pankaj Chandra*	59	Non-Executive and Independent Director	Mar 19, 2012	00988867	40,000	-	1	-	-
Ms. Apurva Purohit	51	Non-Executive and Independent Director	Jan 01, 2014	00190097	-	-	2	1	1
Ms. Manisha Girotra	48	Non-Executive and Independent Director	May 20, 2014	00774574	-	-	4	-	1
Mr. Milind Sarwate	58	Non-Executive and Independent Director	Jul 19, 2016	00109854	-	-	9	4	4
Mr. Akshaya Bhargava	61	Non-Executive and Independent Director	Dec 12, 2016	01874792	-	-	-	-	-

* *Prof. Pankaj Chandra, Independent Director retired from the Board on April 01, 2018.*

Notes:

1. Mr. V G Siddhartha, Non-Executive Director resigned from the Board on March 09, 2018.
2. Dr. Albert Hieronimus, Independent Director retired from the Board on April 01, 2017.

Appointments, Resignations, Retirements, Service Contracts, Notice Period and Severance Fees of Directors

Mr. Krishnakumar Natarajan was reappointed as Executive Chairman from July 01, 2017 to June 30, 2020 at the Eighteenth Annual General Meeting. The notice period for his resignation is twelve months.

Mr. N S Parthasarathy was elevated from Executive Director to Executive Vice Chairman for a period commencing from October 21, 2016 to December 31, 2018 and his notice period for resignation is three months. Further, Mr. N S Parthasarathy will be retiring by rotation and being eligible, offers himself for reappointment and the matter is being placed before the Shareholders at the ensuing Nineteenth Annual General Meeting for approval. The brief resume of Mr. N S Parthasarathy is furnished in the Notice of the Nineteenth Annual General Meeting pursuant to Listing Regulations, Companies Act, 2013 and Secretarial Standards.

Mr. Rostow Ravanan was appointed as CEO & Managing Director from April 1, 2016 to March 31, 2021 and his notice period for resignation is twelve months. Further, the appointment of the Managing Director and Executive Director/Whole-time Director(s) is governed by the Articles of Association of the Company, resolutions passed by the Board of Directors/Committees and the Members of the Company along with Service/Employment Contracts.

Mr. Subroto Bagchi continues as Non-Executive and Non- Independent Director with effect from April 01, 2016.

Ms. Apurva Purohit was appointed as Independent Director for a period commencing from January 01, 2014 to December 31, 2018. Ms. Manisha Girotra was appointed as Independent Director for a period commencing from May 20, 2014 to May 19, 2019. Mr. Milind Sarwate was appointed as Independent Director for a period commencing from July 19, 2016 to July 18, 2021. Mr. Akshaya Bhargava was appointed as Independent Director for a period commencing from December 12, 2016 to September 30, 2021.

Prof. Pankaj Chandra was appointed as Independent Director for a period commencing from March 19, 2012 to March 31, 2018. He retired from the Board on April 01, 2018, due to the completion of his tenure.

Mr. V G Siddhartha, Non-Executive Director resigned from the Board on March 09, 2018, due to pre-occupation with his primary businesses.

Dr. Albert Hieronimus, Independent Director retired from the Board on April 01, 2017, due to completion of his tenure.

The service contracts, notice period and severance fees are not applicable to Non-Executive and/or Independent Directors.

Independent Directors

Independent Director is a Non-Executive Director, who fulfils the criteria as laid down under Listing Regulations and Companies Act, 2013, including any amendments thereto.

The Company has issued formal letter of appointment to its Independent Directors. The terms and conditions of draft appointment letter is published on the website of the Company in the following link: https://www.mindtree.com/sites/default/files/2017-10/letter-of-appointment-for-independent-director.pdf. The tenure of Independent Directors is in accordance with the Companies Act, 2013 and Listing Regulations.

Familiarization Programme for Independent Directors

Your Company has a well laid down onboarding/ orientation programme for the Independent Directors. The Business Heads, CFO and Executive Directors update the Board on business model of the Company, the nature of industry and its dynamism, the roles, responsibilities and liabilities of Independent Directors, etc. Further, business, legal, regulatory 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 https://www.mindtree.com/sites/default/files/2018-06/Details-of-Familiarization-programme-for-Independent-Directors-Jun07-18.pdf

Lead Independent Director

Ms. Apurva Purohit is the Lead Independent Director and she leads the meeting of Independent Directors.

III. Board Meetings

Board Calendar

The Board meeting dates are decided in consultation with the Board members and the schedule of such meetings is communicated to all Directors two years in advance. Generally, the Board Meetings are held at Bengaluru where the Registered Office of the Company is situated.

Information flow to the Board members

The Board has complete access to Company information. The Chairperson of the Board shares an interim update with the Board for their review, inputs and approval on a quarterly basis.

Board Agenda

The Agenda of Board Meetings cover a detailed update on Business and Finance highlights for the quarter, presentation on key issues, key risks and the steps to overcome those risks. Business presentations are focused on lightening talks. The CEO provides quarterly information on top risks, top actions and other key updates to the Board. The Board agenda covers strategic matters. The management uploads the agenda, detailed notes and the business presentations on an online portal, which meets the high standards of security.

The agenda for the Board Meetings includes all the matters as required to be placed under Listing Regulations and that of Companies Act, 2013. The agenda is generally uploaded on the portal, seven clear days prior to the date of the meeting. The draft resolutions include detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decisions.

During the year, the Board also reviewed the compliance reports pertaining to all laws applicable to the Company and took necessary steps to rectify the instances of non-compliances, if any. The Board agenda covers the following matters:

- Annual operating plans, budgets and any updates;
- Capital Budgets and any updates;
- Quarterly and/or Annual results for the Company and its operating divisions or business segments;
- Key business risks faced by the Company;
- 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;
- On the issue of Show cause, demand, prosecution notices and penalty notices, which are materially important;
- On the Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any;
- Material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any;
- 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 agreements, if any;
- 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. and such other matters as stated in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In case of urgent business needs, the Board's approval is obtained by way of circular resolutions in accordance with the Companies Act, 2013.

During the year, 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.

Number of Board Meetings

Your Board met seven times during the Financial Year 2017-18 i.e. on April 20, 2017, June 28, 2017, July 19, 2017, October 06, 2017, October 25, 2017, January 17, 2018 and March 09, 2018. The Board has passed one Circular Resolution during the Financial Year 2017-18.

In addition to the above, the Board met on March 9 and 10, 2018 for the Annual Plan and Strategy offsite meeting. The Strategy session focused on the strategy for the future of various business Industry Groups (IGs). The presentations also covered an update on Finance Plan for Financial Year 2019 and other functions. The session also provided a good perspective of the future opportunities and challenges.

The necessary quorum was present for all the Board Meetings. 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.

Meeting of Independent Directors

The Independent Directors of the Company met among themselves after every quarterly Board meeting, without the presence of the Executive Directors and members of the Management of the Company. These meetings were held on the same day as that of the quarterly Board Meetings, i.e. on April 20, 2017, July 19, 2017, October 25, 2017 and January 17, 2018. The practice of quarterly meeting of Independent Directors is in existence since 2007 and the purpose of these meetings is to promote open and candid discussion among the Independent Directors. In the said meetings, the Independent Directors reviewed the matters as required under the Listing Regulations and that of Companies Act, 2013. Action items, if any, were communicated to the Executive management and tracked to closure to the satisfaction of Independent Directors.

Attendance of Board Meetings and Eighteenth Annual General Meeting (AGM)

The Attendance Record of the Directors at the Board Meetings and at the Eighteenth AGM for the Financial 2017-18 are as follows:

Name of the Director	Attendance at Board meetings*	Attendance at the Eighteenth AGM (Yes/No/NA)
Mr. Krishnakumar Natarajan	7 of 7	Yes
Mr. N S Parthasarathy	7 of 7	Yes
Mr. Rostow Ravanan	7 of 7	Yes
Mr. Subroto Bagchi	7 of 7	Yes
Mr. V.G. Siddhartha**	5 of 6	No
Prof. Pankaj Chandra	4 of 7	Yes
Ms. Apurva Purohit	6 of 7	No
Ms. Manisha Girotra	4 of 7	No
Mr. Milind Sarwate	7 of 7	Yes
Mr. Akshaya Bhargava	6 of 7	Yes

**Meetings attended includes attendance through audio visual means/video conferencing.*

***Mr. V G Siddhartha, Non-Executive Director resigned from the Board on March 09, 2018.*

Note: Dr. Albert Hieronimus, Independent Director retired from the Board on April 01, 2017.

IV. Governance by the Committees of the Board

Your Board has constituted the following Committees and each Committee has their terms of reference as a Charter. The Chairperson of each Committee along with the other Members of the Committee and if required with other Members of the Board, decide the agenda, frequency and the duration of each meeting of that Committee. The Committees Chairperson provide a brief Committee update during the Board meetings. The Board had constituted the following Committees during the year 2017-18:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee;
5. Risk Management Committee and
6. Administrative Committee

Composition of various Committees

As on the year ended March 31, 2018, the composition of various committees is as under:

Name of the Director	Category	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Administrative Committee
Mr. Krishnakumar Natarajan	Executive Chairman	-	Member		Chairperson	Chairperson	Chairperson
Mr. Rostow Ravanan	CEO & Managing Director	-	-	Member	Member	Member	Member
Mr. N S Parthasarathy	Executive Vice Chairman, President & COO	-	-	-	Member	Member	Member
Mr. Subroto Bagchi	Non-Executive and Non-Independent Director	-	Member	-	Member	-	-
Prof. Pankaj Chandra	Non-Executive and Independent Director	-	Member	Chairperson	Member	-	-
Ms. Apurva Purohit	Non-Executive and Independent Director	Member	Chairperson	-	-	-	-
Ms. Manisha Girotra	Non-Executive and Independent Director	-	-	-	-	-	-
Mr. Milind Sarwate	Non-Executive and Independent Director	Chairperson	-	-	-	-	-
Mr. Akshaya Bhargava	Non-Executive and Independent Director	Member	-	-	-	Member	-

Notes:

1. *Mr. V G Siddhartha, Non-Executive Director ceased to be a member of Audit Committee with effect from March 09, 2018.*
2. *Ms. Vedavalli S, Company Secretary and Compliance Officer acted as the Secretary to the Audit Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Administrative Committee.*

3. *Mr. N S Parthasarathy, Executive Vice Chairman, President & COO acted as the Secretary to the Nomination and Remuneration Committee.*
4. *Mr. Vijay Y H, Chief Risk Officer acted as the Secretary to the Risk Management Committee.*

Attendance at Committee meetings

Name of the Director	Audit Committee Meetings	Nomination and Remuneration Committee Meetings*	Stakeholders' Relationship Committee Meetings*	Corporate Social Responsibility Committee Meetings*	Risk Management Committee Meetings*	Administrative Committee Meetings
Mr. Krishnakumar Natarajan	-	3 of 3	-	3 of 3	4 of 4	17 of 19
Mr. N S Parthasarathy	-	-	-	3 of 3	4 of 4	16 of 19
Mr. Rostow Ravanan	-	-	3 of 3	3 of 3	4 of 4	15 of 19
Mr. Subroto Bagchi	-	3 of 3	-	3 of 3	-	-
Mr. V.G. Siddhartha **	3 of 4	-	-	-	-	-
Prof. Pankaj Chandra	-	2 of 3	3 of 3	3 of 3	-	-
Ms. Apurva Purohit	4 of 5	3 of 3	-	-	-	-
Ms. Manisha Girotra	-	-	-	-	-	-
Mr. Milind Sarwate	5 of 5	-	-	-	-	-
Mr. Akshaya Bhargava	5 of 5	-	-	-	4 of 4	-

** Meetings attended includes attendance through audio visual means/video conferencing.*

*** Mr. V G Siddhartha, Non-Executive Director ceased to be a Member of Audit Committee with effect from March 09, 2018.*

Note: Dr. Albert Hieronimus, Independent Director ceased to be a Member of Audit Committee and Nomination and Remuneration Committee and Chairperson of Stakeholders' Relationship Committee with effect from April 01, 2017.

1. Audit Committee

The Audit Committee was constituted in accordance with the requirement of statutes.

The Audit Committee reports to the Board. The roles, responsibilities and the terms of reference of the Audit Committee 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, if any;
    h. Modified opinion(s) in the draft audit report, if any.
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 there on;
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 shall also review the financial statements, in particular, the investments made by the unlisted subsidiaries.

The Chairperson and the members of Audit Committee are financially literate and have the required accounting and financial management expertise. The Chairperson of the Audit Committee was present at the Eighteenth Annual General Meeting to answer Shareholders' queries.

The CFO, Chief Risk Officer, Legal Counsel, Finance Controller, representatives of the Statutory Auditor/Internal Auditor are the regular invitees to attend the Audit Committee meetings. The Audit Committee also invited such other executives 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 2017-18 i.e. on April 19, 2017, July 18, 2017, October 25, 2017, January 16, 2018 and March 10, 2018 and not more than one hundred and twenty days had elapsed between two Audit Committee meetings. The necessary quorum was present for all the said Audit Committee Meetings.

2. Nomination and Remuneration Committee

The 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:

- Review and approve the total compensation of the Chairman and CEO (inclusive of fixed compensation, performance based incentives, benefits and any other equity linked plans);
- Review and approve the remuneration (inclusive of fixed compensation, performance based incentives, benefits and any other equity linked plans) of business leaders reporting to the CEO;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors about their appointment and removal;
- Review and approve any stock based schemes such as ESPS, RSU, Phantom Stock and the like including the list of people who are recommended to be covered under such plans;
- Recommend to the Board on the policy relating to remuneration payable to Directors, KMPs and other employees;
- Recommend to the Board the composition of the Board and it's committees including framing the criteria for determining qualifications, positive attributes and Independence of a Director, that should be used to induct new members to the Board;
- Recommend to the Board on evaluation, appointment and reappointment of Directors/continuation on the terms of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- To formulate a criteria for evaluation of independent directors performance and select the external partner who would carry out the evaluation annually;
- Create a guideline on corporate governance, as may be required and review the same periodically;
- To provide a consultative role for senior appointments like Chief Financial Officer, Chief People Officer and other business leaders reporting to the CEO as and when required;
- Review the succession plan and development initiatives for identified successors to the CEO and other leaders reporting to the CEO and
- Any other matter referred to the Nomination and Remuneration Committee by the Board of Directors of the Company.

The Nomination and Remuneration Committee met three times during the Financial Year 2017-18 i.e. on April 20, 2017, July 19, 2017 and January 17, 2018.

The frequency, agenda, duration, etc., are as set by the Chairperson of the Committee.

Prof. Pankaj Chandra, Member of the Nomination and Remuneration Committee was present at the Eighteenth Annual General Meeting to answer the Shareholders' queries.

Board Membership Criteria

The Nomination and Remuneration Committee along with the Board, identifies the right candidate with right characteristics, skills and experience required for an individual member to possess and the Board as a whole. The Nomination and Remuneration Committee considers qualification, expertise and experience of the Directors in their respective fields i.e., personal, professional or business standing and the diversity of the Board while selecting the candidate as a Board member.

In addition to the above, in case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independence of the Directors so as to enable the Board to discharge its function and duties effectively.

Board Evaluation

The Nomination and Remuneration Committee is also responsible for the performance evaluation of Directors including Independent Directors. The criteria for evaluation includes Director's attendance and contribution at meetings, preparedness for the meetings, expression of opinions and suggestions, commitment, domain knowledge to evaluate current business and strategic options.

The Nomination and Remuneration Committee has engaged an external agency to perform Board Evaluation in detail, for the evaluation of the Board as a whole, its Directors including Independent Directors, Committees and the Chairman of the Board, for the Financial Year 2017-18.

The details of the Board evaluation are provided in detail in the Directors' Report.

Succession Planning

The Nomination and Remuneration Committee follows an effective mechanism for succession planning which focuses on orderly succession for the Board including CEO & Executive Directors, one level below the Board and other key employees. The Nomination and Remuneration Committee updates the Board about the Succession Planning on a periodical basis.

Remuneration Policy

Your Company's remuneration policy, framed by Nomination and Remuneration Committee, is focused on recruiting, retaining and motivating high talented individuals. It is driven by the success and performance of the individual employees and the Company. Through its compensation programme, Mindtree endeavors to attract, retain, develop and motivate a high performance workforce. Mindtree 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. Further, the Nomination and Remuneration Committee is also 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.

Remuneration paid to 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/or Independent Directors, a sum not exceeding 1% per annum of the net profits of the Company in aggregate for one financial year.

Remuneration to Independent Directors and Non-Executive Directors, is fixed by the Nomination and Remuneration Committee and 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 Committees.

No stock options have been granted to any Executive Directors, Non- Executive and/or Independent Directors during the Financial Year 2017-18.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive and/or Independent Directors apart from the remuneration and the transactions under the Related Party Transactions, as disclosed in the financial statements.

The details of remuneration paid to Executive, Non-Executive and/or Independent Directors for the Financial Year 2017-18 are provided in Annexure 4, extract of Annual Return, annexed to the Directors' Report in Form MGT-9, as required under the provisions of Section 92 of the Companies Act, 2013.

3. Stakeholders' Relationship Committee

Prof. Pankaj Chandra, Independent and Non-Executive Director was the Chairperson of Stakeholders' Relationship Committee as on March 31, 2018.

Ms. Vedavalli S, Company Secretary and Compliance Officer acted as Secretary to the Stakeholders' Relationship Committee. Further she is also appointed as Nodal Officer for the purpose of IEPF Rules.

The terms of reference, roles and responsibilities of Stakeholders' Relationship Committee are as follows:

1. To address and resolve grievances/ requests raised by Equity shareholders and other security holders of the Company;
2. Redressal of Shareholders' grievances in general and relating to :
    a. Non-receipt of declared dividends;
    b. Non-receipt of Annual Reports;
    c. Complaints related to share transfers, transmissions, transpositions, buybacks and other corporate actions.
3. Shareholder Engagement initiatives;
4. Such other matters as may be required under various statutes and
5. Any other matter referred to the Stakeholders' Relationship Committee by the Board of Directors.

The Stakeholders' Relationship Committee met thrice during the Financial Year 2017-18 i.e. on June 12, 2017, July 19, 2017 and January 17, 2018.

The Chairperson of the Stakeholders' Relationship Committee was present at the Eighteenth Annual General Meeting to answer the Shareholders' queries.

Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrar and Share Transfer Agent in due course after verification.

Your Company has a designated e-mail 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.

SEBI Complaints Redress System (SCORES)

The Investors can also raise complaints in a centralized web-based complaints redress system called "Scores". The Company uploads the action taken report on the complaints raised by the Shareholders on "Scores", which can be viewed by the Shareholder. The complaints are closed to the satisfaction of the Shareholder and SEBI.

Details of complaints/requests etc., received and resolved during the Financial Year 2017-18 are as below:

Nature of Complaints/Correspondence/ Requests	Outstanding as on April 01, 2017	Received during the year	Resolved during the year	Outstanding as on March 31, 2018
Non-receipt of Annual Report/ Dividend/ Share transfer/Buyback	1	362	363	0

4. 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 following link: http://www.mindtree.com/corporate-social-responsibility-policy.

The CSR Committee met thrice during the Financial Year 2017-18 i.e. on June 12, 2017, July 19, 2017 and January 17, 2018.

The frequency, agenda, duration, etc., are as set by the Chairperson of the Committee.

5. Risk Management Committee

The Board has constituted the Risk Management Committee in accordance with the Listing Regulations, voluntarily.

The roles, responsibilities and the terms of reference of the Risk Management Committee are as follows:

- Framing, implementation, monitoring and review of the Mindtree risk management policy/ plan;
- Evaluation of Mindtree risk management procedures including risk recognition, assessment, minimization and definition of risk appetite;
- Reviewing and discussing adoption of the Risk Management Policy and management's recommended risk management framework;
- Ensuring the company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new activities;
- Reviewing management's prioritization of risks as set out in the framework and recommend significantly high risks to the Board for review;
- Reviewing and discussing management's annual risk management program to ensure risks are managed in a systematic and prioritized manner and assessed regularly;
- Conducting an annual review with the owner of the process by which Mindtree manages its enterprise risks;
- Reviewing risk issues identified by audits and the resolution of such issues by management;
- Ensuring key risks identified are audited, if required;
- Reviewing quarterly risk reports provided by the Chief Risk Officer;
- Providing executive sponsorship for significantly high enterprise-level risks;
- Taking decisions on organization-level risk treatment options;
- Resolving conflicts of interests (in the context of risk management) and
- 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 2017-18 i.e. on April 19, 2017, July 11, 2017, October 04, 2017 and January 04, 2018.

The frequency, agenda, duration, etc., are as set by the Chairperson of the Committee.

Internal Controls and Risk Management

Your Company has robust system for Internal Audit and Corporate risk assessment and mitigation. Business risk assessment procedures have been set in place for self-assessment of business risks, operating controls and compliance with corporate policies. There is an ongoing process to track the evolution of risks and delivery of mitigating action plans.

Enterprise Risk Management (ERM) program is a strategic discipline, which supports Mindtree's objective to support sustainable growth and generating value for its customers, investors, employees and other stakeholders. ERM encompasses areas of organizational exposure to risk (financial, strategic, operational and compliance). ERM also provides a structured process for management of risks whether those risks are quantitative or qualitative in nature.

This is achieved by deploying an effective risk management framework, which helps proactively identifying, prioritize and mitigate risks. The Mindtree Enterprise Risk Management (ERM) framework is designed by incorporating elements of leading risk management standards such as:

- COSO; Enterprise Risk Management- Framework by Treadway Commission
- ISO 31000: 2009 by ISO
- IRM Risk Management Standard

6. Administrative Committee

The Board has constituted Administrative Committee for managing day to day business transactions.

The roles, responsibilities and terms of reference of Administrative Committee are as follows:

- Allotment under DSOP/ ESOP & ESPS Schemes;
- Rematerialisation of shares, Issue of Duplicate Share Certificates, Demat, and transfer of shares;
- 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;
- Authorising the officers of the Company to enter into various agreements, including Registration of Lease, commercial vendor contracts, etc.;
- Fixing record dates for corporate actions/benefits;
- Activation & Closure of Dividend accounts;
- Authorizing officers to sign various documents, represent themselves on behalf of the Company with Statutory and Government Authorities;
- Authorizing officers to sign various documents, represent themselves on behalf of the Company with Statutory and Government Authorities for wholly owned subsidiaries;
- To grant General/Special Power of Attorneys;
- Authorizing officers to sign documents with AMEX for corporate credit card account;
- Opening and registration of branch offices, appointing officials as authorized signatories and representatives thereof;
- Approval and Adoption of Branch accounts as per the respective countries laws;
- Any decision related to short term working capital requirements such as issuance of Commercial papers, etc.;
- To negotiate, make necessary amendments, to execute additional agreements and such other documents in connection with investments made by the Company;
- Any other matter referred to the Administrative Committee (Admin Committee) by the Mindtree Board of Directors and
- Any other duties as may be delegated by the Board from time to time, but not limited to the above.

V Governance to Shareholders

General Meetings, Postal Ballot and Hon'ble National Company Law Tribunal ("Hon'ble NCLT") convened Meeting

Annual General Meetings of the earlier three years:

Financial Year	Day, Date and Time	Venue	Summary of Special Resolution(s) passed
2014-15	Monday, June 22, 2015 at 10.30 AM	'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

Financial Year	Day, Date and Time	Venue	Summary of Special Resolution(s) passed
2015-16	Tuesday, July 19, 2016 at 10.30 AM	'The Capitol Hotel', No.3, Raj Bhavan Road, Opp. General Post Office, Bengaluru 560 001, Karnataka, India	To consider adoption of newly substituted Articles of Association of the Company containing clauses in line with the Companies Act, 2013
2016-17	Tuesday, July 18, 2017 at 10.30 AM	Hotel 'Radisson Blu Atria Bengaluru', No.1, Palace Road, Bengaluru 560 001, Karnataka, India	To approve change in the place of maintenance of the Register of Members etc.,

Extra-Ordinary General Meetings (EGM) of the earlier three years:

No EGMs were held during the last three years.

Postal Ballot

No resolution was passed through Postal Ballot during the Financial Year 2017-18.

Hon'ble National Company Law Tribunal ("Hon'ble NCLT") Convened Meeting

Pursuant to the Order dated December 14, 2017 of the Bengaluru Bench of the Hon'ble National Company Law Tribunal ("Hon'ble NCLT"), your Company had conducted a meeting of Unsecured Creditors and Equity Shareholders ("Shareholders") of the Company on Wednesday, January 31, 2018 at 10.00 AM and 11.00 AM respectively, at Hotel 'Radisson Blu Atria Bengaluru', No. 1, Palace Road, Bengaluru – 560 001, Karnataka, for the purpose of considering, and if thought fit, approving with or without modification (s), the Scheme of Amalgamation of Magnet 360, LLC with Mindtree Limited under Sections 230 to 232 read with Section 234 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

The Hon'ble NCLT had appointed Mr. Nagendra D Rao, Practicing Company Secretary as the scrutinizer to conduct and scrutinize the voting in fair and transparent manner.

The Unsecured Creditors have approved the Scheme of Amalgamation unanimously and the Shareholders have approved the same with requisite majority, as prescribed under applicable laws and in accordance with the Order of the Hon'ble NCLT, Bengaluru Bench of Karnataka. The results were displayed on the website of the Company and the necessary disclosures were made to the Stock Exchanges. Please refer the results under the following link:

https://www.mindtree.com/sites/default/files/2018-02/Regulation%2030%20NCLT%20meeting%20results%20of%20Shareholders%20and%20Unsecured%20Creditors.pdf

VI. Means of Communication

Quarterly and Annual Financial Results

The communication is the key element of the overall Corporate Governance framework. Your Company constantly interacts with Shareholders through multiple channels of communication such as result announcement, annual report, media releases, Company's website and other specific communications, as applicable.

The management participates in the press call and earnings call every quarter, after the announcement of results. During the Financial Year 2017-18, your Company had participated in four Earnings/Analysts Call. The transcripts of the quarterly earnings calls with Analysts have also been published on its website. Your Company also sends quarterly financial updates to all Investors and Shareholders whose e-mail ids/ addresses are registered/made available to us.

Further, the Company had conducted an Investor and Analyst meet on August 21, 2017 at Mumbai. The presentations made at the Investor and Analyst meet were shared with the stock exchanges and were also uploaded on the website of the Company.

Newspaper publications on Financial Results

Quarterly and Annual financial results are also published in English and Regional (Kannada) newspapers, i.e., Business Standard and Kannada Prabha. The details of publication of financial results for the year under review are given below:

Description	Date of Publication
Audited financial results for the first quarter ended June 30, 2017	July 20, 2017
Audited financial results for the second quarter and half year ended September 30, 2017	October 26, 2017
Audited financial results for the third quarter and nine months ended December 31, 2017	January 18, 2018
Audited financial results for the fourth quarter and financial year ended March 31, 2018	April 19, 2018*

** proposed date of publication*

Website

The Company's website www.mindtree.com contains a dedicated segment called 'Investors', where all the information as may be required by the Shareholders is available including press releases, quarterly results and presentations made by the Company to Financial Analysts and Institutional Investors, fact sheet reports, earnings conference call transcripts, shareholding pattern, stock exchange disclosures, shareholders' reports, investor presentations, Annual Reports, Subsidiary Financials, Policies, additional disclosures, etc. in accordance with Regulation 46 of Listing Regulations.

Official Media releases and presentations made to Institutional Investors/Financial Analysts

Press releases/official media releases are sent to stock exchanges and are also displayed on the Company's website at www.mindtree.com

Detailed presentations are made to the Institutional Investors/ Financial Analysts on the Company's quarterly and annual financial results. These presentations are sent to stock exchanges and are also displayed on the Company's website at www.mindtree.com

Stock Exchange filings

The Company also uploads its disclosures and announcements under the Listing Regulations 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/

During the year, the Company also submitted a quarterly compliance report on Corporate Governance to the stock exchanges within 15 days from the close of quarter as per the formats given under the Listing Regulations.

VII. General Shareholders' Information

Nineteenth Annual General Meeting

Day, Date and Time	Venue
Tuesday, July 17, 2018 at 10.30 AM	Hotel 'Radisson Blu Atria Bengaluru', No. 1, Palace Road, 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 Listing Regulations, the Company has extended e-voting facility, for its Members to enable them to cast their votes electronically on the proposed resolutions in the Notice of the Nineteenth AGM. Instructions for e-voting are listed under the segment "Notes" in the Notice of the Nineteenth AGM.

The Shareholders/Members, who cannot attend the AGM in person, can appoint a proxy to represent themselves at the AGM by sending a Proxy Form. The Proxy Form 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 AGM.

Financial Year

Board Calendar: Financial Year from April 1, 2018 to March 31, 2019

For the Financial Year 2018-19	Tentative Date of Announcement of Financial Results (Subject to change)
First quarter ended June 30, 2018	July 18, 2018
Second quarter and half year ended September 30, 2018	October 17, 2018
Third quarter and nine months ended December 31, 2018	January 16, 2019
Fourth quarter and Financial Year ended March 31, 2019	April 17, 2019
Twentieth Annual General Meeting	July 16, 2019

Date of Book Closure

The dates of book closure shall be from Wednesday, July 11, 2018 to Tuesday, July 17, 2018 (both the days inclusive).

Details of Dividend for the Financial Year 2017-18

Your Directors have declared the following interim dividends during the year:

(i) The Board of Directors on October 25, 2017, declared a first interim dividend of ₹ 2/- per equity share of face value of ₹ 10/- each and a special (interim) dividend of ₹ 2/- per equity share of face value of ₹ 10/- each on account of completion of 10 years of Initial Public Offering (IPO). The above dividends were paid to the Shareholders on November 7, 2017;

(ii) The Board of Directors on January 17, 2018, declared a second interim dividend of ₹ 2/- per equity share of face value of ₹ 10/- each, to the Shareholders, which was paid on January 30, 2018;

(iii) The Board of Directors on April 18, 2018, declared an interim dividend of ₹ 2/- per equity share of face value of ₹ 10/- each, to the Shareholders, which will be paid on or before May 10, 2018.

Further, your Directors have also recommended, a final dividend of ₹ 3/- per equity share of face value of ₹ 10/- each, for the Financial Year ended March 31, 2018 which is payable on obtaining the Shareholders' approval at the Nineteenth Annual General Meeting. The final dividend, if approved, will be paid on or before July 31, 2018.

Listing on Stock Exchanges

Your Company's equity shares are listed on the following Stock Exchanges as on March 31, 2018:

(i) BSE Limited (Bombay Stock Exchange), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 &

(ii) National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

Listing fees for the Financial Year 2018-19 has been paid to both NSE and BSE Limited 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.

Registered Office

The Registered Office of the Company is situated at:

Global Village, RVCE Post, Mysore Road, Bengaluru-560 059, Karnataka, India.

Ph: +91-80-6706 4000, Fax: +91-80-6706 4100, Website: www.mindtree.com

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 in the Financial Year 2017-18

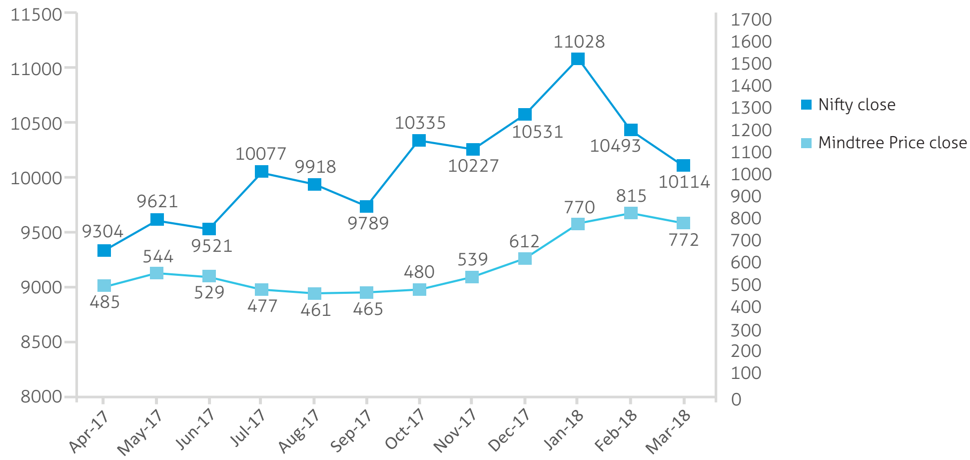
The Company's monthly high and low share price as well as the total turnover at the NSE and BSE Limited are given herein.

The share price data during each month in the Financial Year 2017-18 on the National Stock Exchange of India Limited and BSE Limited (Bombay Stock Exchange) are as mentioned below:

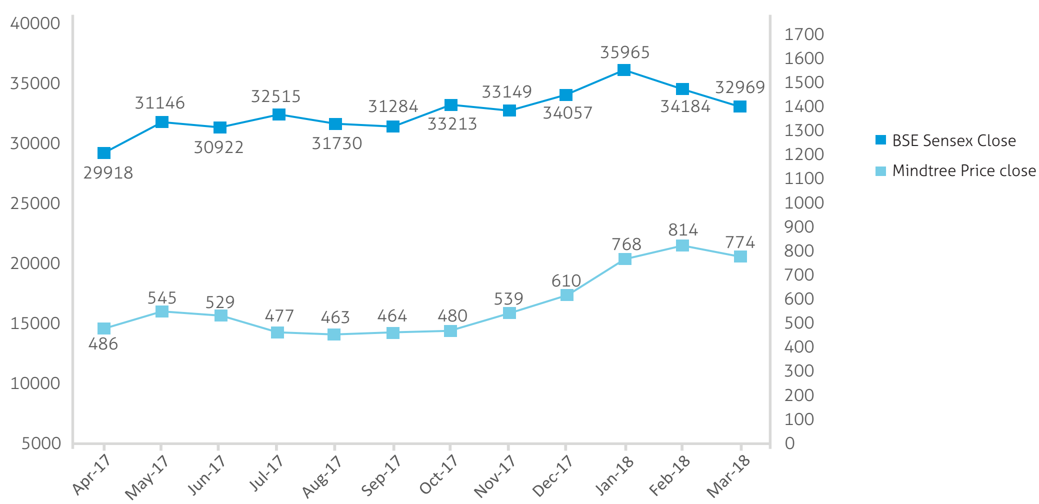
Month	National Stock Exchange of India Limited (NSE), Mumbai			BSE Limited (Bombay Stock Exchange), Mumbai		
	Total Volume (₹ in Lakhs)	High (₹)	Low (₹)	Total Volume (₹ in Lakhs)	High (₹)	Low (₹)
April 2017	44,263	493	435	3,863	492	435
May 2017	59,143	552	480	5,806	552	480
June 2017	71,563	566	511	4,658	566	512
July 2017	74,298	549	475	6,574	549	475
August 2017	24,812	485	441	1,644	486	438
September 2017	44,547	477	439	2,367	476	439
October 2017	53,922	515	465	3,389	514	466
November 2017	74,345	562	469	5,249	562	469
December 2017	93,823	627	527	4,932	625	527
January 2018	273,150	784	593	14,368	784	594
February 2018	238,132	836	662	9,975	827	670
March 2018	344,293	871	745	16,161	873	741

Performance in comparison to broad-based indices such as NSE Nifty and BSE Sensex

Mindtree's share price movement compared to NSE Nifty (closing price on last trading day of the month)



Mindtree's share price movement compared to BSE Sensex (closing price on last trading day of the month)



Registrar and Share Transfer Agent

All work related to Share Registry, both in physical form and electronic form, are 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-101, 247 Park, L.B.S Marg, Vikhroli (W), Mumbai – 400 083, India.

Tel: +91 22 4918 6000 | Fax: +91 22 4918 6060 | e-mail: rnt.helpdesk@linkintime.co.in | Website: www.linkintime.co.in

Share transfer system

Link Intime India Private Limited is the common Share Transfer Agent for both physical and dematerialised mode. Transfer of shares in electronic form are processed and approved by National Securities Depository Limited ("NSDL") / Central Depository Services (India) Limited ("CDSL") through their Depository Participant without the involvement of the Company. Transfer of shares in physical form are registered and transferred to the respective transferees within the prescribed time as per the Listing Regulations, after the confirmation from Registrar and Share Transfer Agent on the completeness of documentation. The Share transfers are approved by the Administrative Committee. The details of share transfers during the quarter are also placed before the Board meetings and the Board takes the same on record. In case of any grievances related to share transfers, the same are placed before Stakeholders' Relationship Committee. The Company did not have any instances of Shareholders grievance on share transfers during the year.

The Company also obtains a certificate from the Company Secretary under Regulation 40(9) of the Listing Regulations, to the effect that all share certificates have been issued within 30 days of lodgment of the transfer, sub-division, consolidation and renewal and files the same with stock exchanges.

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. The report thereof was submitted to the Stock Exchanges, where the Company's shares are listed and is also placed on the website of the Company.

Distribution of Shareholding

Range of equity shares	As at March 31, 2018			
	Number of Shareholders – Folio wise details	Percentage (%)	Number of Shares	Percentage (%)
Up to 500	70,349	95.38	4,999,878	3.05
501-1,000	1,535	2.08	1,129,716	0.69
1,001-2,000	716	0.97	1,048,514	0.64
2,001-3,000	220	0.3	550,358	0.34
3,001-4,000	149	0.2	530,955	0.32
4,001-5,000	75	0.1	340,866	0.21
5,001-10,000	203	0.28	1,451,326	0.89
10,001 and above	513	0.7	153,874,698	93.87
Total	**73,760**	**100**	**163,926,311**	**100**

Category of Shareholders as on March 31, 2018

Sl. No.	Category of Shareholder	Number of Shareholders PAN wise details	Total Number of Shares	Percentage (%)
a	Promoters & Promoter Group	15	21,922,498	13.37
b	Public	72,204	142,003,813	86.63
c	Non Promoter - Non Public			
	(i) Shares Underlying DRs	-	-	-
	(ii) Shares Held By Employee Trust	-	-	-
	Total	**72,219**	**163,926,311**	**100.00**

The detailed shareholding pattern is provided in Annexure 4, the extract of the Annual Return, annexed to the Directors Report in Form MGT-9 as required under provisions of Section 92 of the Companies Act, 2013.

List of Top Ten Shareholders of the Company as on March 31, 2018

Name of the Shareholder	Number of Shares	Percentage (%)
Coffee Day Enterprises Limited	17,461,768	10.65
Nalanda India Fund Limited	14,568,212	8.89
Coffee Day Trading Limited	10,594,244	6.46
Amansa Holdings Private Limited	6,731,593	4.11
Krishnakumar Natarajan	6,102,262	3.72
V G Siddhartha	5,469,750	3.34
Subroto Bagchi	5,098,221	3.11
UTI-Equity Fund	3,891,754	2.37
Life Insurance Corporation of India	3,432,691	2.09
Rekha N Shah	3,329,809	2.03
Total	**76,680,304**	**46.78**

Dematerialization of Shares and Liquidity

Your Company's shares are admitted into both the Depositories i.e. NSDL and CDSL by the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited. 99.87% of the Company's shares are held in electronic/demat form as on March 31, 2018.

As on March 31, 2018, the number of shares held in dematerialized and physical mode are as under:

Particulars	Number of Shares	Percentage (%) to Total Number of Shares issued
Held in dematerialized mode in NSDL	141,845,129	86.53
Held in dematerialized mode in CDSL	21,869,287	13.34
Total Demat Segment	163,714,416	99.87
Physical Segment	211,895	0.13
Total	**163,926,311**	**100.00**

Shares held in Demat or Electronic Form

For shares held in electronic form, after confirmation of sale/purchase transaction from the Broker, Shareholders should approach their respective Depositary 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 Registrar and 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 held 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

Your Company do not have any 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 https://www.mindtree.com/about/locations.

Address for Correspondence

Shareholders can also send their correspondence to the Company with respect to their shares, dividend, request for annual reports and other grievances. The contact details are provided below:

Ms. Vedavalli S

Company Secretary and Compliance Officer

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/Investor Relations related matters. The contact details are provided 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

VIII. Governance by Management and other Disclosures

Management Discussion and Analysis

Management Discussion and Analysis Report as required under Listing Regulations is provided separately in this Annual Report.

Policies relating to Corporate Governance

The Board has laid down the following policies to ensure governance in an ethical manner:

- Code of Conduct
- Policy on Corporate Social Responsibility
- Policy for determining material information
- Policy for determining material subsidiary
- Whistle Blower Policy
- Policy on determining material related party transactions
- Document Retention & Archival Policy
- Code of Conduct for Prevention of Insider Trading in Mindtree Securities
- Dividend Policy

The above policies are also available on our website at https://www.mindtree.com/about/investors.

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., https://www.mindtree.com/code-conduct. 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) and 26(6) of Listing Regulations, for the Financial Year ended March 31, 2018.

A declaration signed by the Chief Executive Officer (CEO) to this effect is attached as Annexure A to the Corporate Governance Report in this Annual Report.

Compliance Certificate by CEO and CFO

The Compliance Certificate by CEO and CFO as required under the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided as Annexure B to the Corporate Governance Report in this Annual Report.

Compliance of Prohibition of Insider Trading Regulations

Your Company has formulated Code of Conduct for Prevention of Insider Trading in Mindtree Securities ("Code") in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. 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 Persons and other employees. The details of the trading by Designated and other Mindtree Minds are placed before the Audit Committee and Board meeting on a quarterly basis. Mr. Jagannathan Chakravarthi, CFO, continues to act as Compliance Officer under the Code of Conduct for Prevention of Insider Trading in Mindtree Securities. The Code is available on the website of the Company on the following link: https://www.mindtree.com/about/investors/code-conduct-prevention-insider-trading-mindtree-securities

Whistle Blower Policy /Vigil Mechanism

Your Company has adopted a Whistle Blower Policy and has established vigil mechanism in line with the requirements under the Companies Act, 2013 and Listing Regulations for the employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the integrity policy. The Whistle Blower Policy is available at the following link: https://www.mindtree.com/about/investors.

The vigil mechanism provides adequate safeguards 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 made to any person for a genuinely raised concern.

The Company has constituted Cultural Protection Committee and Internal Complaints Committee (POSH Committee) which looks into the complaints raised and resolves the same. The above Committees report to the Audit Committee and Board. The Audit Committee looks into matters reported on a quarterly basis and track matters to closure as per law.

No personnel has been denied access to the Audit Committee.

Disclosure of Related Party Transactions

Your Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions in accordance with Companies Act, 2013 and Listing Regulations. The policy is available on the Company's website in the following link: http://www.mindtree.com/policy-for-determining-material-related-party-transactions.

All related party transactions are entered into with the prior approval of the Audit Committee. The interested Directors do not participate in the discussions and vote on such matters, when they are placed for approval.

During the Financial Year 2017-18, there were no such related party transactions, either as per Companies Act, 2013 or Listing Regulations, which were required to be approved by the Board of Directors or the Shareholders of the Company. Further, there were no materially significant related party transactions that may have potential conflict of interests of the Company at large.

Register under Section 189 of the Companies Act, 2013 is maintained and particulars of transactions are entered in the Register, wherever applicable. The related party transactions, as set out in the financial statements are provided to the Board and Audit Committee on a quarterly basis. The Audit Committee and the Board takes the same on record and notes that these transactions are at arm's length and in the ordinary course of business.

Disclosure on Accounting treatment in preparation of Financial Statements

The Company has prepared financial statements in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

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.

Details of compliance with mandatory and adoption of non-mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has disclosed and complied with all the mandatory requirements under Listing Regulations. The details of these compliances have been given in the relevant sections of this report.

Among non-mandatory requirements, as specified in Part E of Schedule II of Listing Regulations, the Company has adopted 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.

Shareholders' Rights – Quarterly/ half yearly financial results along with the press release are uploaded on the website of the Company at https://www.mindtree.com/about/investors. The quarterly /half yearly consolidated financial results along with the key highlights for the quarter/ half year are also sent to those Shareholders electronically who have registered their email addresses with Registrar and Share Transfer Agent/ Company.

Reporting of Internal Auditor – The Internal auditor reports directly to the Audit Committee.

Audit Qualifications – The Company has unqualified financial statements since inception. The Auditors of the Company, have issued Audit Reports with unmodified opinion on the standalone and consolidated financial statements for the year ended March 31, 2018.

Disclosure of Subsidiaries

Your Company does not have any material subsidiary. The details of subsidiaries are provided in detail in Directors' Report. The performance of the subsidiaries are monitored by the Company inter alia, by the following means:

- The Audit Committee reviews the financial statements of subsidiaries, including the investments made by the subsidiaries, if any, on a regular basis;
- Minutes of Board meetings of unlisted subsidiaries are placed before the Board on a quarterly basis;
- A statement containing all significant transactions and arrangements entered into by unlisted subsidiaries is placed before the Company's Board on a quarterly basis.

The Company's Policy for determining material subsidiaries is available on the following link: http://www.mindtree.com/policy-for-determining-material-subsidiary

Secretarial Audit

During the Financial Year 2017-18, Secretarial Audit was conducted as required under the provisions of Section 204 of the Companies Act, 2013. Mr. 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.

Non-compliance of Regulations relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any

Your Company is fully compliant with all the regulations and there are no such non-compliances.

Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Auditors' Certificate on Corporate Governance obtained from Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No.008072S) for compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided as Annexure 9 to the Directors' Report.

Disclosure on Compliance

Your Company has complied with the requirements of the 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance with Code of Conduct

In accordance with the 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, 2018.

Place: Bengaluru
Date: April 18, 2018

Rostow Ravanan
CEO & Managing Director

Annexure B

Compliance Certificate

{As per 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, 2018 and:
   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 Indian Accounting Standards (Ind AS) 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 2017-18;
   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 managerial personnel have affirmed compliance with the code of conduct for the current year.

Place: Bengaluru
Date: April 18, 2018

Rostow Ravanan
CEO & Managing Director

Jagannathan Chakravarthi
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 is estimated to have grown by 3.7% in 2017 and is projected to reach 3.9% in 2018 and 2019. This reflects a more positive outlook in 2017 with a gradual pickup in the next two years. The pickup in growth is broad based. It may be attributed to recently approved tax policy changes in US and accelerating economic activity mostly in advanced economies and also in emerging markets and developing economies to some extent.

US grew at 2.3% in 2017 and is expected to grow at 2.7% and 2.5% in 2018 and 2019, respectively. The policy changes in terms of corporate income tax cuts will have positive impact on investment. Overall tax policy changes are expected to stimulate activity in economy. In terms of labor market, unemployment is at all-time low.

The Euro area grew at 2.4% in 2017 as compared to 1.8% in 2016. It is expected to grow at 2.2% and 2.0% in 2018 and 2019 respectively.

China accelerated to 6.8% in 2017 from 6.7% in 2016. It is expected to slowdown in 2018 and 2019 with an estimated growth rate of 6.6% and 6.4% respectively.

India grew at 6.7% in 2017 as compared to 7.1% in 2016. It is expected to grow at 7.4% and 7.8% in 2018 and 2019. With these numbers, India will continue to remain one of fastest growing economy compared to other developed and emerging economies.

Global technology industry saw fairly modest, yet commendable growth of about 4.5%, picking up from last year growth.

In FY2018, India had IT-BPM revenue touching USD 167 billion, up from USD 154 billion in FY2017 and showing a growth of 8.4%. Exports reached USD 126 billion, a 7.7% growth over the previous year and an addition of USD 9 billion. In FY2018, India's domestic IT-BPM market grew at 7.9% Y-o-Y to reach USD 41 billion (excl. e-commerce). Digital technologies will continue to define the sector and revenue from these is likely to have a 23% share by 2020 and more than 38% by 2025. Digital revenues are at 20% and growing by 30% Y-o-Y which translates into 1.5x growth over entire IT industry.

Last year has been very exciting in terms of technological and political changes. Indian IT-BPM industry is facing some challenges in terms of how to tackle political changes, be it increased protectionism across the globe which has resulted in tightening of labor market and difficulty in obtaining visa. Due to this there is slowdown in decision making and investment. On the technology front IoT, AI/ML are becoming mainstream globally and our industry has to take a note of it and provide valuable services in these areas. Blockchain is another exciting technology and its implication can be huge if it is realized to its full potential. However, India continues to be the world's top outsourcing destination due to its unique value proposition which shows its massive ecosystem in the following lines:

- Digitally connected domestic economy
- Maturity in onshore, offshore and nearshore global delivery model
- World's fastest growing digital hub
- Digital at the core of innovation (110+ CoEs, 20 labs/innovation centers, 30+ design studios etc.)
- Technology investments (IP solutions in AI, RPA, IOT etc.)
- Massive reskilling of talent in digital technologies (450K-550K digitally skilled employees)

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, labor mobility and inertia will be a major factor to tackle by concerned stakeholders. Digital business, Blockchain, Internet of Things (IoT), AI/ML projects will be main drivers of growth going forward.

Source: IMF WEO Jan 18 update, NASSCOM Annual Guidance 2018

Financial Performance

The table below gives an overview of the consolidated financial results for 2017-18 and 2016-17.

Particulars	FY 2017-18		FY 2016-17		Growth %
	₹ in million	% of revenue	₹ in million	% of revenue	
Income from operations	54,628	100.0%	52,364	100.0%	4.3%
Expenses:					
Employee benefits expense	35,641	65.2%	34,125	65.2%	4.4%
Other expenses	11,582	21.2%	11,058	21.1%	4.7%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**7,405**	**13.6%**	**7,181**	**13.7%**	**3.1%**

Particulars	FY 2017-18		FY 2016-17		Growth %
	₹ in million	% of revenue	₹ in million	% of revenue	
Other income (net)	1,660	3.0%	553	1.1%	200.2%
Foreign exchange gain/ (loss)	242	0.4%	(136)	-0.3%	-277.9%
Finance costs	169	0.3%	191	0.4%	-11.5%
Depreciation and amortisation expense	1,715	3.1%	1,858	3.5%	-7.7%
Profit before tax	**7,423**	**13.6%**	**5,549**	**10.6%**	**33.8%**
Tax expense	1,722	3.2%	1,363	2.6%	26.3%
Profit for the year (PAT)	**5,701**	**10.4%**	**4,186**	**8.0%**	**36.2%**

Income

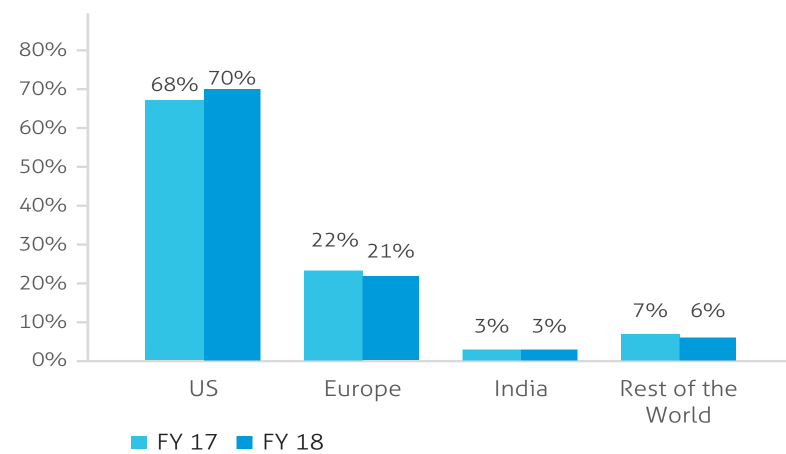
Revenue for the year in USD terms grew by 8.6% to USD 846.8 million. In Rupee terms, revenue for the year is ₹ 54,628 million with a growth of 4.3% over previous year.

We analyze our revenue based on various parameters. The factors which are driving our revenue growth (in USD terms) are as follows:

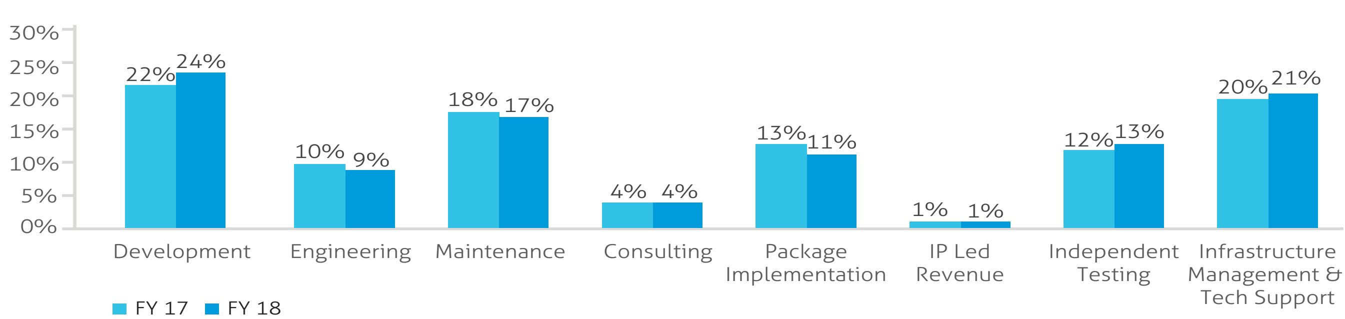
- Revenue by vertical: Among the verticals, TMS (Technology, Media and Services) grew by 10.8% in the current year followed by TH (Travel and Hospitality), which grew by 10.1%.
- Revenue by geography: India revenue grew by 12% followed by US revenue which grew by 10.7%.
- Revenue by service offering: Our revenue from Development grew by 17.6% year on year, followed by Infrastructure management and tech support and Independent testing which grew by 16.7% and 6.5% respectively. Digital/SMAC revenue has grown by 18.9%.
- Revenue by mix: Offshore revenue mix has grown by 13.3% and the onsite revenue mix has grown by 5.4%.

A graphical presentation of revenue analysis based on various parameters is given below.

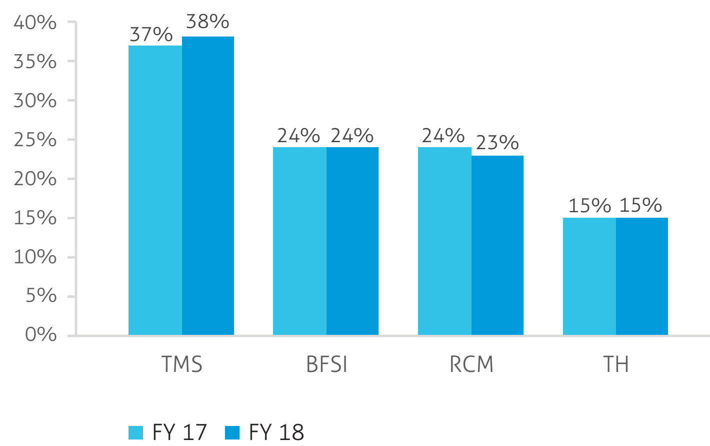
Revenue distribution by geography



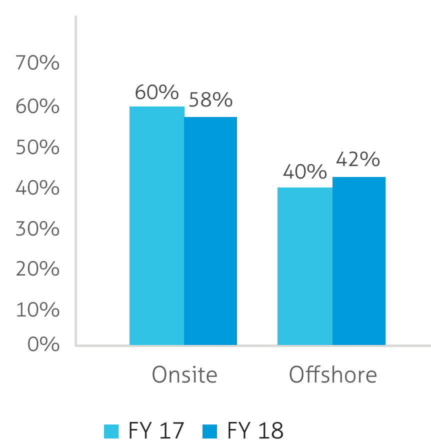
Revenue distribution by service offering



Revenue distribution by industry



Revenue distribution by mix



Our active customers list as at March 31, 2018 stands at 338.

During the year, our $ 10 million clients increased from 16 to 17 and our $ 5 million clients increased from 30 to 38.

Other income (excluding foreign exchange gain)

Other income for the year ended March 31, 2018 is ₹ 1,660 million and has increased by an amount of ₹ 1,107 million over the previous year (₹ 553 million). The significant increase is mainly on account of write back of earn out towards acquisition of business to the erstwhile shareholders of Bluefin Solutions Limited, Relational Solutions Inc and Magnet 360 LLC amounting to ₹ 916 million in the current year and also on account of increase in net gain on sale of financial assets designated at fair value through profit or loss amounting to ₹ 136 million.

Foreign exchange loss/ gain

Foreign exchange gain for the year ended March 31, 2018 is ₹ 242 million as compared to a loss of ₹ 136 million in the previous year. This is primarily on account of depreciation of rupee against major currencies as listed below:

Currency	As at March 31, 2018	As at March 31, 2017
USD	65.11	64.85
GBP	91.25	80.90
EUR	80.22	69.29

Expenses

Employee benefits expense

At 65.2% of total revenue, employee benefits expense are the major part 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) %
	2018		2017		
	₹ in million	% of revenue	₹ in million	% of revenue	
Salaries and wages	33,207	60.8%	31,992	61.1%	3.8%
Contribution to provident and other funds	2,100	3.8%	1,882	3.6%	11.6%
Expense on employee stock based compensation	195	0.4%	54	0.1%	261.1%
Staff welfare expenses	139	0.3%	197	0.4%	-29.4%
Total	**35,641**	**65.2%**	**34,125**	**65.2%**	**4.4%**

Total employee benefits expense have increased by 4.4%. In relation to revenues, employee benefits expense has remained the same at 65.2%.

Other expenses

Other expenses comprises of all other incidental costs apart from employee benefits costs like travel, sub-contractor charges, rent, computer consumables etc., The break-up of the same is as given below:

Other expenses	For the year ended March 31,				Increase/ (Decrease) %
	2018		2017		
	₹ in million	% of revenue	₹ in million	% of revenue	
Travel expenses	2,333	4.3%	2,208	4.2%	5.7%
Communication expenses	700	1.3%	752	1.4%	-6.9%
Sub-contractor charges	3,489	6.4%	3,071	5.9%	13.6%
Computer consumables	815	1.5%	825	1.6%	-1.2%
Legal & Professional charges	552	1.0%	512	1.0%	7.8%
Power and fuel	289	0.5%	313	0.6%	-7.7%
Lease rentals	965	1.8%	981	1.9%	-1.6%
Repairs and maintenance					
- Buildings	63	0.1%	57	0.1%	10.5%
- Machinery	53	0.1%	50	0.1%	6.0%
Insurance	81	0.1%	99	0.2%	-18.2%
Rates and taxes	225	0.4%	152	0.3%	48.0%
Other expenses	2,017	3.7%	2,038	3.9%	-1.0%
Total	**11,582**	**21.2%**	**11,058**	**21.1%**	**4.7%**

Other expenses have increased by 4.7% as compared to previous year mainly due to increase in travel and sub-contractor charges. These expenses, in relation to revenue, have increased marginally by 0.1% as compared to previous year.

Profitability and Margins

- PAT has grown by 36.2% and as a percentage of revenue, has increased from 8.0% to 10.4% in the current year, mainly on account of:
  – increase in other income mainly due to write back of earnout payable towards acquisition of businesses
  – foreign exchange gain of ₹ 242 million in the current year as compared to a foreign exchange loss of ₹ 136 million in the previous year mainly due to exchange rate movement
- EBITDA has dropped marginally by 0.1% from 13.7% to 13.6% in the current year.
- Our effective tax rate is at 23.20% when compared to 24.57% in the previous year.

Segmental reporting

The Group is structured into four reportable business segments – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Technology, Media and Services (TMS) and Travel and Hospitality (TH). The reportable business segments are in line with the segment wise information which is being presented to the CODM.

Each segment item reported is measured at the measure used to report to the Chief Operating Decision Maker (CODM) for the purposes of making decisions about allocating resources to the segment and assessing its performance.

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; the rest of the world comprises of all other geographies 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.

CODM does not review assets and liabilities at reportable segments level hence segment disclosure relating to total assets and liabilities has not been provided. 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.

₹ in million

Statement of income	For the year ended March 31,	
	2018	2017
Segment revenue from external customers		
RCM	12,689	12,476
BFSI	13,255	12,882
TMS	20,467	19,235
TH	8,217	7,771
Total	**54,628**	**52,364**
Segment operating income		
RCM	1,663	1,493
BFSI	1,245	1,153
TMS	3,441	3,671
TH	1,056	864
Total	**7,405**	**7,181**
Depreciation and Amortization expense	(1,715)	(1,858)
Profit for the year before finance expenses, other income and tax	**5,690**	**5,323**
Finance costs	(169)	(191)
Other income	1,550	449
Interest income	110	104
Foreign exchange gain / (loss)	242	(136)
Net profit before taxes	**7,423**	**5,549**
Income taxes	(1,722)	(1,363)
Net profit after taxes	**5,701**	**4,186**

Significant changes in Balance Sheet items

- Movement in equity of ₹ 1,643 million is primarily due to the following:
  - Balance in the statement of profit and loss increased from ₹ 22,071 million to ₹ 25,179 million due to current year profits, which is off set by declaration of dividend (including dividend distribution tax) of ₹ 1,742 million.
  - There is an increase in the foreign currency translation reserve due to gain on account of translation of foreign operations of ₹ 146 million.
- Non-current liabilities have decreased to ₹ 94 million as compared to ₹ 314 million in the previous year mainly due to write back of liability towards acquisition of businesses.
- Current liabilities have increased by ₹ 2,036 million mainly due to working capital loan taken from HDFC bank amounting to ₹ 3000 million, increase in advance from customers by ₹ 318 million and increase in employee benefits payable and provisions by ₹ 340 million and ₹ 113 million respectively. This is off set by decrease in commercial paper borrowing (repaid during the year) amounting to ₹ 942 million, write back of earn out of ₹ 916 million during the year and pay out of interim dividend of ₹ 404 million which was outstanding at the end of the previous year.
- Our cash and investments (net of short term borrowings and book over draft) have increased from ₹ 7,399 million as at March 31, 2017 to ₹ 7,476 million as at March 31, 2018, mainly due to cash generated from operations offset by payout of dividend and buy back of shares.
- The Days Sales Outstanding (DSO) as at March 31, 2018 is 67 days as compared to 65 days as at March 31, 2017.

Strengths & Opportunities

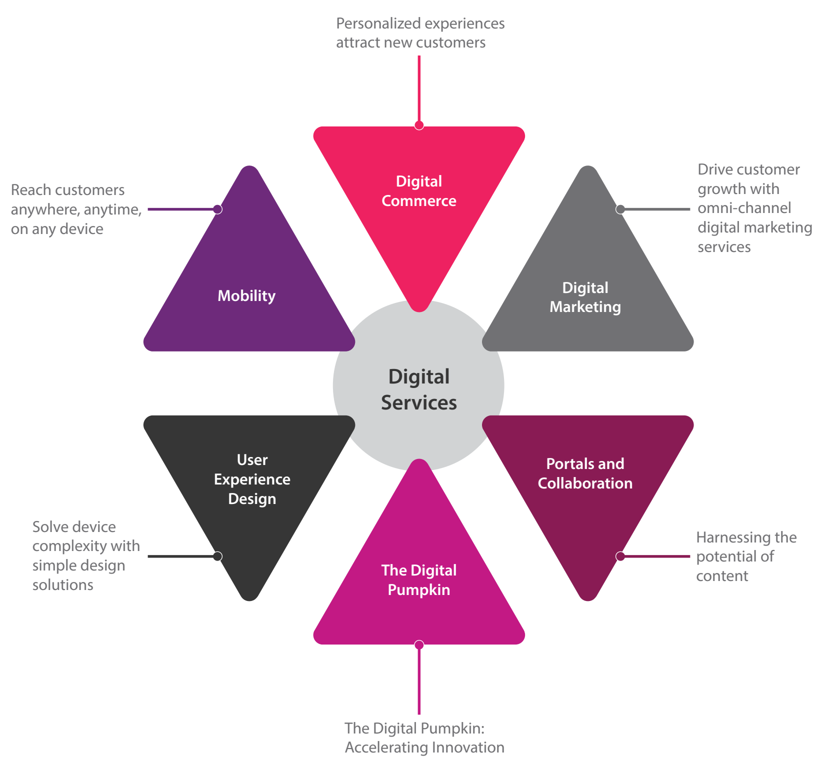
Digital

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.

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, more than third of our revenue is driven by providing digital services and we want to increase it to about 50 percent in 2-3 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.

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 six areas:

- Digital commerce
- Digital marketing
- Mobility
- User experience design
- Portals and collaborations
- The Digital Pumpkin



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.

The Digital Pumpkin is Mindtree's unique digital innovation hub - an interactive space where multi-disciplinary teams come together to ideate, design and craft meaningful business solutions. In September, 2017 Mindtree opened its first international Digital Pumpkin innovation hub located within its Warren, NJ office. The Warren, NJ location will help Mindtree meet the demands of U.S. based customers looking to access the expertise and platforms offered at the Digital Pumpkin without having to travel internationally. Among some of the most successful technologies that are part of The Digital Pumpkin portfolio include solutions around Internet of Things, Artificial Intelligence, Cognitive Solutions, Virtual & Augmented reality, Machine learning, Conversational, Cloud and Big data.

Automation

Mindtree, being the partner for many of our customers to lead their technology transformation journey to modernize their 'run' and accelerate their 'growth', has made automation as one of our key organizational priorities for the year.

We have made significant progress in our journey saving thousands of hours of effort by means of productivity improvement and expanding our Robotic Process Automation (RPA) engagements to our customers. In this journey, we have also created several Intellectual Property (IP) assets, accelerators, tools and platforms helping our customers and us. We have also been able to implement automation to our own internal processes and increasing efficiency. For example, today our Chat-Bot (named MACI) have addressed over hundred thousand queries for Mindtree minds and we are implementing RPA to transform the processes for our enabling functions.

Looking ahead, we are focusing on 'Industrialization of Automation' to establish automation as an integral part our delivery, change the way we offer our services to our customers and bring in efficiencies up front with our 'Automation First' approach. Our automation specific service offerings will also be expanded. We believe that there is great opportunity in the area of 'Automation Powered Business Process Re-Engineering' resulting in significant optimization and efficiency improvements.

Integrated Services

On June 21, 2017, Mindtree formally introduced Integrated services. The launch aimed to spread awareness amongst Mindtree's customers and social media followers about how in an era, where Digital is dramatically speeding up the pace of doing business, Integrated Services helps IT leaders to run core operations more nimbly while reducing cost and investing more in "grow the business" projects.

Mindtree's CAPE (Composable Automated Platform for Enterprises), which is a customizable plug-and-play platform to integrate the enterprise technology landscape and accelerate the automation journey has undergone multiple enhancements in the past year. Several new tools have been integrated with CAPE. Few of the tools and capabilities integrated are listed below:

- New Added capability to automate Mobile Application deployments
- Enhanced Dev-Ops capabilities by integrating new marquee enterprise grade COTS products with CAPE
- Auto-Scaling and Auto healing capabilities, making the platform micro services ready

Value & Benefits:

- Visualization of the end-to-end value stream at one place, with unified dashboard for meaningful Insights and actions
- Increase in story points delivered per sprint
- Faster feedback loop, lowering waiting time between teams
- Self-service deployments, more autonomous scrum team using workbench automation enabled by CAPE
- Cross-skilling, better utilization of resources – enablement towards full stack engineers

Expert Thinking

Mindtree delivers digital transformation and technology services from ideation to execution, enabling Global 2000 clients to outperform the competition. "Born digital" Mindtree takes an agile, collaborative approach to creating customized solutions across the digital value chain. Our deep expertise in infrastructure and applications management turns IT into a strategic asset.

- Mindtree delivers a holistic approach to cloud transformation—from advisory to build, and from migration to management—that accelerates a company's move to digital business. As an anchor partner, Mindtree delivers:
  - **Strategy:** Mindtree helps identify and assess the key decisions to embark and manage deployment of Cloud to disrupt new business models and revolutionize the customer experience.
  - **Speed:** Mindtree enables companies to quickly migrate to the cloud and scale in a factory-based model, which ensures efficiency and the flexibility to align with business needs.
  - **Next-generation platforms:** Mindtree has developed 12 cloud-native, industry-specific business platforms to enhance productivity, inclusivity and innovation of workforce and partners.
- Mindtree Digital Pumpkin is a collaborative environment that helps clients accelerate digital innovation, conduct primary research and create functional prototypes and pilotable solutions. It offers a multitude of innovative digital solutions, accelerators and tools for clients to access and put into play including Social Analytic Cell, Multi-channel site builder, Distributed Franchise Collaboration System, Consumer Engagement and Loyalty Platform, Virtual Assistant and Instore flash deals solution.
- Zinnov featured Mindtree in the overall leadership zone in its global study of digital service providers. The study evaluated specific service lines where Mindtree has been recognized as a leader in Digital Consulting and Transformation, Design & Experience, Digital Platform Integration and Data Management & Analytics. This positioning reinforces Mindtree's ability to deliver a holistic digital transformation that integrates four key aspects: creating compelling customer experiences, digitizing the back-end value chain, developing sense and respond analytics and shaping innovative business model evolution. The recent acquisitions of Magnet 360, Bluefin Solutions Limited and Relational Solutions Inc. by Mindtree further strengthened its digital capabilities and contributed to its strong rating.

Alliance and Partnerships

Mindtree believes in developing true partnerships. We have industry leading partnership with companies like Adobe, Apigee, Backbase, CenturyLink, Cloudera, DataStax, Denodo, Duck Creek Technologies, eBaoTech, Hortonworks, Hybris, i-exceed, IBM, Informatica, MapR, Microsoft, Murex, Neotys, Oracle, Pega, Rackspace, Saleforce, Sap, ServiceNow, Sitecore, Tableau, Thingworx, Tibco to highlight the few. Some of the major alliances are detailed below.

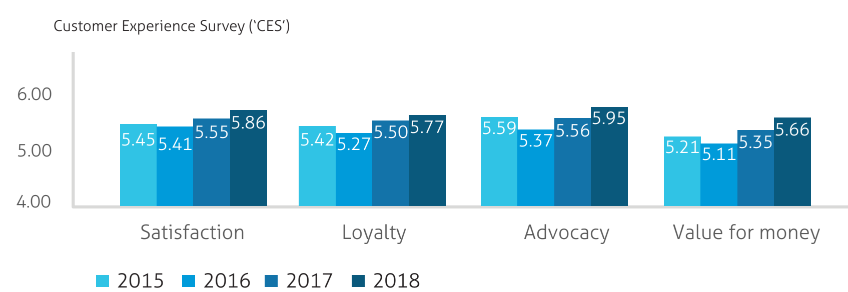
- Mindtree announces Elevation to Business Partner Status in the Adobe Solution Partner Program: This reflects Mindtree's specialization in Adobe Experience Manager, part of Adobe Experience Cloud, and its sustained focus to provide clients with comprehensive offerings, leveraging Adobe Experience Cloud for customer experience transformation. This deeper collaboration allows businesses deploying Adobe Experience Cloud to benefit from Mindtree's strong domain knowledge and legacy back-end systems integration with cutting-edge front-end technologies. This enables rapid deployment of consumer experience systems while optimizing core business systems with an API first approach. Additionally, Mindtree frameworks and accelerators for managing digital marketing operations in an agile factory model delivers personalized experiences and speed to market for a competitive edge.
- Magnet 360 announces ConsumerConnect 360 – a Salesforce Fullforce Solution for Consumer Goods Brands: ConsumerConnect 360 leverages the combined power of the Salesforce Platform to create a unified digital experience. This combined power enables a brand to nurture consumers as they evaluate product options with detailed information and social engagement. Scalable, cutting-edge customer service becomes possible with features allowing customers to open a case, engage in self-service, or search for a socially-connected community solution, all of which drive engagement and retention.
- Mindtree's ATLAS for SAP to Accelerate Transition to SAP HANA-Powered Digital Platforms: ATLAS for SAP is a Managed Services offering that enables SAP customers to transition seamlessly from "run the business" to "transform the business." Atlas for SAP facilitates risk-free transition of the SAP application landscape and optimizes operations via automation. The transformation could include an SAP HANA migration, private/ public cloud deployments or an implementation of the new digital core – SAP S/4 HANA. This allows SAP applications to be developed and deployed at a pace in line with business demands of the digital age.
- 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

Customer relationships are of utmost importance to an organization and here at Mindtree, we strive to build trust, transparency and flexibility in them. One of the key foundations of these relationships is our continuous and open listening. This helps us identify what our customers need which in turn, enables us to create and deliver value to Customers' business.

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. Our customer satisfaction scores have considerably improved compared to last three years. CES'18 recorded highest in the last 5 years with significant improvement in all the Key Matrices. This clearly indicates highly positive Client sentiment and we stay committed to taking it to new heights when it comes to Satisfaction, Loyalty, Advocacy & Value for Money.

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 has always stayed strong by its core values of Collaborative Spirit, Unrelenting Dedication and Expert Thinking. Many of our Customers spread across the geographies and industries have expressed desire to build strategic partnership with Mindtree to define their future technology roadmap. In years to come, Mindtree will continue to stay committed to Cutomer priorities.

Our Digital focus and strong domain led capabilities help us to leverage emerging 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:

- We have received the SAFA best presented Annual Report Award for 2016 for the communication and information technology sector for transparency, accountability and governance in our Annual Report by South Asian Federation of Accountants.
- We have received Special Commendation for Golden Peacock Award for Excellence in Corporate Governance – 2017 awarded by the Golden Peacock Award Secretariat, Institute of Directors, which is a token of its identification for adopting exemplary Corporate Governance practices.

- Awarded the winner of the Silver Shield for the Annual Report including the financial statements for the year ended 31st March 2017 by the Institute of Chartered Accountants of India (ICAI).
- Named as a leader in Continuous Testing Services in the Digital space by Forrester Research Inc
- Positioned as leader in Application Testing Services by ISG
- Named as a 'Rising Star' for Application Development Services by ISG
- Named a 'Rising Star' in Public Cloud Infrastructure Consulting and Implementation Services, Public Cloud Infrastructure Managed Services and Public Cloud SAP Services by Information Services Group (ISG)
- Mindtree's SAP Practice wins the SAP Gold Quality Award in United Kingdom for workforce planning using SAP Business Planning & Consolidation suite
- Positioned as a leader in the Zinnov Zones for Product Engineering Services 2017
- Named among the Large System Integrators for Agile and DevOps services by Gartner

People focus, learning and high performance culture

While our relentless pursuit of excellence in everything we do as a business organization continues unabated, the primary drivers of this remain the 17000+ Mindtree Minds for whom Integrity, Collaboration, Commitment, Customer Delight & Continuous Learning are not fancy phrases but a way of life.

Our People Practices are revisited frequently with the clear objective of fine-tuning them to suit the ever-changing needs of our workforce – not just the millennials who come in from Top-ranked technology and management institutions globally but also the tenured (3, 5, 10, 15 year ++) and proven performers who deem Mindtree as a Temple of Care, Learning, Growth and Symbiotic Existence. We would like to call out a dozen of the key initiatives driven/co-driven by our People Function in line with our cherished goal of being an expertise-led culture-backed organization:

- **Orchard@Kalinga:** The 3-month intensive learning program for fresh campus hires focuses on emerging/niche technologies while giving weightage to individual preferences. Emphasis on Making Mindtree Agile and creating Full Stack Engineers have given rise to newer stacks and modes of dissemination.
- **Arboretum:** The structured onboarding platform for lateral joiners ensures that all facets of the organization are amply demonstrated through interactive seminars and digital experiences conducted by a team of carefully handpicked Mindtree Minds.
- **Sustainability & Diversity:** An ever-improving gender ratio currently at 30%, public showcasing of work done by differently-abled Mindtree Minds and the ongoing work towards sensitizing Mindtree Minds and the world outside on healthy living, environmental protection etc. are some of the highlights.
- **Succession Planning-EMLP-ETLP:** Successors to incumbents of all critical positions are identified through a thorough planning exercise, and necessary developmental inputs are provided in a structured manner. Also, a very elaborate mechanism of leadership potential identification using performance evaluation reports, 360 degree feedback tool and Korn Ferry assessment of the desired 4 attributes enables us to identify the leaders of tomorrow; who then are put through a rigorous and rewarding leadership development (management/technology) program.
- **Exuberance:** As an extension of our Diversity charter, Top 100 Lady Leaders are identified and put through a structured developmental journey where they study and solve real business cases, work closely with mentors/senior leaders and apply the takeaways back at work.
- **Outstanding Performers / Pillars / LEAD Programs:** Carefully curated R&R initiatives to Mindtree Minds with high performance ratings once and in successive years, and also displaying traits that would make them the leaders of tomorrow.

Headcount

The total number of Mindtree Minds as at March 31, 2018 was 17,723 as against 16,470 as at March 31, 2017.

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. Outlook for the Indian information technology (IT) sector is 'cautiously positive' in 2018 as challenges remain amidst prospects of greater IT spending with global and US economies improving, industry body Nasscom said.	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. Rebuilding our business in Europe has been a priority and is showing better traction due to our leadership attention, new key wins and our focus on stronger markets. We are also aggressively working towards identifying the customers, segments which are less affected by geo-political risks and providing them meaningful solutions.
CLIENT CONCENTRATION	
Mindtree faces the risk of having its revenue concentrated across a few top clients and having larger exposure to client specific risks.	Besides the top client accounts, we are also focusing on strengthening the connect with the leadership team of next set of top clients, which will help us to enhance our wallet share.

RISK DESCRIPTION	RISK MANAGEMENT PLAN
LEGISLATION IMPACTING OUTSOURCING ***We continue to see restrictions on outsourcing from countries like 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 not expected to have a significant impact 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 ***Mindtree risks losing business to larger players in the industry or emerging challengers.*** ***We primarily face competition from Indian as well as international companies and captive off shore centers. Given the dynamics of our industry, Mindtree faces the risks of competitors coming up with new offerings to challenge our market share and growth. In addition, there may be challenges posed by different business models offered by competitors.***	In addition to maintaining our focus on core verticals, we have made significant investments in the Digital Business. Every industry is going through a disruptive transformation due to connected and "always on" consumers and changing global demographics that seek convenience and simplicity. Our clients are looking to Mindtree as their partner-of-choice for Digital Transformation all the way from innovation to rapid execution. In addition, our clients also want to use the "as-a-service" model to leverage our unique IP and expertise with our own offerings. The new Digital Business group will play a key role in our future growth. These efforts will be complemented by additional investments to strengthen our marketing, sales and account management teams.
PRICING PRESSURES ***In a highly competitive environment we may face margin pressures.*** ***Such pressures may be due to customers having tough expectations on pricing or due to tactical movements on the part of our competitors to gain market share.***	We are focusing on delivering transformative solutions that are changing how businesses work, especially in the area of Digital Business. Such higher value and differentiated services combined with our deep domain expertise in our core business areas should help us manage pressures on pricing. Traditional business is getting commoditized and we are looking into newer ways of engaging with customers like offering integrated solutions. We are also focusing on increasing productivity to be in the forefront of the next wave of IT transformation.
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 U.S. 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 U.S. 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. We are continuing to monitor the macro-economic scenario with special regard to any decision by the Federal Reserve Bank to raise US interest rates and impact of Brexit on GBP.
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, Environment Health and Safety (EHS), social security, privacy, data protection etc. that needs a detailed assessment and compliance. There is a risk of non – compliance in the geographies where we operate in, due to changing regulations and hence we need to be updated on various regulatory changes from time to time. Data Privacy laws across the globes is evolving, especially in the European continent with introduction of GDPR (General Data Protection Regulations) with significant fines for non-compliances. There is risk of non-compliance for us as data controller as well as data processor, which is passed on from customers, vendors or our employees. We need to make organizational level changes to current data handling methodology and train our employees and customers in adhering to best data privacy practices.	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. We have formed a dedicated data privacy team with members from a cross functional team and project teams working to roll out the Data Privacy framework to be compliant with GDPR.

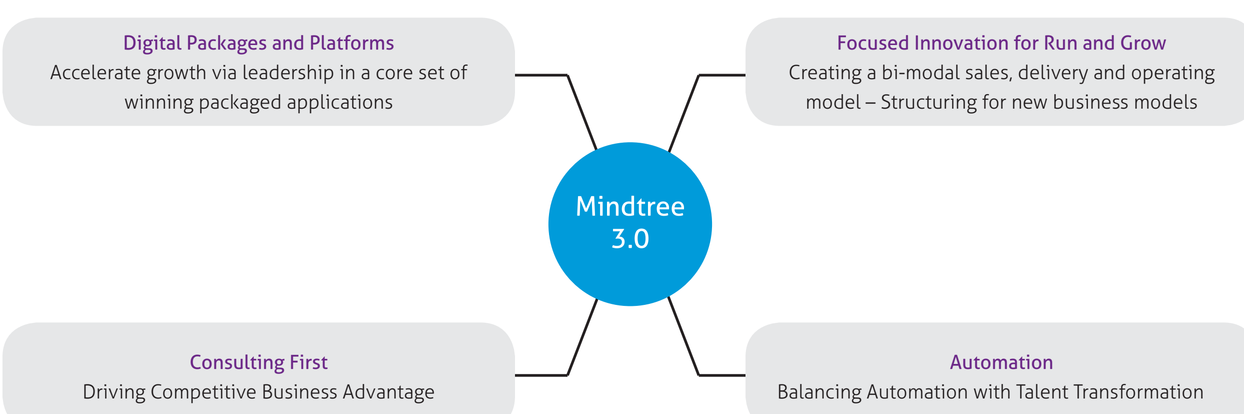
RISK DESCRIPTION	RISK MANAGEMENT PLAN
BUSINESS CONTINUITY RISKS	
Mindtree may be vulnerable to hazard risks Recent events in Bangalore/ Chennai have shown the potential of hazards to impact business operations and even pose a risk to employee safety.	Mindtree has a comprehensive Business Continuity Management (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. External vendor was engaged to review the BCP plan for the Organization and to in-corporate industry best practices. Mindtree has also defined Crisis Management Team which has representation from all the key stakeholders with defined roles and responsibilities.
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. 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 a strong 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 thereby strengthening IT infrastructure. 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.
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 a number of steps to increase the awareness level of Mindtree Minds by means like mandatory learning modules on IPR, executive communication, engaging messaging and presentations to senior managers. Mindtree has also implemented third party tools to monitor any IP infringements.

Our strategy

Our 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.

We continue to focus on four strategic pillars which will enable Mindtree to establish market leadership and provide industry leading returns to our stakeholders:



Outlook

Our continuing strategic investments in expertise for Domain, Digital and Run are clearly recognized by the market which led to end the year on a strong note with revenues of $846.8 million, a growth of 8.6%. We have once again exceeded industry estimates for the 5th year in a row and also consistently beating industry growth rates in 9 out of 11 years since our IPO. With a steady pipeline, optimistic demand environment and improvement in win ratios, we are poised for a stronger revenue growth in FY 19 compared to FY 18.

Risk Management Report

Mindtree's Enterprise Risk Management (ERM) program is a strategic discipline which supports the Company's objective to support sustainable growth and generating value for its customers, investors, employees and other stakeholders. This is achieved by deploying an effective risk management framework which helps in proactively identifying, prioritizing and mitigating risks. The Mindtree Enterprise Risk Management (ERM) framework has been designed by incorporating elements of leading risk management standards such as:

- COSO; Enterprise Risk Management – Framework by Treadway Commission
- ISO 31000: 2009 by ISO
- IRM Risk Management Standard

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 includes 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.
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 definitionwith clients, business partners and vendors as well as risks associated with contractual compliance with clients and business partners.

Risk Management Committee (RMC) at Mindtree is made up of three Executive Directors, including the Executive Chairman, CEO, Executive Vice Chairman and an Independent Director. RMC is headed by the Executive Chairman and also includes CFO and CRO as permanent invitees to meetings. RMC provides the oversight and direction to the group. Every potential risk has designated risk owners who are responsible for risk treatment as per Mindtree's risk management policy. RMC meets every quarter to discuss on the risks and their mitigation plans along with risks that have emerged during the course of the year. In 2017-18 we added initiatives such as:

- Risk Management framework has been extended to the acquired companies.
- Enterprise risk register is automated and dashboard with risk heat map is now accessible online for Senior Management at any point of time.
- The risk awareness program has continued to gather pace throughout the year. The program uses different mechanisms to target different audiences ranging from senior leaders to Mindtree Minds who have joined us fresh from campus and has received a very enthusiastic response.
- Contract Management Tool is enhanced for effective tracking of contractual customer obligations.
- Business Continuity framework has been further strengthened by enhancing Business Continuity/Disaster Recovery functions and implementing specific plans to meet business-defined recovery time and recovery point objectives and also ensuring that these plans are reviewed on a set schedule. Roles and responsibilities have been defined to ensure that everyone involved in the Business Continuity Management (BCM) process understands their role.
- We have taken various initiatives to strengthen the controls around Information Security/ Cyber Security.

A detailed description of all the significant risks and their mitigation plans is given in the Management Discussion and Analysis section.

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, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 standalone 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.

In conducting 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 issued 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity 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 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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Ind AS prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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, as amended, 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 standalone 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, 2018

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, 2018 in conjunction with our audit of the standalone financial statements of the Company 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 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 Companies Act, 2013.

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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 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, 2018, 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 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, 2018

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, 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 generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services 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.

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) 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, 2018 on account of disputes are given below:

Name of the statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in million)
Income-tax Act, 1961	Income-tax	Commissioner of Income Taxes (Appeals)	AY 2002-03 to 2004-05	147.29*
			AY 2007-08 and 2008-09	3.14**
			AY 2013-14 and 2014-15	15.43
		Income Tax Appellate Tribunal	AY 2005-06 to 2007-08	27.92***
		Assessing Officer	AY 2006-07 to 2009-10	30.84****
The Finance Act, 1994	Service tax	Customs, Excise and Service Tax Appellate Tribunal	July 2003 to May 2008	125.83#
		Commissioner (Appeals)- LTU	April 2008 to March 2009	0.68##
The Karnataka Sales Tax Act, 1957	Value added tax	Assistant Commissioner of Commercial Taxes (Recovery)	Upto July 2004	0.29###
The Central Sales Tax Act, 1956	Sales tax	Commissioner (Appeals)	2011-12	0.46
Maharashtra Value Added Tax Act, 2002	Value added tax	Joint Commissioner of Sales Tax	2013-14	0.17

** Net of ₹ 177.47 Mio adjusted against amount paid under protest and refunds.*

*** Net of ₹ 18.13 Mio adjusted against refunds.*

**** Net of ₹ 33.18 Mio adjusted against amount paid under protest and refunds.*

***** Net of ₹ 365.02 Mio adjusted against refunds.*

 # Net of ₹ 30.03 Mio adjusted against amount paid under protest.

Net of ₹ 0.12 Mio adjusted against amount paid under protest.

Net of ₹ 0.50 Mio adjusted against amount paid under protest.

(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 material 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-IA 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, 2018

Balance Sheet

₹ in million

	Note	As at March 31, 2018	As at March 31, 2017*	As at April 1, 2016*
ASSETS				
Non-current assets				
Property, plant and equipment	3	3,467	3,771	4,131
Capital work in progress		92	192	232
Goodwill	4	2,831	2,769	3,074
Other intangible assets	4	856	1,148	1,684
Financial assets	5			
Investments	5.1	3,532	3,036	3,040
Loans	5.2	746	667	655
Other financial assets	5.3	-	209	189
Deferred tax assets (Net)	16	327	605	411
Other non-current assets	6	1,548	1,326	1,327
		13,399	**13,723**	**14,743**
Current assets				
Financial assets	7			
Investments	7.1	7,206	5,869	2,266
Trade receivables	7.2	9,891	8,715	9,407
Cash and cash equivalents	7.3	3,243	2,468	2,301
Loans	7.4	17	12	38
Other financial assets	7.5	3,040	2,192	2,726
Other current assets	8	1,258	986	1,109
		24,655	**20,242**	**17,847**
TOTAL ASSETS		**38,054**	**33,965**	**32,590**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	9	1,639	1,680	1,678
Other equity	10	26,742	24,521	22,572
		28,381	**26,201**	**24,250**
Liabilities				
Non-current liabilities				
Financial liabilities	11			
Borrowings	11.1	9	13	18
Other financial liabilities	11.2	-	195	747
Other non-current liabilities	12	79	71	91
		88	**279**	**856**
Current liabilities				
Financial liabilities	13			
Borrowings	13.1	3,000	942	400
Trade payables		1,690	1,557	1,767
Other financial liabilities	13.2	1,669	2,493	2,713
Other current liabilities	14	1,720	1,065	968
Provisions	15	1,191	1,105	1,289
Current tax liabilities (Net)		315	323	347
		9,585	**7,485**	**7,484**
		9,673	**7,764**	**8,340**
TOTAL EQUITY AND LIABILITIES		**38,054**	**33,965**	**32,590**

* *Refer note 32*

See accompanying notes to the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's 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, 2018

Place: Bengaluru
Date: April 18, 2018

Statement of profit and loss

₹ in million, except per share data

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017*
Revenue from operations		53,250	50,396
Other income	17	1,901	553
Total income		**55,151**	**50,949**
Expenses:			
Employee benefits expense	18	33,949	32,438
Finance costs	19	168	191
Depreciation and amortisation expense	20	1,552	1,703
Other expenses	21	11,539	10,773
Total expenses		**47,208**	**45,105**
Profit before tax		**7,943**	**5,844**
Tax expense:			
Current tax	16	1,555	1,577
Deferred tax	16	139	(193)
Profit for the year		**6,249**	**4,460**
Other comprehensive income	25		
A (i) Items that will not be reclassified to profit or loss		(23)	(14)
(ii) Income tax relating to items that will not be reclassified to profit or loss		5	3
B (i) Items that will be reclassified to profit or loss		135	(555)
Total other comprehensive income		**117**	**(566)**
Total comprehensive income for the year		**6,366**	**3,894**
Earnings per equity share:	23		
Basic		37.69	26.56
Diluted		37.58	26.51

* *Refer note 32*

See accompanying notes to the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's 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, 2018

Place: Bengaluru
Date: April 18, 2018

Statement of cash flows

₹ in million, except per share data

	For the year ended March 31,	
	2018	2017*
Cash flow from operating activities		
Profit for the year	6,249	4,460
Adjustments for :		
Income tax expense recognised in the statement of profit and loss	1,694	1,384
Depreciation and amortization expense	1,552	1,703
Expense on employee stock based compensation	195	54
Allowance for expected credit losses	14	(24)
Finance costs	168	191
Interest income on financial assets at amortised cost	(110)	(104)
Dividend income	(1)	(8)
Net gain on disposal of property, plant and equipment	(6)	(9)
Net gain on financial assets designated at fair value through profit and loss	(459)	(323)
Reversal of liability towards acquisition of businesses recognised in the statement of profit and loss	(916)	(45)
Unrealised exchange difference on liability towards acquisition of businesses	33	(100)
Unrealised exchange difference on derivatives	51	14
Income from government grant	(10)	(10)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	12	41
Changes in operating assets and liabilities		
Trade receivables	(1,156)	597
Other assets	(978)	788
Trade payables	253	(244)
Other liabilities	1,029	119
Provisions	86	(184)
Net cash (used in)/ provided by operating activities before taxes	**7,700**	**8,300**
Income taxes paid (net of refunds)	(1,631)	(1,771)
Net cash (used in)/ provided by operating activities	**6,069**	**6,529**
Cash flow from investing activities		
Purchase of property, plant and equipment	(989)	(858)
Proceeds from sale of property, plant and equipment	8	25
Payment towards acquisition of businesses	(164)	(467)
Investment in subsidiaries	(496)	-
Interest income on financial assets at amortised cost	51	51
Dividend income received	1	8
Purchase of investments	(14,649)	(13,171)
Proceeds from sale of investments	13,771	9,892
Net cash (used in)/ provided by investing activities	**(2,467)**	**(4,520)**
Cash flow from financing activities		
Issue of share capital (net of issue expenses paid)	1	8
Payment for buyback of shares	(2,640)	-
Finance costs paid	(53)	(3)
Repayment of loans and borrowings	(2,504)	(405)
Proceeds from short-term borrowings	4,500	935
Dividends paid (including distribution tax)	(2,142)	(1,934)
Net cash (used in)/ provided by financing activities	**(2,838)**	**(1,399)**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(3)	(48)
Net increase / (decrease) in cash and cash equivalents	**761**	**562**
Cash and cash equivalents at the beginning of the year	2,468	1,529
Effect of common control business combination (refer note 32)	-	377
Cash and cash equivalents at the end of the year (Refer Note 7.3)	**3,229**	**2,468**

Reconciliation of liabilities from financing activities **₹ in million**

Particulars	As at March 31, 2017	Proceeds	Repayment	Fair value changes	As at March 31, 2018
Long-term borrowings (including current portion)	18	-	(4)	-	14
Short-term borrowings	942	4,500	(2,500)	58	3,000
Total liabilities from financing activities	**960**	**4,500**	**(2,504)**	**58**	**3,014**

* *Refer note 32*

See accompanying notes to the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No. 008072S

V. Balaji
Partner
Membership No. 203685

Place: Bengaluru
Date: April 18, 2018

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, 2018

Statement of changes in equity

₹ in million

(a) Equity share capital	Amount
Balance as at April 1, 2016	1,678
Add: Shares issued on exercise of employee stock options and restricted shares	2
Balance as at March 31, 2017	1,680
Balance as at April 1, 2017	1,680
Add: Shares issued on exercise of employee stock options and restricted shares	1
Less: Buyback of equity shares (Refer note 9e)	42
Balance as at March 31, 2018	1,639

(b) Other equity

Particulars	Reserves and Surplus (refer note 10)*							Items of Other Comprehensive Income (refer note 10)*			Total other equity
	Capital reserve	General reserve	Special Economic Zone reinvestment reserve	Capital redemption reserve	Securities premium reserve	Share option outstanding account	Retained earnings	Foreign currency translation reserve (FCTR)	Equity instruments through other comprehensive income	Other items of other comprehensive income	
Balance as at April 1, 2016 (as earlier published)	87	1,542	-	-	1,122	107	20,129	-	3	(28)	22,962
Effect of common control business combination (refer note 32)	-	-	-	-	-	-	(223)	(167)	-	-	(390)
Balance as at April 1, 2016	87	1,542	-	-	1,122	107	19,906	(167)	3	(28)	22,572
Profit for the year	-	-	-	-	-	-	4,460	-	-	-	4,460
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	(555)	(3)	(8)	(566)
Issue of equity shares (refer note 9)	-	-	-	-	6	-	-	-	-	-	6
Transferred to securities premium reserve	-	-	-	-	110	(110)	-	-	-	-	-
Compensation cost related to employee share based payment (refer note 18)	-	-	-	-	-	54	-	-	-	-	54
Cash dividends (refer note 10.1)	-	-	-	-	-	-	(1,679)	-	-	-	(1,679)
Dividend distribution tax (refer note 10.1)	-	-	-	-	-	-	(326)	-	-	-	(326)
Balance as at March 31, 2017	87	1,542	-	-	1,238	51	22,361	(722)	-	(36)	24,521
Balance as at April 1, 2017	87	1,542	-	-	1,238	51	22,361	(722)	-	(36)	24,521
Profit for the year	-	-	-	-	-	-	6,249	-	-	-	6,249
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	135	-	(18)	117
Created during the year	-	(42)	1,223	42	-	-	(1,223)	-	-	-	-
Utilised during the year	-	-	(459)	-	-	-	459	-	-	-	-
Buyback of equity shares (refer note 9(e))	-	(1,274)	-	-	(1,275)	-	(49)	-	-	-	(2,598)
Transferred to securities premium reserve	-	-	-	-	45	(45)	-	-	-	-	-

Particulars	Reserves and Surplus (refer note 10)*							Items of Other Comprehensive Income (refer note 10)*			Total other equity
	Capital reserve	General reserve	Special Economic Zone reinvestment reserve	Capital redemption reserve	Securities premium reserve	Share option outstanding account	Retained earnings	Foreign currency translation reserve (FCTR)	Equity instruments through other comprehensive income	Other items of other comprehensive income	
Compensation cost related to employee share based payment (refer note 18)	-	-	-	-	-	195	-	-	-	-	195
Cash dividends (refer note 10.1)	-	-	-	-	-	-	(1,488)	-	-	-	(1,488)
Dividend distribution tax (refer note 10.1)	-	-	-	-	-	-	(254)	-	-	-	(254)
Balance as at March 31, 2018	**87**	**226**	**764**	**42**	**8**	**201**	**26,055**	**(587)**	**-**	**(54)**	**26,742**

** Refer note 32*

See accompanying notes to the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No. 008072S

V. Balaji
Partner
Membership No. 203685

Place: Bengaluru
Date: April 18, 2018

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, 2018

Significant accounting policies and notes to the accounts for the year ended March 31, 2018 (₹ in millions, except share and per share data, unless otherwise stated)

1. Company overview

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 four industry verticals – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Technology, Media and Services (TMS) and Travel and Hospitality (TH). 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, 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 (USA), United Kingdom, Japan, Singapore, Malaysia, Australia, Germany, Switzerland, Sweden, South Africa, UAE, Netherlands, Canada, Belgium, France, Ireland, Poland and Republic of China. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The financial statements were authorized for issuance by the Company's Board of Directors on April 18, 2018.

2. Significant accounting policies

2.1 Basis of preparation and presentation

a) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

b) Basis of measurement

The 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 Ind AS:

i. Derivative financial instruments;

ii. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);

iii. Share based payment transactions and

iv. Defined benefit and other long-term employee benefits.

c) Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS 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 financial statements is included in the following notes:

i) Revenue recognition: The Company 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 period 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 16.

iii) Liability towards acquisition of businesses: Contingent consideration representing liability towards acquisition of business is reassessed at every reporting date. Any increase or decrease in the probability of achievement of financial targets would impact the measurement of the liability. Appropriate changes in estimates are made when the Management becomes aware of the circumstances surrounding such estimates.

iv) 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 probability of collection 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.

2.2 Summary of significant accounting policies

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

(ii) 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 respective 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 profit and loss 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.

(iii) Investment in subsidiaries

Investment in subsidiaries is measured at cost. Dividend income from subsidiaries is recognised when its right to receive the dividend is established.

(iv) Financial instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

(i) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

Amortised cost are represented by trade receivables, security deposits, 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, book overdraft and are considered part of the Company's cash management system.

(ii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and

(b) the asset's contractual cash flow represent SPPI

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.

(iii) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

(iv) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

b) Non-derivative financial liabilities

(i) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

(ii) Financial liabilities at FVTPL

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.

c) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward 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 costs are recognized in statement of profit and loss.

(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 profit and loss. 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 profit and loss 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 profit and loss and reported within foreign exchange gains/(losses).

(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 Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and 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	5 - 30 years
Leasehold improvements	5 years
Computers	2 - 3 years
Furniture and fixtures	5 years
Electrical installations	3 years
Office equipment	4 years
Vehicles	4 years
Plant and machinery	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 profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work- in-progress respectively.

(vi) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straightline 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	2-3 years
Business alliance relationships	4 years
Customer relationships	3 - 5 years
Vendor relationships	5 to 10 years
Trade name	10 years
Technology	10 years
Non-compete agreement	5 years

(vii) 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 in capital reserve.

b) Intangible assets

Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

(viii) Leases

Leases under which the Company 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 profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

(ix) Impairment

a) Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

(i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company 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.

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").

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. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units(CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU prorata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in statement of profit and loss and is not reversed in the subsequent period.

(x) Employee Benefits

The Company 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 Company'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 Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Company has the following employee benefit plans:

a) Social security plans

Employees contributions payable to the social security plan, which is 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.

Actuarial gains or losses are recognized in other comprehensive income. 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.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

c) Compensated absences

The employees of the Company 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 Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss.

(xi) Share based payments

Employees of the Company 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 profit and loss 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 Company's estimate of equity instruments that will eventually vest.

The fair value of the amount payable to the employees in respect of phantom stocks, 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 phantom stock options plan. Any changes in the liability are recognized in statement of profit and loss.

(xii) Provisions

Provisions are recognized when the Company 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 Company 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.

(xiii) Revenue

The Company derives revenue primarily from software development and related services. The Company 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 Company 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 profit and loss 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. 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 Company has applied the guidance in Ind AS 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 Company has measured the revenue in respect of each separable component of a transaction at its fair value, in accordance with principles given in Ind AS 18.

The Company 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, goods and services tax and applicable discounts and allowances.

The Company accrues the estimated cost of post contract support services at the time when the revenue is recognized. The accruals are based on the Company's historical experience of material usage and service delivery costs.

(xiv) Warranty provisions

The Company provides warranty provisions on all its products sold. A liability is recognised at the time the product is sold. The Company does not provide extended warranties or maintenance contracts to its customers.

(xv) Finance income and expense

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the statement of profit and loss on the date that the Company's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss 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.

(xvi) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss 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 Company 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 is 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.

(xvii) Earnings per share (EPS)

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

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 period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

(xviii) Research and development costs

Research costs are expensed as incurred. Development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably.

(xix) 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. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.

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 fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

New standards and interpretations not yet adopted

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating the effect of this on the financial statements.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, the Ministry of Corporate Affairs notified Ind AS 115 Revenue from Contracts with Customers. The standard replaces Ind AS 11 Construction Contracts and Ind AS 18 Revenue.

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 April 2018. The Company is currently evaluating the requirements of Ind AS 115, and has not yet determined the impact on the financial statements.

Non-current assets

3. Property, plant and equipment

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery	Office equipment	Computers	Electrical installations	Furniture and fixtures	Vehicles	Total
Gross carrying value										
At April 1, 2016 (as earlier published)	84	3,046	1,237	217	817	2,600	610	347	28	8,986
Effect of common control business combination (refer note 32)	-	-	-	-	15	113	-	25	1	154
At April 1, 2016	84	3,046	1,237	217	832	2,713	610	372	29	9,140
Additions	-	227	74	-	74	416	121	9	-	921
Translation adjustment	-	-	-	-	(2)	(14)	-	(3)	-	(19)
Disposals / adjustments	-	-	-	-	(6)	(125)	(29)	-	-	(160)
At March 31, 2017	84	3,273	1,311	217	898	2,990	702	378	29	9,882
At April 1, 2017	84	3,273	1,311	217	898	2,990	702	378	29	9,882
Additions	-	322	88	2	46	349	41	37	-	885
Translation adjustment	-	-	-	-	-	3	-	1	-	4
Disposals / adjustments	-	(26)	(15)	-	(3)	(202)	(4)	(10)	(2)	(262)
At March 31, 2018	84	3,569	1,384	219	941	3,140	739	406	27	10,509
Accumulated depreciation										
At April 1, 2016 (as earlier published)	8	961	731	217	526	1,880	398	141	15	4,877
Effect of common control business combination (refer note 32)	-	-	-	-	15	92	-	25	-	132
At April 1, 2016	8	961	731	217	541	1,972	398	166	15	5,009
Charge for the year	1	207	180	-	131	560	123	54	8	1,264
Translation adjustment	-	-	-	-	1	(16)	-	(3)	-	(18)
Disposals / adjustments	-	-	-	-	(6)	(109)	(29)	-	-	(144)
At March 31, 2017	9	1,168	911	217	667	2,407	492	217	23	6,111
At April 1, 2017	9	1,168	911	217	667	2,407	492	217	23	6,111
Charge for the year	1	230	178	-	113	480	123	56	5	1,186

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery	Office equipment	Computers	Electrical installations	Furniture and fixtures	Vehicles	Total
Translation adjustment	-	-	-	-	-	3	-	1	-	4
Disposals / adjustments	-	(26)	(15)	-	(3)	(199)	(4)	(10)	(2)	(259)
At March 31, 2018	**10**	**1,372**	**1,074**	**217**	**777**	**2,691**	**611**	**264**	**26**	**7,042**
Net carrying value as at March 31, 2018	**74**	**2,197**	**310**	**2**	**164**	**449**	**128**	**142**	**1**	**3,467**
Net carrying value as at March 31, 2017	**75**	**2,105**	**400**	**-**	**231**	**583**	**210**	**161**	**6**	**3,771**
Net carrying value as at April 01, 2016	**76**	**2,085**	**506**	**-**	**291**	**741**	**212**	**206**	**14**	**4,131**

Non-current assets

4. a) Goodwill and other intangible assets

Particulars	Goodwill	Other intangible assets								
		Intellectual property	Business alliance relationships	Customer relationships	Non compete agreement	Vendor relationships	Tradename	Technology	Computer software	Total other intangible assets
Gross carrying value										
At April 1, 2016 (as earlier published)	**-**	**67**	**-**	**-**	**-**	**-**	**-**	**-**	**1,006**	**1,073**
Effect of common control business combination (refer note 32)	3,074	-	72	1,076	24	239	196	267	21	1,895
At April 1, 2016	**3,074**	**67**	**72**	**1,076**	**24**	**239**	**196**	**267**	**1,027**	**2,968**
Additions	-	-	-	-	-	-	-	-	40	40
Translation adjustment	(305)	-	-	(144)	-	(36)	(30)	(6)	(1)	(217)
Disposals / adjustments	-	-	-	-	-	-	-	-	(3)	(3)
At March 31, 2017	**2,769**	**67**	**72**	**932**	**24**	**203**	**166**	**261**	**1,063**	**2,788**
At April 1, 2017	**2,769**	**67**	**72**	**932**	**24**	**203**	**166**	**261**	**1,063**	**2,788**
Additions	-	-	-	-	-	-	-	-	35	35
Translation adjustment	62	-	-	28	-	7	6	-	-	41
Disposals / adjustments	-	-	-	-	-	-	-	-	-	-
At March 31, 2018	**2,831**	**67**	**72**	**960**	**24**	**210**	**172**	**261**	**1,098**	**2,864**
Accumulated amortisation										
At April 1, 2016 (as earlier published)	**-**	**67**	**-**	**-**	**-**	**-**	**-**	**-**	**914**	**981**
Effect of common control business combination (refer note 32)	-	-	21	189	6	35	14	20	18	303
At April 1, 2016	**-**	**67**	**21**	**189**	**6**	**35**	**14**	**20**	**932**	**1,284**
Charge for the year	-	-	18	239	5	50	20	26	81	439
Translation adjustment	-	-	-	(59)	-	(15)	(7)	-	1	(80)
Disposals / adjustments	-	-	-	-	-	-	-	-	(3)	(3)
At March 31, 2017	**-**	**67**	**39**	**369**	**11**	**70**	**27**	**46**	**1,011**	**1,640**
At April 1, 2017	**-**	**67**	**39**	**369**	**11**	**70**	**27**	**46**	**1,011**	**1,640**
Charge for the year	-	-	18	209	5	44	18	26	46	366
Translation adjustment	-	-	-	2	-	-	-	-	-	2
Disposals / adjustments	-	-	-	-	-	-	-	-	-	-
At March 31, 2018	**-**	**67**	**57**	**580**	**16**	**114**	**45**	**72**	**1,057**	**2,008**
Net carrying value as at March 31, 2018	2,831	-	15	380	8	96	127	189	41	856
Net carrying value as at March 31, 2017	2,769	-	33	563	13	133	139	215	52	1,148
Net carrying value as at April 01, 2016	3,074	-	51	887	18	204	182	247	95	1,684
Estimated useful life (in years)	NA	5	4	3 - 5	5	5 - 10	10	10	2 - 3	
Estimated remaining useful life (in years)	NA	-	1.00	2.25	2.00 - 2.25	2.25 - 7.75	7.25 - 7.75	7.25	0.08 - 1.99	

The aggregate amount of research and development expense recognized in the statement of profit and loss for the year ended March 31, 2018 is ₹ 396 (₹ 321 for the year ended March 31, 2017)

4. Goodwill and other intangible assets

b) Impairment

Following is a summary of changes in the carrying amount of goodwill:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Carrying value at the beginning	2,769	3,074	669
Goodwill on acquisition of Discoverture Solutions LLC (Discoverture)*	-	-	-
Goodwill on acquisition of Bluefin Solutions Limited (Bluefin)*	-	-	2,152
Goodwill on acquisition of Relational Solutions Inc. (RSI)*	-	-	339
Translation differences	62	(305)	(86)
Carrying value at the end	**2,831**	**2,769**	**3,074**

* *Refer Note 32*

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or groups of CGU's, which benefit from the synergies of the acquisition. The chief operating decision maker reviews the goodwill for any impairment at the operating segment level, which is represented through groups of CGU's.

The goodwill on acquisition of Discoverture, Bluefin and RSI has been allocated as follows:

Particulars	March 31, 2018
RCM	1,907
BFSI	724
TMS	164
TH	36
Total	**2,831**

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization. The value-in-use is determined based on specific calculations. These calculations use pre tax cash flow projections over a period of five years, based on financial budgets approved by management and an average of the range of each assumption mentioned below.

As of March 31, 2018, the estimated recoverable amount of the CGU exceeded its carrying amount, hence impairment is not triggered. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Discount rate	15.0% - 20.8%	15.6% - 19.6%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. These estimates are likely to differ from future actual results of operations and cash flows.

Non-current assets

5. Financial assets

5.1 Investments

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1) Investment in equity instruments (unquoted) Wholly owned subsidiaries			
Mindtree Software (Shanghai) Co., Ltd ('MSSCL')	14	14	14
1 (March 31, 2017: 1 and April 1, 2016: 1) fully paid equity share of £0.001 each in Bluefin Solutions Limited, ('Bluefin UK')*	-	-	-
1 (March 31, 2017: 1 and April 1, 2016: 1) fully paid equity share of MYR 100,000 each in Bluefin Solutions Sdn Bhd. ('Bluefin Malaysia')*	2	2	2
	16	**16**	**16**
Others			
2,400 (March 31, 2017: 2,400 and April 1, 2016: 2,400) equity shares in Career Community.com Limited	-	-	-
950,000 (March 31, 2017: 950,000 and April 1, 2016: 950,000) equity shares of ₹ 1 each in NuvePro Technologies Private Limited	1	1	1
12,640 (March 31, 2017: 12,640 and April 1, 2016: 12,640) equity shares in Worldcast Technologies Private Limited	-	-	-
	1	1	1

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
2) Investment in wholly owned limited liability company (unquoted)			
Magnet 360, L.L.C. ('Magnet')	3,458	2,962	2,962
	3,458	**2,962**	**2,962**
3) Investment in preference shares (unquoted)			
643,790 (March 31, 2017: 643,790 and April 1, 2016: 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	11
	7	**7**	**11**
4) Investment in non-convertible bonds (quoted)			
50 (March 31, 2017: 50 and April 1, 2016: 50) secured redeemable non-convertible bonds of ₹ 1 million each in the nature of promissory notes in PNB Housing Finance Limited	50	50	50
	50	50	50
Total	**3,532**	**3,036**	**3,040**
Aggregate amount of quoted investments	**50**	**50**	**50**
Aggregate market value of quoted investments	**50**	**50**	**50**
Aggregate amount of unquoted investments	**3,482**	**2,986**	**2,990**
Aggregate amount of impairment in value of investments	**1**	**1**	**1**

** Investment in Bluefin UK has been extinguished (except for 1 share in Bluefin UK and Bluefin Malaysia) against the transfer of net assets and business to the Company, details of which are as below (refer note 32):*

Particulars	Amount
Other intangible assets	1,153
Goodwill	2,152
Net assets	758

5.2 Loans

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured considered good)			
Security deposits*	746	667	655
Total	**746**	**667**	**655**

** Includes deposits with related parties ₹ 270 as at March 31, 2018 (As at March 31, 2017: ₹ 270 and April 1, 2016: ₹ 270). Refer note 31 for related party balances.*

5.3 Other financial assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other receivables	-	209	189
Total	**-**	**209**	**189**

6. Other non-current assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital advances	70	27	42
Advance income-tax including tax deducted at source (net of provision for taxes)	1,335	1,130	962
Prepaid expenses	125	152	169
Service tax receivable	11	1	138
Others	7	16	16
Total	**1,548**	**1,326**	**1,327**

Current assets

7. Financial assets

7.1 Investments

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
Investments in mutual funds (quoted)						
Name of the fund	**No. of units**	**Amount**	**No. of units**	**Amount**	**No. of units**	**Amount**
ICICI Prudential Mutual Fund	26,667,084	726	20,337,960	475	17,401,890	325
IDFC Mutual Fund	64,650,425	882	30,177,703	483	16,285,532	198
UTI Mutual Fund	13,845,137	229	6,524,291	314	3,456,138	64
Aditya Birla Sun Life Mutual Fund	1,370,919	189	8,342,033	468	14,185,302	234
Reliance Mutual Fund	13,319,482	286	14,984,782	434	17,651,564	335
Axis Mutual Fund	3,182,085	63	6,136,034	184	-	-
Tata Mutual Fund	13,147,641	463	13,695,729	357	21,243,549	361
SBI Mutual Fund	11,684,841	503	5,703,787	331	5,597,950	98
Sundaram Mutual Fund	5,788,879	152	3,954,557	101	-	-
L & T Mutual Fund	16,837,950	415	13,259,434	315	-	-
HDFC Mutual Fund	18,131,696	415	33,595,174	692	3,635,659	191
Bank of India AXA Mutual Fund	24,642,422	347	15,346,945	226	10,000,000	110
Kotak Mutual Fund	15,681,220	520	9,497,288	230	-	-
IDBI Mutual Fund	-	-	69,403	122	-	-
DSP Blackrock Mutual Fund	25,738,957	378	27,949,288	357	-	-
DHFL Pramerica Mutual Fund (DHFL)*	3,698,944	82	4,320,662	70	-	-
Invesco Mutual Fund	5,180,783	316	-	-	-	-
Franklin Templeton Mutual Fund	11,549,278	152	-	-	-	-
Total		**6,118**		**5,159**		**1,916**
Investment in non-convertible bonds (quoted)						
Secured redeemable non-convertible debentures in Kotak Mahindra Prime Limited	100	100	-	-	50	50
Secured redeemable non-convertible debentures in Kotak Mahindra Investments Limited	-	-	100	100	50	50
Total		**100**		**100**		**100**
Investments in term deposits (unquoted)						
Interest bearing deposits with:						
-IL&FS Limited		-		-		100
-Bajaj Finance Limited		300		360		50
-Kotak Mahindra Investments Limited		200		250		50
-Kotak Mahindra Prime Limited		50		-		-
-LIC Housing Finance Limited		-		-		50
-PNB Housing Finance Limited		250		-		-
Total		**800**		**610**		**250**
Investments in commercial paper (unquoted)						
-Barclays Investment and Loans (India) Limited		142		-		-
-Kotak Mahindra Investment Limited		46		-		-
		188		**-**		**-**
Grand Total		**7,206**		**5,869**		**2,266**
Aggregate carrying amount of quoted investments		**6,218**		**5,259**		**2,016**
Aggregate market value of quoted investments		**6,218**		**5,259**		**2,016**
Aggregate amount of unquoted investments		**988**		**610**		**250**

* *DWS Mutual Fund merged with DHFL*

7.2 Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured)			
Considered good	9,891	8,715	9,407
Considered doubtful	115	101	125

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Less: Allowance for expected credit losses	(115)	(101)	(125)
Total	9,891	8,715	9,407

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Company estimates the following matrix at the reporting date.

	Ageing			
	1-90 days	91-180 days	181-360 days	More than 360 days*
Default rate	0.2%	1.6%	25.0%	60.0%

* *In case of probability of non-collection, default rate is 100%*

Movement in the expected credit loss allowance

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	101	125
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	14	(24)
Provision at the end of the year	**115**	**101**

7.3 Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash on hand	-	-	1
Balances with banks in current accounts and deposit accounts*	3,230	2,122	1,957
Other bank balances**	13	346	343
Cash and cash equivalents as per balance sheet	**3,243**	**2,468**	**2,301**
Book overdrafts used for cash management purposes (Refer note 13.2)	(14)	-	(395)
Cash and cash equivalents as per statement of cash flows	**3,229**	**2,468**	**1,906**

* *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.*

7.4 Loans

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good)			
Security deposits*	17	12	38
Total	17	12	38

* *Includes deposits with related parties ₹ Nil as at March 31, 2018 (As at March 31, 2017: ₹ Nil and April 1, 2016: ₹ 28). Refer note 31 for related party balances.*

7.5 Other financial assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances to employees	260	296	437
Less: Provision for doubtful advances to employees	(9)	(14)	(21)
	251	282	416
Accrued income	25	21	19
Derivative assets	1	37	53
Unbilled revenue	2,763	1,852	2,097
Other receivables	-	-	141
Total	3,040	2,192	2,726

8. Other current assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance to suppliers	43	39	94
Prepaid expenses	790	712	774
Others	425	235	241
Total	1,258	986	1,109

9. Equity share capital

a)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorised			
800,000,000 (March 31, 2017: 800,000,000 and April 1, 2016: 800,000,000) equity shares of ₹ 10 each	8,000	8,000	8,000
Issued, subscribed and paid-up capital			
163,926,311 (March 31, 2017: 168,025,546 and April 1, 2016: 167,786,176) equity shares of ₹ 10 each fully paid	1,639	1,680	1,678
Total	**1,639**	**1,680**	**1,678**

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

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No of shares	₹	No of shares	₹	No of shares	₹
Number of shares outstanding at the beginning of the year	168,025,546	1,680	167,786,176	1,678	83,732,372	837
Add: Shares issued on exercise of employee stock options and restricted shares	124,765	1	239,370	2	160,716	2
Add: Bonus shares issued *	-	-	-	-	83,893,088	839
Less: Buyback of equity shares*	4,224,000	42	-	-	-	-
Number of shares outstanding at the end of the year	163,926,311	1,639	168,025,546	1,680	167,786,176	1,678

* *Refer note 9 (e)*

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

Terms/rights attached to equity shares

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 shareholders 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.

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 are as given below:

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
Name of the shareholder	Number of shares	%	Number of shares	%	Number of shares	%
1. Coffee Day Enterprises Limited	17,461,768	10.7%	17,461,768	10.4%	17,461,768	10.4%
2. Nalanda India Fund Limited	14,568,212	8.9%	15,796,356	9.4%	15,796,356	9.4%
3. Coffee Day Trading Limited	10,594,244	6.5%	10,594,244	6.3%	10,594,244	6.3%

e) In the period of five years immediately preceding March 31, 2018:

i) 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.

ii) Pursuant to the approval of the Board and the Administrative Committee at its meetings held on June 28, 2017 and July 20, 2017 respectively, the Company bought back 4,224,000 equity shares of ₹ 10 each on a proportionate basis, at a price of ₹ 625 per equity share for an aggregate consideration of ₹ 2,640 (Rupees Two thousand six hundred and forty million only), and completed the extinguishment of the equity shares bought back. Capital redemption reserve has been created to the extent of nominal value of share capital extinguished amounting to ₹ 42 million. The buyback and creation of capital redemption reserve was effected by utilizing the securities-premium and free reserves.

iii) 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 year 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]

This plan was terminated on September 30, 2001 and there are no options outstanding as at March 31, 2018, March 31, 2017 and April 1, 2016.

Program 2 [ESOP 2001]

Options under this program have been granted to employees at an exercise price of ₹ 50 per option (₹ 12.5 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,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding options, beginning of the year	1,680	12.50	18,360	12.50
Granted during the year	-	-	-	-
Exercised during the year	1,680	12.50	14,228	12.50
Lapsed during the year	-	-	2,452	12.50
Forfeited during the year	-	-	-	-
Outstanding options, end of the year	-	-	1,680	12.50
Options vested and exercisable, end of the year	-	-	1,680	12.50

Program 3 [ESOP 2006 (a)]

This plan was terminated on October 25, 2006 and there are no options outstanding as at March 31, 2018, March 31, 2017 and April 1, 2016.

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. There are no outstanding options as at March 31, 2018, March 31, 2017 and April 1, 2016.

Program 5 [ESOP 2008A]

Options under this program were 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.

Particulars	Year ended March 31,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding options, beginning of the year	145,456	105.88	152,336	106.50
Granted during the year	-	-	-	-
Exercised during the year	-	-	6,880	119.63
Lapsed during the year	145,456	105.88	-	-
Forfeited during the year	-	-	-	-
Outstanding options, end of the year	-	-	145,456	105.88
Options vested and exercisable, end of the year	-	-	145,456	105.88

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,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding options, beginning of the year	-	-	40,000	123.25
Granted during the year	-	-	-	-
Exercised during the year	-	-	40,000	123.25
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Outstanding options, end of the year	-	-	-	-
Options vested and exercisable, end of the year	-	-	-	-

Program 7 [ESOP 2010A]

In-principle approvals for administering the seventh stock option program i.e. ESOP 2010A have 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, 2018, March 31, 2017 and April 1, 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,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding shares, beginning of the year	-	-	-	-
Granted during the year	123,085	10.00	178,262	10.00
Exercised during the year	123,085	10.00	178,262	10.00
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 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 outstanding options/ units as at March 31, 2018 are given below:

Particulars	Phantom stock options plan
Total no. of units/ shares	1,195,000
Vested units/ shares	-
Lapsed units/ shares	1,195,000
Forfeited units/ shares	-
Cancelled units/ shares	-
Outstanding units/ shares as at the end of the year	-
Contractual life	2 years
Date of grant	October 21, 2015
Price per share/ unit	Grant price of ₹ 686

Particulars	ERSP 2012 plan**
Outstanding units/shares as at the beginning of the year	200,200
Number of units/shares granted under letters of intent during the year	703,000
Vested units/ shares	123,085
Lapsed units/ shares	22,115
Forfeited units/ shares	100,000
Cancelled units/ shares	-
Outstanding units/shares as at the end of the year	658,000
Contractual life	1-4 years
Date of grant*	July 18, 2013, May 12, 2015, October 21, 2015, October 27, 2015, February 25, 2016, August 24, 2016, April 14, 2017, July 26, 2017, August 23, 2017
Price per share/ unit*	Exercise price of ₹ 10

* *Based on Letter of Intent*

** *Does not include direct allotment of shares*

The following tables summarize information about the options/ shares outstanding under various programs as at March 31, 2018, March 31, 2017 and April 1, 2016 respectively:

Particulars	As at March 31, 2018		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in ₹)
Program 2	-	-	-
ERSP	-	-	-

Particulars	As at March 31, 2017		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in ₹)
Program 2	1,680	0.50	12.50
Program 5	145,456	0.33	105.88

Particulars	As at April 1, 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

The weighted average fair value of each unit under the above mentioned ERSP 2012 plan, granted during the year ended March 31, 2018 was ₹ 442.90 using the Black-Scholes model with the following assumptions:

Particulars	As at March 31, 2018
Weighted average grant date share price	429.46
Weighted average exercise price	₹ 10
Dividend yield %	0.64%
Expected life	1-2 years
Risk free interest rate	6.39%
Volatility	28.31%

10. Other equity

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Capital reserve Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.	87	87	87
b) Capital redemption reserve A statutory reserve created to the extent of sum equal to the nominal value of the share capital extinguished on buyback of Company's own shares pursuant to Section 69 of the Companies Act, 2013.	42	-	-
c) Securities premium reserve Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilisation	8	1,238	1,122
d) General reserve This represents appropriation of profit by the Company.	226	1,542	1,542
e) Special Economic Zone reinvestment reserve The Special Economic Zone reinvestment reserve has been created out of the profit of eligible SEZ units in terms of the provisions of section 10AA(1)(ii) of the Income Tax Act, 1961. The reserve should be utilised by the Company for acquiring new plant and machinery for the purpose of its business in terms of the section 10AA(2) of the Income Tax Act, 1961.	764	-	-
f) Retained earnings Retained earnings comprise of the Company's undistributed earnings net of amounts transferred to General reserve.	26,055	22,361	19,906
g) Share option outstanding account The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to securities premium reserve upon exercise of stock options by employees.	201	51	107
h) Equity Instruments through other comprehensive income Changes in the fair value of equity instruments is recognized in equity instruments through other comprehensive income (net of taxes), and presented within other equity.	-	-	3
i) Foreign currency translation reserve Exchange difference relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency are recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve.	(587)	(722)	(167)
j) Other items of other comprehensive income Other items of other comprehensive income consist of fair value changes on FVTOCI financial assets and financial liabilities and re-measurement of net defined benefit liability/asset.	(54)	(36)	(28)
Total	**26,742**	**24,521**	**22,572**

10.1 Distributions made and proposed

The amount of per share dividend recognized as distributions to equity shareholders for the year ended March 31, 2018 and year ended March 31, 2017 was ₹ 9 and ₹ 10 respectively.

The Board of Directors at its meeting held on April 20, 2017 had recommended a final dividend of 30% (₹ 3 per equity share of par value ₹ 10 each). The proposal was approved by shareholders at the Annual General Meeting held on July 18, 2017. This has resulted in a cash outflow of ₹ 607 inclusive of dividend distribution tax of ₹ 103. The Board of Directors at its meeting held on October 25, 2017 had declared an interim dividend of 20% (₹ 2 per equity share of par value ₹ 10 each) and special dividend of 20% (₹ 2 per equity share of par value ₹ 10 each) due to completion of ten years of Initial Public Offering (IPO). Also, the Board of Directors at its meeting held on

January 17, 2018 had declared an interim dividend of 20% (₹ 2 per equity share of par value ₹ 10 each). The aforesaid interim and special dividends were paid during the year.

The Board of Directors at its meeting held on April 18, 2018, have declared an interim dividend of 20% (₹ 2 per equity share of par value ₹ 10 each) and recommended a final dividend of 30% (₹ 3 per equity share of par value ₹ 10 each) which is subject to approval of shareholders.

Non-current liabilities

11. Financial liabilities

11.1 Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured)			
Other loans*	9	13	18
Total	**9**	**13**	**18**

* *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 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.

The loan carries an effective interest rate of 3% p.a and is repayable in full in June 2021. There is no default in the repayment of the principal loan and interest amounts.

11.2 Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Liability towards acquisition of businesses	-	195	747
Total	**-**	**195**	**747**

12. Other non-current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other liabilities*	79	71	91
Total	**79**	**71**	**91**

* *Includes deferred revenue arising from Government grant as at March 31, 2018 ₹ Nil (As at March 31, 2017 ₹ Nil and April 1, 2016 ₹ 11).*

Current liabilities

13. Financial liabilities

13.1 Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Secured)			
Other loans from bank	-	-	400
(Unsecured)			
Loan from bank*	3,000	-	-
Other loans from bank **	-	942	-
Total	**3,000**	**942**	**400**

**During the year, the Company has obtained working capital loan of ₹ 3,000 from HDFC Bank.*

***Other loans from bank (unsecured) represent the commercial paper offering from HDFC Bank obtained during the previous year ended March 31, 2017 and the same was repaid during the year.*

13.2 Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current maturities of long-term debt*	5	5	5
Interest accrued but not due on borrowings*	11	-	1
Book overdraft	14	-	395
Unpaid dividends	13	9	7
Dividend payable (inclusive of dividend distribution tax)**	-	404	336
Employee benefits payable	1,611	1,269	1,284
Derivative liabilities	15	-	1
Liability towards acquisition of businesses	-	806	684
Total	**1,669**	**2,493**	**2,713**

* *The details of interest rates, repayment and other terms are disclosed under note 11.1 and 13.1*

** *Represents interim dividend declared on March 27, 2017 and March 23, 2016*

14. Other current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unearned income	656	445	260
Statutory dues (including provident fund and tax deducted at source)	529	413	471
Advances from customer	375	67	44
Gratuity payable (net)*	141	91	134
Others**	19	49	59
Total	**1,720**	**1,065**	**968**

* *Refer note 18 for details of gratuity plan as per Ind AS 19.*

** *Includes deferred revenue arising from Government grant as at March 31, 2018 ₹ Nil (As at March 31, 2017 ₹ 10 and April 1, 2016 ₹ 10).*

15. Provisions

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for post contract support services	10	8	7
Provision for discount	534	414	668
Provision for compensated absences	555	595	538
Provision for foreseeable losses on contracts	6	7	-
Provision for disputed dues*	86	81	76
Total	**1,191**	**1,105**	**1,289**

* *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 Ind AS 37, the disclosures required have not been provided pursuant to the limited exemption provided under paragraph 92 of Ind AS 37.*

The disclosure of provisions movement as required under the provisions of Ind AS 37 is as follows:-

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	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	8	7
Provisions made during the year	2	1
Provision at the end of the year	**10**	**8**

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	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	414	668
Provisions made during the year	515	461
Utilisations during the year	(350)	(663)
Released during the year	(45)	(52)
Provision at the end of the year	**534**	**414**

Provision for foreseeable losses on contracts

Provision for foreseeable losses on contracts represents excess of estimated cost over the future revenues to be recognised and expected to be utilized within a period of one year

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	7	-
Provisions made during the year	91	7
Utilisations during the year	-	-
Released during the year	(92)	-
Provision at the end of the year	**6**	**7**

Provision for disputed dues

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	81	76
Provisions made during the year	5	5
Provision at the end of the year	**86**	**81**

16. Income tax

Income tax expense in the statement of profit and loss consists of:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Current income tax:		
In respect of the current year*	1,555	1,577
Deferred tax:		
In respect of the current year*	139	(193)
Income tax expense recognised in the statement of profit or loss	**1,694**	**1,384**
Income tax recognised in other comprehensive income		
- Current tax arising on income and expense recognised in other comprehensive income		
Net loss / (gain) on remeasurement of defined benefit plan	5	2
- Deferred tax arising on income and expense recognised in other comprehensive income		
Net loss / (gain) on investment in equity shares at FVTOCI	-	1
Total	5	3

**Tax expense for the year ended March 31, 2018 is net of reversals of ₹ 250 on submission of tax filings.*

The reconciliation between the provision for income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Profit before tax	7,943	5,844
Enacted income tax rate in India	34.61%	34.61%
Computed expected tax expense	2,749	2,023
Effect of:		
Income exempt from tax	(1,358)	(1,024)
Temporary differences reversing during the tax holiday period	9	16
Expenses (net) that are not deductible in determining taxable profit	153	87
Different tax rates of branches operating in other jurisdictions	221	257
Income subject to different tax rates	67	(14)
Loss of Foreign Subsidiary	90	27
Tax Provision (reversals)	(250)	-
Others	13	12
Income tax expense recognised in the statement of profit and loss	**1,694**	**1,384**

The tax rates under Indian Income Tax Act, for the year ended March 31, 2018 and March 31, 2017 is 34.61%.

Deferred tax

Deferred tax assets/(liabilities) as at March 31, 2018 in relation to:

Particulars	As at April 1, 2017	Recognised in profit and loss	Recognised in Other Comprehensive Income	Others	As at March 31, 2018
Property, plant and equipment	326	117	-	-	443
Provision for doubtful debts	14	5	-	-	19
Provision for compensated absence	262	(34)	-	-	228
Provision for volume discount	42	(24)	-	-	18
Intangibles	(258)	(165)	-	-	(423)
Net gain on fair value of mutual funds	(64)	(18)	-	-	(82)
MAT Credit entitlement/ (utilisation)	198	-	-	(139)	59
Others	85	(20)	-	-	65
Total	**605**	**(139)**	**-**	**(139)**	**327**

Deferred tax assets/ (liabilities) as at March 31, 2017 in relation to:

Particulars	As at April 1, 2016	Recognised in profit and loss	Recognised in Other Comprehensive Income	Others	As at March 31, 2017
Property, plant and equipment	254	72	-	-	326
Provision for doubtful debts	22	(8)	-	-	14
Provision for compensated absence	203	59	-	-	262
Provision for volume discount	73	(31)	-	-	42
Intangibles	(335)	77	-	-	(258)
Net gain on fair value of mutual funds	(56)	(8)	-	-	(64)
FVTOCI financial investments	(1)	-	1	-	-
MAT Credit entitlement	198	-	-	-	198
Others	53	32	-	-	85
Total	**411**	**193**	**1**	**-**	**605**

The Company has not created deferred tax assets on the following:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unused tax losses (long term capital loss) which expire in:			
- FY 2016-17	-	2	2
- FY 2018-19	159	163	163
- FY 2019-20	34	34	34
- FY 2021-22	48	48	48
- FY 2022-23	28	28	28
- FY 2023-24	22	22	-
Unused tax losses of foreign jurisdiction	133	149	152
Loss of foreign subsidiary	261	76	-

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.

A substantial portion of the profits of the Company's India operations are exempt from Indian income taxes being profits attributable to export operations from undertakings situated in Special Economic Zone (SEZ). 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.

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 Company is also subject to tax on income attributable to its permanent establishments in foreign jurisdictions due to operation of its foreign branches.

17. Other income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Dividend income from investments in mutual funds	1	8
Net gain on financial assets designated at fair value through profit and loss	459	323
Foreign exchange gain/ (loss), net	239	-
Interest income on financial assets at amortised cost	110	104
Reversal of liability towards acquisition of business**	916	45
Others *	176	73
Total	**1,901**	**553**

** Includes net gain on disposal of property, plant and equipment for the year ended March 31, 2018 ₹ 6. (For the year ended March 31, 2017 ₹ 9) and also includes income from Government grants for the year ended March 31, 2018 ₹ 10. (For the year ended March 31, 2017 ₹ 10)*

*** During the year ended March 31, 2018, the Company has written back earn out payable towards acquisition of business to the erstwhile shareholders of Bluefin Solutions Limited, Relational Solutions Inc. and Magnet 360 LLC amounting to ₹ 916.*

18. Employee benefits expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	31,562	30,337
Contribution to provident and other funds*	2,059	1,858
Expense on employee stock based compensation (Refer note 9)	195	54
Staff welfare expenses	133	189
Total	**33,949**	**32,438**

** includes contribution to defined contribution plans for the year ended March 31, 2018 ₹ 1,943. (For the year ended March 31, 2017 ₹ 1,757)*

Gratuity

Amount recognized in the statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Gratuity cost		
Service cost	113	97
Net interest on net defined liability/ (asset)	3	4
Re-measurement - actuarial (gain)/ loss recognised in OCI	23	10
Net gratuity cost	**139**	**111**
Assumptions		
Discount rate	7.40%	6.80%
Salary increase	4.00%	4.00%

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, 2018	As at March 31, 2017	As at April 1, 2016
Change in projected benefit obligations			
Obligations at the beginning of the year	591	513	413
Service cost	113	97	91
Interest cost	38	36	29
Benefits settled	(64)	(69)	(50)
Actuarial (gain)/ loss - experience	57	13	30
Actuarial (gain)/ loss - demographic assumptions	-	3	-
Actuarial (gain)/ loss - financial assumptions	(30)	(2)	-
Obligations at end of the year	**705**	**591**	**513**
Change in plan assets			
Plan assets at the beginning of the year, at fair value	500	375	395
Interest income on plan assets	35	32	32
Re-measurement - actuarial gain/ (loss)	-	-	(6)
Return on plan assets greater/ (lesser) than discount rate	5	4	4
Contributions	85	154	-
Benefits settled	(61)	(65)	(50)
Plan assets at the end of the year at fair value	**564**	**500**	**375**

Historical information :

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Present value of defined benefit obligation	(705)	(591)	(513)	(413)	(365)
Fair value of plan assets	564	500	375	395	363
Asset/ (liability) recognized	**(141)**	**(91)**	**(138)**	**(18)**	**(2)**

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, 2018	As at March 31, 2017	As at March 31, 2016
Experience adjustment on plan liabilities	27	14	30
Experience adjustment on plan assets	(5)	(4)	2

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:

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(33)	37	(29)	32	(26)	29
Future salary growth (1% movement)	37	(34)	31	(29)	28	(26)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Within 1 year	116	98	77
1-2 years	119	104	86
2-3 years	135	110	95
3-4 years	150	119	101
4-5 years	159	129	117
5-10 years	771	605	603

The Company expects to contribute ₹ 116 to its defined benefit plans during the next fiscal year.

As at March 31, 2018, March 31, 2017 and April 1, 2016, 100% of the plan assets were invested in insurer managed funds.

The Company 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 costs

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Interest expense on financial instrument designated at		
- Fair value through profit and loss	46	182
- Amortised cost	122	9
Total	**168**	**191**

20. Depreciation and amortization expense

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Depreciation of property, plant and equipment (Refer note 3)	1,186	1,264
Amortization of other intangible assets (Refer note 4)	366	439
Total	**1,552**	**1,703**

21. Other expenses

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Travel expenses	2,269	2,136
Communication expenses	689	742
Sub-contractor charges	3,768	3,003
Computer consumables	815	825
Legal and professional charges	542	484
Power and fuel	289	313
Lease rentals (Refer note 26)	903	863
Repairs and maintenance		
- Buildings	62	57
- Machinery	53	50
Insurance	79	93
Rates and taxes	224	151
Foreign exchange loss, net	-	135
Other expenses	1,846	1,921
Total	**11,539**	**10,773**

22. Auditor's remuneration

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
As auditor:		
Audit fee	18	18
Other services	8	4
Reimbursement of expenses and levies	2	2
Total	**28**	**24**

23. Earnings per share (EPS)

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, 2018		March 31, 2017	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	165,787,460	165,787,460	167,918,389	167,918,389
Weighted average number of equity shares resulting from assumed exercise of employee stock options	-	499,164	-	285,251
Weighted average number of equity shares for calculation of earnings per share	165,787,460	166,286,624	167,918,389	168,203,640

24. Government grants

a) 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, 2018	March 31, 2017
Grant towards workforce training	2	5
Total	**2**	**5**

b) The Company had availed a grant of USD 950,000 for renovation of project facility in the financial year 2011-2012. 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.

c) The Company has claimed R&D tax relief under UK corporation tax rules. The Company 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	For the year ended	
	March 31, 2018	March 31, 2017
Grant towards R & D credit	19	48
Total	**19**	**48**

The grant recognized in the balance sheet is ₹ 56 as at March 31, 2018 (As at March 31, 2017 is ₹ 33 and as at April 1, 2016 ₹ 59).

25. Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2018

Particulars	Equity Instruments through Other Comprehensive Income	FCTR	Other items of Other Comprehensive Income	Total
A (i) Items that will not be reclassified to profit or loss				
Remeasurement gains/ (losses) on defined benefit plans	-	-	(23)	(23)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	5	5
	-	**-**	**(18)**	**(18)**
B (i) Items that will be reclassified to profit or loss				
Foreign exchange translation differences	-	135	-	135
Total	**-**	**135**	**(18)**	**117**

During the year ended March 31, 2017

Particulars	Equity Instruments through Other Comprehensive Income	FCTR	Other items of Other Comprehensive Income	Total
A (i) Items that will not be reclassified to profit or loss				
Remeasurement gains/ (losses) on defined benefit plans	-	-	(10)	(10)
Gain/(loss) on equity instruments designated at FVTOCI	(4)	-	-	(4)
(ii) Income tax relating to items that will not be reclassified to profit or loss	1	-	2	3
	(3)	**-**	**(8)**	**(11)**
B (i) Items that will be reclassified to profit or loss				
Foreign exchange translation differences	-	(555)	-	(555)
Total	**(3)**	**(555)**	**(8)**	**(566)**

26. Operating lease

The Company has various operating leases, mainly for office buildings including land. Lease rental expense under such non-cancellable operating lease during the year ended March 31, 2018 amounted to ₹ 357 (For the year ended March 31, 2017 amounted to ₹ 425).

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Payable – Not later than one year	224	253	329
Payable – Later than one year and not later than five years	550	446	418
Payable – Later than five years	351	305	258

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, 2018 amounted to ₹ 546. (For the year ended March 31, 2017 amounted to ₹438.)

27. Financial instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2018, March 31, 2017 and April 1, 2016 is as follows:

Particulars	Carrying Value			Fair Value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Financial assets						
Amortised cost						
Loans	763	679	693	763	679	693
Trade receivable	9,891	8,715	9,407	9,891	8,715	9,407
Cash and cash equivalents	3,243	2,468	2,301	3,243	2,468	2,301
Other financial assets	3,039	2,364	2,862	3,039	2,364	2,862
Investment in debt securities (quoted)	150	150	150	150	150	150
Investment in term deposits (unquoted)	800	610	250	800	610	250
Investment in commercial paper (unquoted)	188	-	-	188	-	-
FVTOCI						
Investment in equity instruments (unquoted)	1	1	1	1	1	1
Investment in preference shares (unquoted)	7	7	11	7	7	11
FVTPL						
Investments in mutual fund (quoted)	6,118	5,159	1,916	6,118	5,159	1,916
Derivative assets	1	37	53	1	37	53
Total assets	**24,201**	**20,190**	**17,644**	**24,201**	**20,190**	**17,644**
Financial liabilities						
Amortised cost						
Borrowings	3,014	960	423	3,014	960	423
Trade payables	1,690	1,557	1,767	1,690	1,557	1,767
Other financial liabilities	1,649	1,682	2,023	1,649	1,682	2,023
FVTPL						
Liability towards acquisition of business	-	1,001	1,431	-	1,001	1,431
Derivative liabilities	15	-	1	15	-	1
Total liabilities	**6,368**	**5,200**	**5,645**	**6,368**	**5,200**	**5,645**

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

i) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

ii) The fair value of the quoted bonds and mutual funds are based on price quotations at reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

iii) Fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted Cash Flow ('DCF') method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non- performance risk as at March 31, 2018 was assessed to be insignificant.

iv) The fair values of the unquoted equity and preference shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

v) The Company enters into derivative financial instruments with various counterparties, principally banks with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves etc. As at March 31, 2018, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and other financial instruments recognised at fair value.

28. 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 the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2018, March 31, 2017 and April 1, 2016.

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2018:

Particulars	Date of valuation	Total	Fair value measurent using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value:					
Derivative financial assets (Notes 27 & 7.5):					
Foreign exchange forward contracts	March 31, 2018	1	-	1	-
FVTOCI financial assets designated at fair value (Notes 27 & 5.1):					
Investment in equity instruments (unquoted)	March 31, 2018	1	-	-	1
Investment in preference shares (unquoted)	March 31, 2018	7	-	-	7
FVTPL financial assets designated at fair value (Notes 27 & 7.1):					
Investment in mutual funds (quoted)	March 31, 2018	6,118	6,118	-	-
Financial liabilities measured at fair value:					
Derivative financial liabilities (Notes 27 &13.2):					
Foreign exchange forward contracts	March 31, 2018	15	-	15	-
Financial liabilities designated at FVTPL (Notes 27, 11.2 & 13.2):					
Liability towards acquisition of business	March 31, 2018	-	-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2017:

Particulars	Date of valuation	Total	Fair value measurent using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value:					
Derivative financial assets (Notes 27 & 7.5):					
Foreign exchange forward contracts	March 31, 2017	37	-	37	-
FVTOCI financial assets designated at fair value (Notes 27 & 5.1):					
Investment in equity instruments (unquoted)	March 31, 2017	1	-	-	1
Investment in preference shares (unquoted)	March 31, 2017	7	-	-	7
FVTPL financial assets designated at fair value (Notes 27 & 7.1):					
Investment in mutual funds (quoted)	March 31, 2017	5,159	5,159	-	-
Financial liabilities measured at fair value:					
Financial liabilities designated at FVTPL (Notes 27, 11.2 & 13.2):					
Liability towards acquisition of business	March 31, 2017	1,001	-	-	1,001

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Quantitative disclosures of fair value measurement hierarchy for financial assets as at April 1, 2016:

Particulars	Date of valuation	Total	Fair value measurent using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value:					
Derivative financial assets (Notes 27 & 7.5):					
Foreign exchange forward contracts	April 1, 2016	53	-	53	-
FVTOCI financial assets designated at fair value (Notes 27 & 5.1):					
Investment in equity instruments (unquoted)	April 1, 2016	1	-	-	1
Investment in preference shares (unquoted)	April 1, 2016	11	-	-	11
FVTPL financial assets designated at fair value (Notes 27 & 7.1):					
Investment in mutual funds (quoted)	April 1, 2016	1,916	1,916	-	-
Financial liabilities measured at fair value:					
Derivative financial liabilities (Notes 27 & 13.2):					
Foreign exchange forward contracts	April 1, 2016	1	-	1	-
Financial liabilities designated at FVTPL (Notes 27, 11.2 & 13.2):					
Liability towards acquisition of business	April 1, 2016	1,431	-	-	1,431

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

i) Reconciliation of fair value measurement of investment in unquoted equity instrument classified as FVTOCI (Level 3):

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Opening balance	7	11	11
Remeasurement recognised in OCI	-	(4)	-
Purchases	-	-	-
Sales	-	-	-
Closing balance	**7**	**7**	**11**

ii) Reconciliation of fair value measurement of liability towards acquisition of business classified as FVTPL (Level 3)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Opening balance	1,001	1,431	458
Additions during the year	-	-	1,106
Fair value movement recognised in statement of profit and loss	46	182	157
Reversal during the year	(916)	(45)	-
Remeasurement recognised in statement of profit and loss	-	-	-
Translation adjustment	33	(100)	3
Payout during the year	(164)	(467)	(293)
Closing balance	**-**	**1,001**	**1,431**

Name of Financial Assets/ Liabilities	Valuation Techniques	Significant unobservable inputs	Sensitivity of the inputs to fair value
Liability towards acquisition of business	Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow out of the Company arising from the liability towards acquisition of business.	a) Discount rate determined using capital asset pricing model b) Revenue, operating margins and synergies from the acquired entities.	a) Any increase in the discount rate would result in a decrease in the fair value b) Any increase in the probable revenue, operating margin and synergies would result in increase in the fair value.

Derivative financials instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities and forecasted cash flows denominated in foreign currency. The Company 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 Company considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-designated derivative instruments (Sell):			
in USD millions	36	19	31
in EUR millions	2	1	3
in GBP millions	3	3	2

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, 2018	As at March 31, 2017	As at April 1, 2016
Non-designated derivative instruments (Sell):			
Not later than 1 month			
in USD millions	11	9	12
in EUR millions	1	1	1
in GBP millions	1	1	1
Later than 1 month but not later than 3 months			
in USD millions	25	10	19
in EUR millions	1	-	2
in GBP millions	2	2	1

29. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company'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 company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivative for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company'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 revenues generated from top customer and top 5 customers:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from top customer	9,011	7,309
Revenue from top 5 customers	16,854	15,765

One customer accounted for more than 10% of the revenue for the year ended March 31, 2018, however none of the customers accounted for more than 10% of the receivables as at March 31, 2018. One customer accounted for more than 10% of the revenue for the year ended March 31, 2017, however none of the customers accounted for more than 10% of the receivables as at March 31, 2017.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors.

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, 2018	As at March 31, 2017	As at April 1, 2016
Cash and cash equivalents	3,243	2,468	2,301
Investments in mutual funds (quoted)	6,118	5,159	1,916
Investment in non-convertible bonds (quoted)	100	100	100
Investment in term deposit (unquoted)	800	610	250
Investment in commercial paper (unquoted)	188	-	-
Total	**10,449**	**8,337**	**4,567**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2018, March 31, 2017 and April 1, 2016

Particulars	As at March 31, 2018		
	Less than 1 year	1-2 years	2 years and above
Borrowings	3,005	5	4
Trade payables	1,690	-	-
Other financial liabilities	1,649	-	-
Derivative liabilities	15	-	-

Particulars	As at March 31, 2017		
	Less than 1 year	1-2 years	2 years and above
Borrowings	947	5	8
Trade payables	1,557	-	-
Other financial liabilities	2,488	195	-
Derivative liabilities	-	-	-

Particulars	As at April 1, 2016		
	Less than 1 year	1-2 years	2 years and above
Borrowings	405	5	13
Trade payables	1,767	-	-
Other financial liabilities	2,707	555	192
Derivative liabilities	1	-	-

Foreign Currency risk

The Company'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 Company'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 Company'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 Company has a foreign currency advisory committee which meets on a periodic basis to formulate the strategy for foreign currency risk management.

Consequently, the Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

The details in respect of the outstanding foreign exchange forward contracts are given under the derivative financial instruments section.

In respect of the Company's forward 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 ₹ 14 increase and ₹ 41 decrease in the Company's net profit as at March 31, 2018;

b) an approximately ₹ 52 increase and ₹ 22 increase in the Company's net profit as at March 31, 2017

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2018, March 31, 2017 and April 1, 2016.

As at March 31, 2018 **₹ in million**

Particulars	US$	Euro	Pound/Sterling	Other currencies*	Total
Assets					
Trade receivables	6,584	1,078	1,314	408	9,384
Unbilled revenue	1,730	294	483	161	2,668
Cash and cash equivalents	1,934	131	522	493	3,080
Other assets	73	42	45	22	182
Liabilities					
Trade payable	566	48	236	76	926
Other liabilities	563	50	340	33	986
Net assets/ liabilities	**9,192**	**1,447**	**1,788**	**975**	**13,402**

* *Others include currencies such as Singapore $, Australian $, Canadian $, Japanese Yen, Malaysian Ringgit, etc.*

As at March 31, 2017 ₹ in million

Particulars	US$	Euro	Pound/Sterling	Other currencies*	Total
Assets					
Trade receivables	5,821	851	991	774	8,437
Unbilled revenue	1,171	111	325	179	1,786
Cash and cash equivalents	1,346	88	171	317	1,922
Other assets	95	30	39	23	187
Liabilities					
Trade payable	646	33	220	69	968
Other liabilities	1,259	31	535	27	1,852
Net assets/ liabilities	**6,528**	**1,016**	**771**	**1,197**	**9,512**

* *Others include currencies such as Singapore $, Australian $, Canadian $, Japanese Yen, Malaysian Ringgit, etc.*

As at April 1, 2016 ₹ in million

Particulars	US$	Euro	Pound/Sterling	Other currencies*	Total
Assets					
Trade receivables	6,383	875	1,320	672	9,250
Unbilled revenue	1,349	95	542	58	2,044
Cash and cash equivalents	1,251	70	231	341	1,893
Other assets	148	18	39	25	230
Liabilities					
Trade payable	265	1	113	2	381
Other liabilities	1,324	38	912	76	2,350
Net assets/ liabilities	**7,542**	**1,019**	**1,107**	**1,018**	**10,686**

* *Others include currencies such as Singapore $, Australian $, Canadian $, Japanese Yen, Malaysian Ringgit, etc.*

For the year ended March 31, 2018, every 1% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact operating margins by 0.2%/ (0.2)% respectively. For the year ended March 31, 2017, the impact on operating margins would be 0.2%/(0.2)% respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

The Company's borrowings and investments are primarily short-term, which do not expose it to significant interest rate risk.

30. Capital management

The Company'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 Company monitors the return on capital as well as the level of dividends on its equity shares. The Company'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, 2018	As at March 31, 2017	As at April 1, 2016
Total equity attributable to the equity share holders of the Company	28,381	26,201	24,250
As percentage of total capital	90%	96%	98%
Current borrowings	3,005	947	405
Non-current borrowings	9	13	18
Total borrowings	3,014	960	423
As a percentage of total capital	10%	4%	2%
Total capital (borrowings and equity)	**31,395**	**27,161**	**24,673**

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds being far in excess of debt.

31. Related party transactions

Name of related party	Nature of relationship	Country of incorporation
Mindtree Software (Shanghai) Co., Ltd ('MSSCL'), Republic of China	Subsidiary	China
Bluefin Solutions Limited	Subsidiary with effect from July 16, 2015	United Kingdom
Bluefin Solutions Inc.	Subsidiary with effect from July 16, 2015	United States
Bluefin Solutions Sdn Bhd	Subsidiary with effect from July 16, 2015	Malaysia
Blouvin (Pty) Limited	Subsidiary with effect from July 16, 2015	South Africa
Bluefin Solutions Pte Ltd	Subsidiary with effect from July 16, 2015	Singapore
Magnet 360, LLC	Subsidiary with effect from January 19, 2016	United States
Reside, LLC*	Subsidiary with effect from January 19, 2016	United States
M360 Investments, LLC*	Subsidiary with effect from January 19, 2016	United States
Numerical Truth, LLC*	Subsidiary with effect from January 19, 2016	United States

Name of related party	Nature of relationship	Country of incorporation
Bridgeweave Limited	Entity with common key managerial person	India
Mindtree Foundation	Entity with common key managerial person	India
NuvePro Technologies Private Limited**	Entity in which a key managerial person is a member	India
Amitav Bagchi	Relative of a key managerial person	India
Coffee Day Global Limited Tanglin Developments Limited ('TDL') Sical Logistics Limited Mysore Amalgamated Coffee Estate Ltd	These entities are part of Coffee Day Group which through various entities and its promoters holds 20.45% equity stake in Mindtree.	

* *Dissolved with effect from February 22, 2018.*
** *Related party under The Companies Act, 2013.*

Transactions with the above related parties during the year were:

Name of related party	Nature of transaction	For the year ended March 31, 2018	For the year ended March 31, 2017
Mindtree Software (Shanghai) Co., Ltd	Software services received	10	14
Bluefin Solutions Limited and Bluefin Solutions Sdn Bhd	Transfer of net tangible assets against extinguishment of investment (refer note 32)	508	-
Magnet 360 LLC	Software services rendered	60	30
	Software services received	390	70
Bridgeweave Limited	Software services rendered	6	-
Mindtree Foundation	Donation paid	46	48
Sical Logistics Limited	Software services rendered	2	-
Coffee Day Global Limited	Procurement of supplies	20	25
	Software services rendered	23	37
Tanglin Developments Limited	Leasing office buildings and land	392	417
	Advance/ deposits paid/ (adjusted)		
	- towards electricity deposit/charges	-	-
	- towards lease rentals	141	117
	Advance/ deposits received back		
	- towards lease rentals	141	157

Balances payable to related parties are as follows:

Name of related party	Nature of balances	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Mindtree Software (Shanghai) Co., Ltd	Trade payables	1	1	1
Magnet 360 LLC	Trade payables	8	37	-
Coffee Day Global Limited	Trade payables	1	3	1

Balances receivable from related parties are as follows:

Name of related party	Nature of balances	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Magnet 360 LLC	Trade receivables	23	-	-
Sical Logistics Limited	Trade receivables	-	-	-
Bridgeweave Limited	Trade receivables	6	-	-
Coffee Day Global Limited	Trade receivables	36	44	25
Tanglin Developments Limited	Short-term loans and advances:			
	- Rental advance	-	-	-
	Long-term loans and advances:			
	- Security deposit (including electricity deposit) returnable on termination of lease	270	271	298

The amount outstanding are unsecured and will be settled in cash. No guarantee has been given or received.

Key Managerial Personnel:

Krishnakumar Natarajan [1]	Executive Chairman
N.S. Parthasarathy	Executive Vice Chairman, President and Chief Operating Officer
Rostow Ravanan	CEO and Managing Director
Subroto Bagchi	Non-Executive Director
Apurva Purohit	Independent Director
Manisha Girotra [4]	Independent Director
Prof. Pankaj Chandra [2]	Independent Director
V.G.Siddhartha [3]	Non-Executive Director
Milind Sarwate	Independent Director
Akshaya Bhargava	Independent Director
Jagannathan Chakravarthi	Chief Financial Officer
Vedavalli Sridharan	Company Secretary

[1] *The Board of Directors at their meeting held on January 19, 2017 have approved the extension of terms of employment of Mr. Krishnakumar Natarajan as Executive Chairman from July 01, 2017 to June 30, 2020 and the shareholders have approved the re-appointment at the Annual General meeting on July 18, 2017.*

[2] *Retired on April 01, 2018*
[3] *Resigned on March 09, 2018*
[4] *Resigned on April 18, 2018*

Transactions with key management personnel

Dividends paid to directors during the year ended March 31, 2018 amounts to ₹ 235 and for the year ended March 31, 2017 amounts to ₹ 222. Further, during the year ended March 31, 2018, 4,665 shares were allotted to the key management personnel.

Compensation of key management personnel of the Company

Particulars	For the year ended*	
	March 31, 2018	March 31, 2017
Short-term employee benefits	77	74
Share-based payment transactions	4	3
Others	17	28
Total compensation paid to key management personnel	**98**	**105**

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

32. The Board of Directors at its meeting held on October 06, 2017, have approved the Scheme of Amalgamation ("the Scheme") of its wholly owned subsidiary, Magnet 360, LLC ("Transferor Company") with Mindtree Limited ("Transferee Company") with an appointed date of April 01, 2017. During the year, the Company has filed an application with the National Company Law Tribunal (NCLT), Bengaluru Bench. Pending the required approvals, the effect of the Scheme has not been given in the financial statements.

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

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

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

Particulars	Bluefin*	Discoverture*	Relational Solutions Inc.*
Consideration for amalgamation (Value of investments held by Mindtree)	4,063	1,045	522
Net assets acquired	1,911	376	183
Goodwill	2,152	669	339

* *The subsidiaries of the Company were in to the business of Information Technology services.*

33. Contingent liabilities

a) The Company has received income tax assessment order for financial years 2006-07 and 2007-08 for the erstwhile subsidiary Mindtree Technologies Private Limited (MTPL) with demands amounting to ₹ 11 and ₹ 10 respectively 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.

b) The Company has received income tax assessment order 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 Income Tax Appellate Tribunal (ITAT). The Company has deposited ₹ 15 with the department against these demands. The department has adjusted pending refunds amounting to ₹ 563 against these demands.

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 and 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, Bengaluru.

The Company has received the order from ITAT for the FY 2005-06 and ITAT has remanded the matter back to the Assessing Officer for re-assessment. The Company has filed an appeal with Hon'ble High Court of Karnataka. The Hon'ble High Court has dismissed the appeal and this matter is pending with Assessing Officer.

The Company has received the order from ITAT for the FY 2006-07 and ITAT has remanded the matter back to the Assessing Officer for re-assessment. The Transfer Pricing Officer has passed the favorable order. Order giving effect to the ITAT order is received and demand is Nil.

The Company has received the order from ITAT for the FY 2007-08 and ITAT has quashed the order of the Assessing Officer. Order giving effect to the ITAT order is yet to be received.

The Company has received revised order for the FY 2008-09 under section 263 from Assessing Officer raising an additional demand of ₹ 61, taking the total demand to ₹ 124. The Company has filed an appeal before ITAT. The order giving effect to the said order has been received and appeal is filed with Commissioner Appeals. The Company has received the order from ITAT for the FY 2008-09 and ITAT has quashed the order of the Assessing Officer. Order giving effect to the ITAT order is yet to be received.

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.

c) 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 ITAT. 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.

d) The Company has received the revised order under section 263 for financial year 2009-10 from Assessing Officer reducing the demand to ₹ 6. The Company has filed an appeal before ITAT. ITAT has dismissed the appeal. Order giving effect has been received. The Company has filed an appeal before Commissioner of Income Tax (Appeals).

e) 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).

f) During the period, the Company received an order passed under section 7A of the Employees Provident Fund & Miscellaneous Provisions Act, 1952 from Employees Provident Fund Organisation (EPFO) claiming provident fund contribution aggregating to ₹ 250 on (a) full salary paid to International Workers and (b) special allowance paid to employees. Based on a legal advice obtained, the Company has assessed that it has a legitimate ground for appeal, and has contested the order by filing an appeal with the Employees' Provident Funds Appellate Tribunal.

34. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2018 is ₹ 450 (March 31, 2017: ₹ 242 and April 1, 2016: ₹ 262).

35. Segmental reporting

The CEO & MD of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, 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 Company is structured into four reportable business segments – RCM, BFSI, TMS and TH. The reportable business segments are in line with the segment wise information which is being presented to the CODM.

Each segment item reported is measured at the measure used to report to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance.

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; the rest of the world comprises of all other geographies 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.

CODM does not review assets and liabilities at reportable segments level hence segment disclosure relating to total assets and liabilities has not been provided.

Geographical information on revenue and industry revenue information is collated based on individual customer invoices or in relation to which the revenue is otherwise recognized.

Industry Segments:

Statement of income	For the year ended	
	March 31, 2018	March 31, 2017
Segment revenue		
RCM	12,277	11,739
BFSI	13,025	12,582
TMS	19,747	18,335
TH	8,201	7,740
Total	**53,250**	**50,396**
Segment operating income		
RCM	1,521	1,541
BFSI	1,297	1,161
TMS	3,893	3,755
TH	1,051	863
Total	**7,762**	**7,320**
Depreciation and amortization expense	(1,552)	(1,703)
Profit for the year before finance expenses, other income and tax	**6,210**	**5,617**
Finance costs	(168)	(191)
Other income	1,552	449
Interest income	110	104
Foreign exchange gain/ (loss)	239	(135)
Net profit before taxes	**7,943**	**5,844**
Income taxes	(1,694)	(1,384)
Net profit after taxes	**6,249**	**4,460**

Other information	For the year ended	
	March 31, 2018	March 31, 2017
Other significant non-cash expense (Allocable)		
RCM	16	25
BFSI	(9)	17
TMS	7	(1)
TH	-	10

Geographical information

Revenues	For the year ended	
	March 31, 2018	March 31, 2017
America	36,579	33,736
Europe	11,717	11,281
India	1,765	1,641
Rest of World	3,189	3,738
Total	**53,250**	**50,396**

Note:

Management believes that it is currently not practicable to provide disclosure of assets by geographical location, as meaningful segregation of the available information is onerous.

Please refer to Note 29 on Financial Instruments for information on revenue from major customers.

36. Total of expenditure incurred on Corporate Social Responsibility activities during the year ended March 31, 2018 is ₹ 124 (during the year ended March 31, 2017 is ₹ 109).

37. **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, 2018 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, 2018	March 31, 2017
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	8	10
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

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

Balance sheet items — Amount in ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Share application money pending allotment (refer note 10)	-	3,500
Cash on hand (refer note 7.3)	76,943	382,576
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited (refer note 5.1)	126,400	126,400

Related party disclosures (refer note 31) — Amount in ₹

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Software services received from NuvePro Technologies Private Limited*	355,537	-
Professional services received from Amitav Bagchi	185,000	-

** Payable to NuvePro Technologies Private Limited as at March 31, 2018 is ₹ 56,413 (As at March 31, 2017: ₹ Nil).*

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No. 008072S

V. Balaji
Partner
Membership No. 203685

Place: Bengaluru
Date: April 18, 2018

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, 2018

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 Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, 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 Parent'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 including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The respective Board of Directors of the companies 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 consolidated 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 Parent, as aforesaid.

Auditor's Responsibility

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

In conducting 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 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 Parent'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 Parent'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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 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.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity 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 Ind AS prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on March 31, 2018 taken on record by the Board of Directors of the Parent, none of the directors of the Parent is disqualified as on March 31, 2018 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 separate Report in "Annexure A", which is based on our audit report of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of Parent'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, as amended, 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 Parent.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

Bengaluru, April 18, 2018

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")

In conjunction with our audit of the consolidatedfinancial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of MINDTREE LIMITED (hereinafter referred to as "Parent"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). 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 Parent'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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 Parent'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 Parent, 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, 2018, based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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, 2018

Consolidated balance sheet

₹ in million

	Note	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,509	3,809
Capital work in progress		92	192
Goodwill	4	4,539	4,470
Other intangible assets	4	1,520	1,941
Financial assets	5		
Investments	5.1	58	58
Loans	5.2	751	667
Other financial assets	5.3	-	209
Deferred tax assets (Net)	16	318	624
Other non-current assets	6	1,547	1,326
		12,334	**13,296**
Current assets			
Financial assets	7		
Investments	7.1	7,206	5,869
Trade receivables	7.2	10,155	8,962
Cash and cash equivalents	7.3	3,289	2,508
Loans	7.4	17	12
Other financial assets	7.5	3,081	2,225
Other current assets	8	1,283	1,034
		25,031	**20,610**
TOTAL ASSETS		**37,365**	**33,906**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	1,639	1,680
Other equity	10	25,775	24,091
		27,414	**25,771**
Liabilities			
Non-current liabilities			
Financial liabilities	11		
Borrowings	11.1	9	13
Other financial liabilities	11.2	-	230
Other non-current liabilities	12	85	71
		94	**314**
Current liabilities			
Financial liabilities	13		
Borrowings	13.1	3,000	978
Trade payables		1,710	1,651
Other financial liabilities	13.2	1,812	2,638
Other current liabilities	14	1,802	1,126
Provisions	15	1,218	1,105
Current tax liabilities (Net)		315	323
		9,857	**7,821**
		9,951	**8,135**
TOTAL EQUITY AND LIABILITIES		**37,365**	**33,906**

See accompanying notes to the consolidated financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's 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, 2018

Place: Bengaluru
Date: April 18, 2018

Consolidated statement of profit and loss

₹ in million, except per share data

	Note	For the year ended	
		March 31, 2018	March 31, 2017
Revenue from operations		54,628	52,364
Other income	17	1,902	553
Total income		**56,530**	**52,917**
Expenses			
Employee benefits expense	18	35,641	34,125
Finance costs	20	169	191
Depreciation and amortization expense	21	1,715	1,858
Other expenses	22	11,582	11,194
Total expenses		**49,107**	**47,368**
Profit before tax		**7,423**	**5,549**
Tax expense:			
Current tax	16	1,555	1,577
Deferred tax	16	167	(214)
Profit for the year		**5,701**	**4,186**
Other comprehensive income	26		
A (i) Items that will not be reclassified to profit or loss		(23)	(14)
(ii) Income tax relating to items that will not be reclassified to profit or loss		5	3
B (i) Items that will be reclassified to profit or loss		146	(610)
Total other comprehensive income		**128**	**(621)**
Total comprehensive income for the year		**5,829**	**3,565**
Earnings per equity share:	24		
(1) Basic		34.39	24.93
(2) Diluted		34.28	24.89

See accompanying notes to the consolidated financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No. 008072S

V. Balaji
Partner
Membership No. 203685

Place: Bengaluru
Date: April 18, 2018

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, 2018

Consolidated statement of cash flows

₹ in million, except per share data

	For the year ended March 31, 2018	2017
Cash flow from operating activities		
Profit for the year	5,701	4,186
Adjustments for :		
Income tax expense recognised in the statement of profit and loss	1,722	1,363
Depreciation and amortization expense	1,715	1,858
Expense on employee stock based compensation	195	54
Allowance for expected credit losses	13	(20)
Finance costs	169	191
Interest income on financial assets at amortised cost	(110)	(104)
Dividend income	(1)	(8)
Net gain on disposal of property, plant and equipment	(6)	(9)
Net gain on financial assets designated at fair value through profit and loss	(459)	(323)
Reversal of liability towards acquisition of businesses recognised in the statement of profit and loss	(916)	(45)
Unrealised exchange difference on liability towards acquisition of businesses	33	(100)
Unrealised exchange difference on derivatives	51	14
Income from government grant	(10)	(10)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	12	42
Changes in operating assets and liabilities		
Trade receivables	(1,170)	670
Other assets	(966)	786
Trade payables	176	(271)
Other liabilities	1,014	215
Provisions	113	(183)
Net cash provided by operating activities before taxes	**7,276**	**8,306**
Income taxes paid (net of refunds)	(1,632)	(1,771)
Net cash (used in)/ provided by operating activities	**5,644**	**6,535**
Cash flow from investing activities		
Purchase of property, plant and equipment	(1,020)	(871)
Proceeds from sale of property, plant and equipment	9	25
Payment towards acquisition of businesses	(164)	(467)
Interest income on financial assets at amortised cost	51	51
Dividend income received	1	8
Purchase of investments	(14,648)	(13,171)
Proceeds from sale of investments	13,771	9,892
Net cash (used in)/ provided by investing activities	**(2,000)**	**(4,533)**
Cash flow from financing activities		
Issue of share capital (net of issue expenses paid)	1	8
Payment for buyback of shares	(2,640)	-
Finance costs paid	(54)	(2)
Repayment of short-term borrowings	(2,540)	(383)
Proceeds from short-term borrowings	4,500	935
Dividends paid (including distribution tax)	(2,142)	(1,934)
Net cash (used in)/ provided by financing activities	**(2,875)**	**(1,376)**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(2)	(55)
Net increase / (decrease) in cash and cash equivalents	**767**	**571**
Cash and cash equivalents at the beginning of the year	2,508	1,937
Cash and cash equivalents at the end of the year (Refer note 7.3)	**3,275**	**2,508**

Reconciliation of liabilities from financing activities **₹ in million**

Particulars	As at March 31, 2017	Proceeds	Repayment	Fair value changes	As at March 31, 2018
Long-term borrowings (including current portion)	18	-	(4)	-	14
Short-term borrowings	978	4,500	(2,536)	58	3,000
Total liabilities from financing activities	**996**	**4,500**	**(2,540)**	**58**	**3,014**

See accompanying notes to the consolidated financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No. 008072S

V. Balaji
Partner
Membership No. 203685

Place: Bengaluru
Date: April 18, 2018

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, 2018

Consolidated statement of changes in equity

₹ in million

(a) Equity share capital	Amount
Balance as at April 1, 2016	**1,678**
Add: Shares issued on exercise of stock options and restricted shares	2
Balance as at March 31, 2017	**1,680**
Balance as at April 1, 2017	**1,680**
Add: Shares issued on exercise of stock options and restricted shares	1
Less: Buyback of equity shares (refer note 9e)	42
Balance as at March 31, 2018	**1,639**

(b) Other equity

Particulars	Reserves and Surplus (refer note 10)							Items of Other Comprehensive Income (refer note 10)			Total other equity
	Capital reserve	General reserve	Special Economic Zone reinvestment reserve	Capital redemption reserve	Securities premium reserve	Share option outstanding account	Retained earnings	Foreign currency translation reserve (FCTR)	Equity instruments through Other Comprehensive Income	Other items of Other Comprehensive Income	
Balance as at April 1, 2016	**87**	**1,542**	-	-	**1,084**	**107**	**19,890**	**(214)**	**3**	**(28)**	**22,471**
Profit for the year	-	-	-	-	-	-	4,186	-	-	-	4,186
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	(610)	(3)	(8)	(621)
Issue of equity shares (refer note 9)	-	-	-	-	6	-	-	-	-	-	6
Transferred to securities premium reserve	-	-	-	-	110	(110)	-	-	-	-	-
Compensation cost related to employee share based payment (refer note 18)	-	-	-	-	-	54	-	-	-	-	54
Cash dividends (refer note 10.1)	-	-	-	-	-	-	(1,679)	-	-	-	(1,679)
Dividend distribution tax (refer note 10.1)	-	-	-	-	-	-	(326)	-	-	-	(326)
Balance as at March 31, 2017	**87**	**1,542**	-	-	**1,200**	**51**	**22,071**	**(824)**	-	**(36)**	**24,091**
Balance as at April 1, 2017	**87**	**1,542**	-	-	**1,200**	**51**	**22,071**	**(824)**	-	**(36)**	**24,091**
Profit for the year	-	-	-	-	-	-	5,701	-	-	-	5,701
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	146	-	(18)	128
Created during the year	-	(42)	1,223	42	-	-	(1,223)	-	-	-	-
Utilised during the year	-	-	(459)	-	-	-	459	-	-	-	-
Buyback of equity shares (refer note 9(e))	-	(1,274)	-	-	(1,237)	-	(87)	-	-	-	(2,598)
Transferred to securities premium reserve	-	-	-	-	45	(45)	-	-	-	-	-
Compensation cost related to employee share based payment (refer note 18)	-	-	-	-	-	195	-	-	-	-	195
Cash dividends (refer note 10.1)	-	-	-	-	-	-	(1,488)	-	-	-	(1,488)
Dividend distribution tax (refer note 10.1)	-	-	-	-	-	-	(254)	-	-	-	(254)
Share issued against share application money	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	**87**	**226**	**764**	**42**	**8**	**201**	**25,179**	**(678)**	-	**(54)**	**25,775**

See accompanying notes to the consolidated financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants (Firm's Registration No. 008072S)

V. Balaji
Partner (Membership No. 203685)

Place: Bengaluru
Date: April 18, 2018

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, 2018

Significant accounting policies and notes to the accounts for the year ended March 31, 2018
(₹ 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, Bluefin Solutions Limited, Bluefin Solutions Sdn Bhd, and Magnet 360, 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 four industry verticals – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Technology, Media and Services (TMS) and Travel and Hospitality (TH). 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 (USA), United Kingdom, Japan, Singapore, Malaysia, Australia, Germany, Switzerland, Sweden, South Africa, UAE, Netherlands, Canada, Belgium, France, Ireland, Poland 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 on April 18, 2018.

2. Significant accounting policies

2.1 Basis of preparation and presentation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

(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 Ind AS:

i. Derivative financial instruments;

ii. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);

iii. Share based payment transactions and

iv. Defined benefit and other long-term employee benefits

(c) Use of estimates and judgment

The preparation of consolidated financial statements in conformity with Ind AS 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. As 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 period in which the loss becomes probable.

ii) *Income taxes:* The Group's two major tax jurisdictions are India and the U.S., though the Group 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 16.

iii) Liability towards acquisition of businesses: Contingent consideration representing liability towards acquisition of business is reassessed at every reporting date. Any increase or decrease in the probability of achievement of financial targets would impact the measurement of the liability. Appropriate changes in estimates are made when the Management becomes aware of the circumstances surrounding such estimates.

iv) 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 Group estimates the probability of collection 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 Group's estimate of equity instruments that will eventually vest.

2.2 Basis of consolidation

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control exists when the parent has power over an investee, exposure or rights to variable returns from 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 subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/ loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group.

2.3 Summary of significant accounting policies

(i) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group'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 the Company.

(ii) 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 respective 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 consolidated statement of profit and loss 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.

For the purposes of presenting the consolidated financial statements assets and liabilities of Group's foreign operations with functional currency different from the Company are translated into Company's functional currency i.e. INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

Exchange differences arising, if any are recognised in other comprehensive income and accumulated in equity.

On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the statement of profit and loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the balance sheet date.

(iii) Financial instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. Loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

(i) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, 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 book overdrafts that are repayable on demand, and are considered part of the Group's cash management system.

(ii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and

(b) the asset's contractual cash flow represent SPPI

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain/(loss) in consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.

(iii) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI. There is no recycling of the amount from OCI to statement of profit and loss, even on sale of the instrument. However the Group may transfer the cumulative gain or loss within the equity.

(iv) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

b) *Non-derivative financial liabilities*

(i) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

(ii) Financial liabilities at FVTPL

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the consolidated statement of profit or loss

c) *Derivative financial instruments*

The Group holds derivative financial instruments such as foreign exchange forward 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 costs are recognized in statement of profit and loss.

(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 consolidated statement of profit and loss. 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 consolidated statement of profit and loss 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 consolidated statement of profit and loss and reported within foreign exchange gains/(losses).

(iv) 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 ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and 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	5 to 30 years
Leasehold improvements	5 years
Computers	2 to 3 years
Plant and machinery	3 to 4 years
Furniture and fixtures	3 to 7 years
Electrical installations	3 years
Office equipment	3 to 5 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 Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the consolidated statement of profit and loss 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 consolidated statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work-in-progress respectively.

(v) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective 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 to 5 years
Vendor relationships	5 to 10 years
Trade name	10 years
Technology	10 years
Non-compete agreement	5 years

(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 Group'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 in capital reserve.

b) *Intangible assets*

Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

(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 consolidated statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

(viii) Impairment

a) *Financial assets*

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

(i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument;

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. This amount is reflected under the head other expenses in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

b) *Non-financial assets*

The Group assesses at each reporting date whether there is any objective evidence that a non financial asset or a Group of non financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and the recoverable amount. Losses are recognised in the consolidated statement of profit and 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 consolidated statement of profit and loss.

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. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units(CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU prorata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in consolidated statement of profit and loss and is not reversed in the subsequent period.

(ix) Employee Benefits

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, is charged to the consolidated 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 Group 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 Group'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.

Actuarial gains or losses are recognized in other comprehensive income. 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.

Remeasurements comprising of actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

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 profit and loss.

(x) Share based payments

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 consolidated statement of profit and loss 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 phantom stocks, 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 phantom stock options plan. Any changes in the liability are recognized in consolidated statement of profit and loss.

(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 consolidated statement of profit and loss 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. 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 Ind AS 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 Ind AS 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, goods and services 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) Warranty provisions

The Group provides warranty provisions on all its products sold. A liability is recognised at the time the product is sold. The Group does not provide extended warranties or maintenance contracts to its customers.

(xiv) Finance income and expense

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets. Interest income is recognized as it accrues in the consolidated statement of profit and loss, using the effective interest rate method.

Dividend income is recognized in the consolidated statement of profit and loss on the date that the Group's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the consolidated statement of profit and loss 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.

(xv) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the consolidated statement of profit and loss 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 is 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.

(xvi) Earnings per share (EPS)

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

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 period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

(xvii) Research and development costs

Research costs are expensed as incurred. Development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably.

(xviii) 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. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.

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 fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

New standards and interpretations not yet adopted

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Group is evaluating the effect of this on the financial statements.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, the Ministry of Corporate Affairs notified Ind AS 115 Revenue from Contracts with Customers. The standard replaces Ind AS 11 Construction Contracts and Ind AS 18 Revenue.

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 April 1, 2018. The Group is currently evaluating the requirements of Ind AS 115, and has not yet determined the impact on the financial statements.

Non-Current Assets

3. Property, plant and equipment

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery	Office equipment	Computers	Electrical installations	Furniture and fixtures	Vehicles	Total
Gross carrying value										
At April 1, 2016	84	3,045	1,263	217	842	2,751	610	392	29	9,233
Additions	-	227	74	-	76	430	121	9	-	937
Translation adjustment	-	-	-	-	(2)	(17)	-	(3)	-	(22)
Disposals / adjustments	-	-	-	-	(6)	(125)	(29)	-	-	(160)
At March 31, 2017	84	3,272	1,337	217	910	3,039	702	398	29	9,988
At April 1, 2017	84	3,272	1,337	217	910	3,039	702	398	29	9,988
Additions	-	322	105	2	50	354	41	44	-	918
Translation adjustment	-	-	-	-	-	3	-	1	-	4
Disposals / adjustments	-	(26)	(15)	-	(3)	(202)	(4)	(10)	(2)	(262)
At March 31, 2018	84	3,568	1,427	219	957	3,194	739	433	27	10,648
Accumulated depreciation										
At April 1, 2016	8	961	744	217	550	1,995	398	173	14	5,060
Depreciation expense	1	207	185	-	132	569	124	57	8	1,283
Translation adjustment	-	-	-	-	(2)	(14)	-	(4)	-	(20)
Disposals / adjustments	-	-	-	-	(6)	(109)	(29)	-	-	(144)
At March 31, 2017	9	1,168	929	217	674	2,441	493	226	22	6,179
At April 1, 2017	9	1,168	929	217	674	2,441	493	226	22	6,179
Depreciation expense	1	231	185	-	116	491	123	63	5	1,215
Translation adjustment	-	-	-	-	-	3	-	1	-	4
Disposals / adjustments	-	(26)	(15)	-	(3)	(199)	(4)	(10)	(2)	(259)
At March 31, 2018	10	1,373	1,099	217	787	2,736	612	280	25	7,139
Net carrying value as at March 31, 2018	74	2,195	328	2	170	458	127	153	2	3,509
Net carrying value as at March 31, 2017	75	2,104	408	-	236	598	209	172	7	3,809

Non-current assets

4. Goodwill and other intangible assets

a) Goodwill and other intangible assets

Particulars	Goodwill	Other intangible assets								
		Intellectual property	Business alliance relationships	Customer relationships	Non compete agreement	Vendor relationships	Tradename	Technology	Computer software	Total other intangible assets
Gross carrying value										
At April 1, 2016	4,815	67	72	1,413	54	728	318	268	1,034	3,954
Additions	-	-	-	-	-	-	-	-	40	40
Translation adjustment	(345)	-	-	(151)	(1)	(47)	(32)	(6)	(1)	(238)
Disposals / adjustments	-	-	-	-	-	-	-	-	(3)	(3)
At March 31, 2017	4,470	67	72	1,262	53	681	286	262	1,070	3,753
At April 1, 2017	4,470	67	72	1,262	53	681	286	262	1,070	3,753
Additions	-	-	-	-	-	-	-	-	35	35
Translation adjustment	69	-	-	30	-	9	6	-	-	45
Disposals / adjustments	-	-	-	-	-	-	-	-	-	-
At March 31, 2018	4,539	67	72	1,292	53	690	292	262	1,105	3,833
Accumulated amortisation										
At April 1, 2016	-	67	21	204	7	48	18	20	937	1,322
Amortisation expense	-	-	18	306	11	99	33	26	82	575
Translation adjustment	-	-	-	(61)	-	(16)	(6)	-	1	(82)
Disposals / adjustments	-	-	-	-	-	-	-	-	(3)	(3)
At March 31, 2017	-	67	39	449	18	131	45	46	1,017	1,812
At April 1, 2017	-	67	39	449	18	131	45	46	1,017	1,812
Amortisation expense	-	-	18	276	11	93	30	26	46	500
Translation adjustment	-	-	-	1	-	-	-	-	-	1
Disposals / adjustments	-	-	-	-	-	-	-	-	-	-
At March 31, 2018	-	67	57	726	29	224	75	72	1,063	2,313
Net carrying value as at March 31, 2018	4,539	-	15	566	24	466	217	190	42	1,520
Net carrying value as at March 31, 2017	4,470	-	33	813	35	550	241	216	53	1,941
Estimated useful life (in years)	NA	5	4	3 - 5	5	5 - 10	10	10	2 - 3	
Estimated remaining useful life (in years)	NA	-	1.00	2.25	2.00 - 2.25	2.25 - 7.75	7.25 - 7.75	7.25	0.08 - 1.99	

The aggregate amount of research and development expense recognized in the statement of profit and loss for the year ended March 31, 2018 is ₹ 396 (₹ 321 for the year ended March 31, 2017).

4. Goodwill and other intangible assets

b) Impairment

Following is a summary of changes in the carrying amount of goodwill:

Particulars	As at March 31, 2018	As at March 31, 2017
Carrying value at the beginning	4,470	4,815
Translation differences	69	(345)
Carrying value at the end	**4,539**	**4,470**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Cash Generating Units (CGU) or groups of CGUs, which benefit from the synergies of the acquisition. The Chief Operating Decision Maker reviews the goodwill for any impairment at the operating segment level, which is represented through groups of CGUs.

The goodwill on acquisition of subsidiaries has been allocated as follows:

Particulars	March 31, 2018
RCM	2,388
BFSI	1,133
TMS	948
TH	70
Total	**4,539**

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization. The value-in-use is determined based on specific calculations. These calculations use pre tax cash flow projections over a period of five years, based on financial budgets approved by management and an average of the range of each assumption mentioned below.

As of March 31, 2018, the estimated recoverable amount of the CGU exceeded its carrying amount, hence impairment is not triggered. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Discount rate	15.0% - 20.8%	15.6% - 19.6%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. These estimates are likely to differ from future actual results of operations and cash flows.

Non-current assets

5. Financial assets

5.1 Investments

Particulars	As at March 31, 2018	As at March 31, 2017
Investments in equity instruments (unquoted)		
a) 2,400 (March 31, 2017: 2,400) equity shares in Careercommunity.com Limited	-	-
b) 950,000 (March 31, 2017: 950,000) equity shares of ₹ 1 each in NuvePro Technologies Private Limited	1	1
c) 12,640 (March 31, 2017: 12,640) equity shares in Worldcast Technologies Private Limited	-	-
Investments in preference shares (unquoted)		
643,790 (March 31, 2017: 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
Investments in non-convertible bonds (quoted)		
50 (March 31, 2017: 50) secured redeemable non-convertible bonds of ₹ 1 million each in the nature of promissory notes in PNB Housing Finance Limited	50	50
Total	**58**	**58**
Aggregate amount of quoted investments	**50**	**50**
Aggregate market value of quoted investments	**50**	**50**
Aggregate amount of unquoted investments	**8**	**8**
Aggregate amount of impairment in value of investments	**1**	**1**

5.2 Loans

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured, considered good)		
Security deposits*	751	667
Total	**751**	**667**

** Includes deposits to related parties ₹ 270 as at March 31, 2018 (As at March 31, 2017: ₹ 270). Refer Note 32 for related party balances.*

5.3 Other financial assets

Particulars	As at March 31, 2018	As at March 31, 2017
Other receivables	-	209
Total	**-**	**209**

6. Other non-current assets

Particulars	As at March 31, 2018	As at March 31, 2017
Capital advances	70	27
Advance income-tax including tax deducted at source (net of provision for taxes)	1,336	1,130
Prepaid expenses	125	152
Service tax receivable	11	1
Others	5	16
Total	**1,547**	**1,326**

Current assets

7. Financial assets

7.1 Investments

Particulars	As at March 31, 2018		As at March 31, 2017	
i) Investments in mutual funds (quoted)				
Name of the fund	**No. of units**	**Amount**	**No. of units**	**Amount**
ICICI Prudential Mutual Fund	26,667,084	726	20,337,960	475
IDFC Mutual Fund	64,650,425	882	30,177,703	483
UTI Mutual Fund	13,845,137	229	6,524,291	314
Aditya Birla Sun Life Mutual Fund	1,370,919	189	8,342,033	468
Reliance Mutual Fund	13,319,482	286	14,984,782	434
Axis Mutual Fund	3,182,085	63	6,136,034	184
Tata Mutual Fund	13,147,641	463	13,695,729	357
SBI Mutual Fund	11,684,841	503	5,703,787	331
Sundaram Mutual Fund	5,788,879	152	3,954,557	101
L & T Mutual Fund	16,837,950	415	13,259,434	315
HDFC Mutual Fund	18,131,696	415	33,595,174	692
Bank of India AXA Mutual Fund	24,642,422	347	15,346,945	226
Kotak Mutual Fund	15,681,220	520	9,497,288	230
IDBI Mutual Fund	-	-	69,403	122
DSP Blackrock Mutual Fund	25,738,957	378	27,949,288	357
DHFL Pramerica Mutual Fund (DHFL)*	3,698,944	82	4,320,662	70
Invesco Mutual Fund	5,180,783	316	-	-
Franklin Templeton Mutual Fund	11,549,278	152	-	-
Total		**6,118**		**5,159**
ii) Investment in non-convertible bonds (quoted)				
Secured redeemable non-convertible debentures in Kotak Mahindra Prime Limited	100	100	-	-
Secured redeemable non-convertible debentures in Kotak Mahindra Investments Limited	-	-	100	100
Total		**100**		**100**
iii) Investments in term deposit (unquoted)				
Interest bearing deposits with:-				
-Bajaj Finance Limited		300		360
-Kotak Mahindra Investments Limited		200		250
-Kotak Mahindra Prime Limited		50		-
-PNB Housing Finance Limited		250		-
Total		**800**		**610**

Particulars	As at March 31, 2018	As at March 31, 2017
iv) Investments in commercial paper (unquoted)		
-Barclays Investment and Loans (India) Limited	142	-
-Kotak Mahindra Investment Limited	46	-
	188	-
Grand Total	7,206	5,869
Aggregate carrying amount of quoted investments	**6,218**	**5,259**
Aggregate market value of quoted investments	**6,218**	**5,259**
Aggregate amount of unquoted investments	**988**	**610**

* *DWS Mutual Fund merged with DHFL*

7.2 Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured)		
Considered good	10,155	8,962
Considered doubtful	119	106
Less: Allowance for expected credit losses	(119)	(106)
Total	**10,155**	**8,962**

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward- looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Group estimates the following matrix at the reporting date.

	Ageing			
	1-90 days	91-180 days	181-360 days	More than 360 days*
Default rate	0.2%	1.6%	25%	60%

* *In case of probability of non-collection, default rate is 100%*

Movement in the expected credit loss allowance

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	106	126
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	13	(20)
Provision at the end of the year	**119**	**106**

7.3 Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017
Cash on hand	-	-
Balances with banks in current accounts and deposit accounts*	3,276	2,162
Other bank balances**	13	346
Cash and cash equivalents as per balance sheet	**3,289**	**2,508**
Book overdrafts used for cash management purposes (Refer Note 13.2)	(14)	-
Cash and cash equivalents as per statement of cash flows	**3,275**	**2,508**

* *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.*

7.4 Loans

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured, considered good)		
Security deposits	17	12
Total	**17**	**12**

7.5 Other financial assets

Particulars	As at March 31, 2018	As at March 31, 2017
Advances to employees	273	296
Less: Provision for doubtful advances to employees	(9)	(14)
	264	282
Unbilled revenue	2,791	1,885
Derivative assets	1	37
Accrued income	25	21
Total	**3,081**	**2,225**

8. Other current assets

Particulars	As at March 31, 2018	As at March 31, 2017
Advance to suppliers	43	39
Prepaid expenses	812	760
Others	428	235
Total	**1,283**	**1,034**

9. Equity share capital

a)

Particulars	As at March 31, 2018	As at March 31, 2017
Authorised		
800,000,000 (March 31, 2017 : 800,000,000) equity shares of ₹ 10 each	8,000	8,000
Issued, subscribed and paid-up capital		
163,926,311 (March 31, 2017 : 168,025,546) equity shares of ₹ 10 each fully paid	1,639	1,680
Total	**1,639**	**1,680**

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

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares	₹	No. of shares	₹
Number of shares outstanding at the beginning of the year	168,025,546	1,680	167,786,176	1,678
Add: Shares issued on exercise of stock options and restricted shares	124,765	1	239,370	2
Less: Buyback of equity shares*	4,224,000	42	-	-
Number of shares outstanding at the end of the year	163,926,311	1,639	168,025,546	1,680

* *Refer note 9 (e)*

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

Terms/rights attached to equity shares

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

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 are as given below:

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares	%	Number of shares	%
1. Coffee Day Enterprises Limited	17,461,768	10.7%	17,461,768	10.4%
2. Nalanda India Fund Limited	14,568,212	8.9%	15,796,356	9.4%
3. Coffee Day Trading Limited	10,594,244	6.5%	10,594,244	6.3%

e) In the period of five years immediately preceding March 31, 2018:

i) 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.

ii) Pursuant to the approval of the Board and the Administrative Committee at its meetings held on June 28, 2017 and July 20, 2017 respectively, the Group bought back 4,224,000 equity shares of ₹ 10 each on a proportionate basis, at a price of ₹ 625 per equity share for an aggregate consideration of ₹ 2,640 (Rupees Two thousand six hundred and forty million only), and completed the extinguishment of the equity shares bought back. Capital redemption reserve has been created to the extent of nominal value of share capital extinguished amounting to ₹ 42 million. The buyback and creation of capital redemption reserve was effected by utilizing the securities-premium and free reserves.

iii) 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 currently administers seven 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 March 31, 2018 and March 31, 2017.

Program 2 [ESOP 2001]

Options under this program have been granted to employees at an exercise price of ₹ 50 per option (₹ 12.5 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,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding options, beginning of the year	1,680	12.50	18,360	12.50
Granted during the year	-	-	-	-
Exercised during the year	1,680	12.50	14,228	12.50
Lapsed during the year	-	-	2,452	12.50
Forfeited during the year	-	-	-	-
Outstanding options, end of the year	-	-	1,680	12.50
Options vested and exercisable, end of the year	-	-	1,680	12.50

Program 3 [ESOP 2006 (a)]

This plan was terminated on October 25, 2006 and there are no options outstanding as at March 31, 2018 and March 31, 2017.

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. There are no outstanding options as at March 31, 2018 and March 31, 2017.

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.

Particulars	Year ended March 31,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding options, beginning of the year	145,456	105.88	152,336	106.50
Granted during the year	-	-	-	-
Exercised during the year	-	-	6,880	119.63
Lapsed during the year	145,456	105.88	-	-
Forfeited during the year	-	-	-	-
Outstanding options, end of the year	-	-	145,456	105.88
Options vested and exercisable, end of the year	-	-	145,456	105.88

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,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding options, beginning of the year	-	-	40,000	123.25
Granted during the year	-	-	-	-
Exercised during the year	-	-	40,000	123.25
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Outstanding options, end of the year	-	-	-	-
Options vested and exercisable, end of the year	-	-	-	-

Program 7 [ESOP 2010A]

In-principle approvals for administering the seventh stock option program i.e. ESOP 2010A have 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, 2018 and March 31, 2017.

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,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding shares, beginning of the year	-	-	-	-
Granted during the year	123,085	10.00	178,262	10.00
Exercised during the year	123,085	10.00	178,262	10.00
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 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 outstanding options/ units as at March 31, 2018 are given below:

Particulars	Phantom stock options plan
Total no. of units/ shares	1,195,000
Vested units/ shares	-
Lapsed units/ shares	1,195,000
Forfeited units/ shares	-
Cancelled units/ shares	-
Outstanding units/shares as at the end of the year	-
Contractual life	2 years
Date of grant	October 21, 2015
Price per share/ unit	Grant price of ₹ 686

Particulars	ERSP 2012 plan**
Outstanding units/shares as at the beginning of the year	200,200
Number of units/shares granted under letter of intent during the year	703,000
Vested units/ shares	123,085
Lapsed units/ shares	22,115
Forfeited units/ shares	100,000
Cancelled units/ shares	-
Outstanding units/shares as at the end of the year	658,000
Contractual life	1-4 years
Date of grant*	July 18, 2013, May 12, 2015, October 21, 2015, October 27, 2015, February 25, 2016, August 24, 2016, April 14, 2017, July 26, 2017, August 23, 2017
Price per share/ unit*	Exercise price of ₹ 10

* *Based on Letter of Intent*

** *Does not include direct allotment of shares*

The following tables summarize information about the options/ shares outstanding under various programs as at March 31, 2018 and March 31, 2017 respectively:

Particulars	As at March 31, 2018		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in ₹)
Program 2	-	-	-
ERSP	-	-	-

Particulars	As at March 31, 2017		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in ₹)
Program 2	1,680	0.50	12.50
Program 5	145,456	0.33	105.88

The weighted average fair value of each unit under the above mentioned ERSP 2012 plan, granted during the year ended March 31, 2018 was ₹ 442.90 using the Black-Scholes model with the following assumptions:

Particulars	As at March 31, 2018
Weighted average grant date share price	429.46
Weighted average exercise price	₹ 10
Dividend yield %	0.64%
Expected life	1-2 years
Risk free interest rate	6.39%
Volatility	28.31%

10. Other equity

Particulars	As at March 31, 2018	As at March 31, 2017
a) Capital reserve Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.	87	87
b) Capital redemption reserve A statutory reserve created to the extent of sum equal to the nominal value of the share capital extinguished on buyback of company's own shares pursuant to Section 69 of the Companies Act, 2013.	42	-
c) Securities premium reserve Amounts received on (issue of shares) in excess of the par value has been classified as securities premium, net of utilisation.	8	1,200
d) General reserve This represents appropriation of profit by the Company.	226	1,542
e) Special Economic Zone reinvestment reserve This Special Economic Zone reinvestment reserve has been created out of the profit of eligible SEZ units in terms of the provisions of section 10AA(1)(II) of the Income Tax Act ,1961. The reserve should be utilized by the Group for acquiring new plant and machinery for the purpose of its business in terms of the section 10AA(2) of Income Tax Act, 1961.	764	-
f) Retained earnings Retained earnings comprises of undistributed earnings net of amounts transferred to General reserve.	25,179	22,071
g) Share option outstanding account The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to securities premium reserve upon exercise of stock options by employees.	201	51
h) Equity Instruments through other comprehensive income Changes in the fair value of equity instruments is recognized in equity instruments through other comprehensive income (net of taxes), and presented within equity.	-	-
i) Foreign currency translation reserve Exchange difference relating to the translation of the results and net assets of the Company'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.	(678)	(824)
j) Other items of other comprehensive income Other items of other comprehensive income consist of fair value changes on FVTOCI financial assets and financial liabilities and re-measurement of net defined benefit liability/asset.	(54)	(36)
Total	**25,775**	**24,091**

10.1 Distributions made and proposed

The amount of per share dividend recognized as distributions to equity shareholders for the year ended March 31, 2018 and year ended March 31, 2017 was ₹ 9 and ₹ 10 respectively.

The Board of Directors at its meeting held on April 20, 2017 had recommended a final dividend of 30% (₹ 3 per equity share of par value ₹ 10 each). The proposal was approved by shareholders at the Annual General Meeting held on July 18, 2017. This has resulted in a cash outflow of ₹ 607 inclusive of dividend distribution tax of ₹ 103. The Board of Directors at its meeting held on October 25, 2017 had declared an interim dividend of 20% (₹ 2 per equity share of par value ₹ 10 each) and special dividend of 20% (₹ 2 per equity share of par value ₹ 10 each) due to completion of ten years of Initial Public Offering (IPO). Also, the Board of Directors at its meeting held on January 17, 2018 had declared an interim dividend of 20% (₹ 2 per equity share of par value ₹ 10 each). The aforesaid interim and special dividends were paid during the year.

The Board of Directors at its meeting held on April 18, 2018, have declared an interim dividend of 20% (₹ 2 per equity share of par value ₹ 10 each) and recommended a final dividend of 30% (₹ 3 per equity share of par value ₹ 10 each) which is subject to approval of shareholders.

Non-current liabilities

11. Financial liabilities

11.1 Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured)		
Other loans*	9	13
Total	9	13

* *Unsecured long-term borrowings represents 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.

The loan carries an effective interest rate of 3% p.a and is repayable in full in June 2021. There is no default in the repayment of the principal loan and interest amounts.

11.2 Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Liability towards acquisition of businesses	-	195
Employee benefits payable	-	35
Total	-	230

12. Other non-current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Other liabilities	85	71
Total	85	71

Current liabilities

13. Financial liabilities

13.1 Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
(Secured)		
Loans from bank	-	36
(Unsecured)		
Loans from bank*	3,000	-
Other loans from bank**	-	942
Total	3,000	978

* *During the year, the Company has obtained working capital loan of ₹ 3,000 from HDFC Bank.*

** *Other loans from bank (unsecured) represent the commercial paper offering from HDFC Bank obtained during the previous year ended March 31, 2017 and the same was repaid during the year.*

13.2 Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Current maturities of long-term debt*	5	5
Interest accrued but not due on borrowings*	11	-
Book overdraft	14	-
Unpaid dividends	13	9
Dividend payable (inclusive of dividend distribution tax)**	-	404
Employee benefits payable	1,754	1,414
Derivative liabilities	15	-
Liability towards acquisition of businesses	-	806
Total	**1,812**	**2,638**

** The details of interest rates, repayment and other terms are disclosed under note 11.1 and 13.1*

*** Represents interim dividend declared on March 27, 2017*

14. Other current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Unearned income	720	505
Statutory dues (including provident fund and tax deducted at source)	536	413
Advance from customers	385	67
Gratuity payable (net)*	141	91
Others**	20	50
Total	**1,802**	**1,126**

** Refer Note 19 for details of gratuity plan as per Ind AS 19.*

*** Includes deferred revenue arising from Government grant as at March 31, 2018 ₹ Nil (As at March 31, 2017: ₹ 10)*

15. Provisions

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for post contract support services	10	8
Provision for discount	534	414
Provision for foreseeable losses on contracts	6	7
Provision for compensated absences	582	595
Provision for disputed dues*	86	81
Total	**1,218**	**1,105**

** Represents disputed tax dues provided pursuant to unfavorable order received from the tax authorities against which the Group has preferred an appeal with the relevant authority. In respect of the provisions of Ind AS 37, the disclosures required have not been provided pursuant to the limited exemption provided under paragraph 92 of Ind AS 37.*

The disclosure of provisions movement as required under the provisions of Ind AS 37 is as follows:-

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 one year.

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	8	7
Provisions made during the year	2	1
Provision at the end of the year	**10**	**8**

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	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	414	668
Provisions made during the year	515	461
Utilisations during the year	(350)	(663)
Released during the year	(45)	(52)
Provision at the end of the year	**534**	**414**

Provision for foreseeable losses on contracts

Provision for foreseeable losses on contracts represents excess of estimated cost over the future revenues to be recognised and expected to be utilized within a period of one year.

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	7	-
Provisions made during the year	91	7
Utilisations during the year	-	-
Released during the year	(92)	-
Provision at the end of the year	**6**	**7**

Provision for disputed dues

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	81	76
Provisions made during the year	5	5
Provision at the end of the year	**86**	**81**

16. Income tax

Income tax expense in the statement of profit and loss consists of:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Current income tax:		
In respect of the current year*	1,555	1,577
Deferred tax:		
In respect of the current year	167	(214)
Income tax expense reported in the statement of profit and loss	**1,722**	**1,363**
Income tax expense recognised in other comprehensive income:		
- Current tax arising on income and expense recognised in other comprehensive income		
Net loss / (gain) on remeasurement of defined benefit plan	5	2
- Deferred tax arising on income and expense recognised in other comprehensive income		
Net loss / (gain) on investment in equity shares at FVTOCI	-	1
Total	**5**	**3**

** Tax expense for the year ended March 31, 2018 is net of reversals of ₹ 250 on submission of tax filings.*

The reconciliation between the provision for income tax of the Group and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Profit before tax	7,423	5,549
Enacted income tax rate in India	34.61%	34.61%
Computed expected tax expense	2,569	1,921
Effect of:		
Income exempt from tax	(1,358)	(1,024)
Temporary difference reversing during the tax holiday period	9	16
Expenses (net) that are not deductible in determining taxable profit	181	87
Differential tax rates of branches/subsidiaries operating in other jurisdictions	401	338
Income subject to different tax rates	67	(14)
Loss of foreign subsidiary	90	27
Tax Provision (reversals)	(250)	-
Others	13	12
Income tax expense recognised in the statement of profit and loss	**1,722**	**1,363**

The tax rates under Indian Income Tax Act, for the year ended March 31, 2018 and March 31, 2017 is 34.61%.

Deferred tax

Deferred tax assets/(liabilities) as at March 31, 2018 in relation to:

Particulars	As at April 1, 2017	Recognised in profit and loss	Recognised in Other Comprehensive Income	Others	As at March 31, 2018
Property, plant and equipment	326	117	-	-	443
Provision for doubtful debts	14	5	-	-	19
Provision for compensated absence	262	(34)	-	-	228
Provision for volume discount	42	(24)	-	-	18
Intangible assets	(239)	(193)	-	-	(432)
Net gain on fair value of mutual funds	(64)	(18)	-	-	(82)
Others	85	(20)	-	-	65
MAT Credit entitlement/ (utilisation)	198	-	-	(139)	59
Total	**624**	**(167)**	**-**	**(139)**	**318**

Deferred tax assets/(liabilities) as at March 31, 2017 in relation to:

Particulars	As at April 1, 2016	Recognised in profit and loss	Recognised in Other Comprehensive Income	Others	As at March 31, 2017
Property, plant and equipment	254	72	-	-	326
Provision for doubtful debts	22	(8)	-	-	14
Provision for compensated absence	203	59	-	-	262
Provision for volume discount	73	(31)	-	-	42
Intangible assets	(337)	98	-	-	(239)
Net gain on fair value of mutual funds	(56)	(8)	-	-	(64)
Others	53	32	-	-	85
FVTOCI financial investments	(1)	-	1	-	-
MAT Credit entitlement	198	-	-	-	198
Total	**409**	**214**	**1**	**-**	**624**

The Group has not created deferred tax assets on the following:

Particulars	As at March 31, 2018	As at March 31, 2017
Unused tax losses (long term capital loss) which expire in:		
-FY 2016-17	-	2
-FY 2018-19	159	163
-FY 2019-20	34	34
-FY 2021-22	48	48
-FY 2022-23	28	28
-FY 2023-24	22	22
Unused tax losses of foreign jurisdiction	133	149
Loss of foreign subsidiary	261	76

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.

A substantial portion of the profits of the Group's India operations are exempt from Indian income taxes being profits attributable to export operations from undertakings situated in Special Economic Zone (SEZ). 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.

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 Group 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 tax on income attributable to its permanent establishments in foreign jurisdictions due to operation of its foreign branches and subsidiaries.

17. Other income

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Dividend income from investments in mutual funds	1	8
Net gain on financial assets designated at fair value through profit and loss	459	323
Interest income on financial asset at amortised cost	110	104
Foreign exchange gain/ (loss), net	242	-
Reversal of liability towards acquisition of business**	916	45
Others*	174	73
Total	**1,902**	**553**

** Includes net gain on disposal of property, plant and equipment for the year ended March 31, 2018 ₹ 6. (For the year ended March 31, 2017 ₹ 9). Also includes income from government grants for the year ended March 31, 2018 ₹ 10. (For the year ended March 31, 2017 ₹ 10).*

*** During the year ended March 31, 2018, the Group has written back earn out payable towards acquisition of business to the erstwhile shareholders of Bluefin Solutions Limited, Relational Solutions Inc. and Magnet 360 LLC amounting to ₹ 916.*

18. Employee benefits expense

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Salaries and wages	33,207	31,992
Contribution to provident and other funds*	2,100	1,882
Expense on employee stock based compensation (Refer note 9)	195	54
Staff welfare expenses	139	197
Total	**35,641**	**34,125**

** includes contribution to defined contribution plans for the year ended March 31, 2018 ₹ 1,984. (For the year ended March 31, 2017 ₹ 1,781).*

19. Gratuity

Amount recognized in the statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Gratuity cost		
Service cost	113	97
Net interest on net defined liability/(asset)	3	4
Re-measurement - actuarial (gain)/loss recognised in OCI	23	10
Net gratuity cost	**139**	**111**
Assumptions		
Discount rate	7.40%	6.80%
Salary increase	4.00%	4.00%

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, 2018	As at March 31, 2017
Change in projected benefit obligations		
Obligations at the beginning of the year	591	513
Service cost	113	97
Interest cost	38	36
Benefits settled	(64)	(69)
Actuarial (gain) /loss – experience	57	13
Actuarial (gain)/ loss – demographic assumptions	-	3
Actuarial (gain)/ loss – financial assumptions	(30)	(2)
Obligations at end of the year	**705**	**591**
Change in plan assets		
Plan assets at the beginning of the year, at fair value	500	375
Interest income on plan assets	35	32
Re-measurement - actuarial gain/ (loss)	-	-
Return on plan assets greater/ (lesser) than discount rate	5	4
Contributions	85	154
Benefits settled	(61)	(65)
Plan assets at the end of the year, at fair value	**564**	**500**

Historical information:

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Present value of defined benefit obligation	(705)	(591)	(513)	(413)	(365)
Fair value of plan assets	564	500	375	395	363
Asset/ (liability) recognized	**(141)**	**(91)**	**(138)**	**(18)**	**(2)**

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, 2018	As at March 31, 2017
Experience adjustment on plan liabilities	27	14
Experience adjustment on plan assets	(5)	(4)

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, 2018		As at March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(33)	37	(29)	32
Future salary growth (1% movement)	37	(34)	31	(29)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2018	As at March 31, 2017
Within 1 year	116	98
1-2 years	119	104
2-3 years	135	110
3-4 years	150	119
4-5 years	159	129
5-10 years	771	605

The Group expects to contribute ₹ 116 to its defined benefit plans during the next fiscal year.

As at March 31, 2018 and March 31, 2017 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.

20. Finance costs

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Interest expense on financial instruments designated at		
- Fair value through profit and loss	46	182
- Amortised cost	123	9
Total	**169**	**191**

21. Depreciation and amortization expense

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Depreciation on property, plant and equipment (Refer note 3)	1,215	1,283
Amortization of intangible assets (Refer note 4)	500	575
Total	**1,715**	**1,858**

22. Other expenses

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Travel expenses	2,333	2,208
Communication expenses	700	752
Sub-contractor charges	3,489	3,071
Computer consumables	815	825
Legal and professional charges	552	512
Power and fuel	289	313
Lease rentals (Refer note 27)	965	981

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Repairs and maintenance		
- Buildings	63	57
- Machinery	53	50
Insurance	81	99
Rates and taxes	225	152
Exchange loss, net	-	136
Other expenses	2,017	2,038
Total	**11,582**	**11,194**

23. Auditor's remuneration

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
As auditor:		
Audit fee	18	18
Other services	8	4
Reimbursement of expenses and levies	2	2
Total	**28**	**24**

24. Earnings per share (EPS)

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, 2018		March 31, 2017	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	165,787,460	165,787,460	167,918,389	167,918,389
Weighted average number of equity shares resulting from assumed exercise of employee stock options	-	499,164	-	285,251
Weighted average number of equity shares for calculation of earnings per share	165,787,460	166,286,624	167,918,389	168,203,640

25. Government grants

a) 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, 2018	March 31, 2017
Grant towards workforce training	2	5
Total	**2**	**5**

b) The Group had availed a grant of USD 950,000 for renovation of project facility in the financial year 2011-2012. 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.

c) The Group has claimed R&D tax relief under UK corporation tax rules. The Group 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	For the year ended	
	March 31, 2018	March 31, 2017
Grant towards R & D credit	19	48
Total	**19**	**48**

The grant recognized in the balance sheet is ₹ 56 as at March 31, 2018 (As at March 31, 2017 is ₹ 33).

26. Other Comprehensive Income (OCI)

Components of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2018

Particulars	Equity instruments through Other Comprehensive Income	FCTR	Other items of Comprehensive Income	Total
A (i) Items that will not be reclassified to profit or loss				
Remeasurement gains/ (losses) on defined benefit plans	-	-	(23)	(23)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	5	5
	-	**-**	**(18)**	**(18)**
B (i) Items that will be reclassified to profit or loss				
Foreign exchange translation differences	-	146	-	146
Total	**-**	**146**	**(18)**	**128**

During the year ended March 31, 2017

Particulars	Equity instruments through Other Comprehensive Income	FCTR	Other items of Comprehensive Income	Total
A (i) Items that will not be reclassified to profit or loss				
Remeasurement gains/ (losses) on defined benefit plans	-	-	(10)	(10)
Gain/(loss) on equity instruments designated at FVTOCI	(4)	-	-	(4)
(ii) Income tax relating to items that will not be reclassified to profit or loss	1	-	2	3
	(3)	**-**	**(8)**	**(11)**
B (i) Items that will be reclassified to profit or loss				
Foreign exchange translation differences	-	(610)	-	(610)
Total	**(3)**	**(610)**	**(8)**	**(621)**

27. Operating lease

The Group has various operating leases, mainly for office buildings including land. Lease rental expense under such non-cancellable operating lease during the year ended March 31, 2018 amounted to ₹ 400. (For the year ended March 31, 2017 amounted to ₹ 467.)

Particulars	As at March 31, 2018	As at March 31, 2017
Payable – Not later than one year	258	297
Payable – Later than one year and not later than five years	593	513
Payable – Later than five years	351	313

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, 2018 amounted to ₹ 565. (For the year ended March 31, 2017 amounted to ₹ 514.)

28. Financial instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2018 and March 31, 2017 is as follows:

Particulars	Carrying Value		Fair Value	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Financial assets				
Amortised cost				
Loans	768	679	768	679
Trade receivable	10,155	8,962	10,155	8,962
Cash and cash equivalents	3,289	2,508	3,289	2,508
Other financial assets	3,080	2,397	3,080	2,397
Investment in term deposit (unquoted)	800	610	800	610
Investment in debt securities (quoted)	150	150	150	150
Investment in commercial paper (unquoted)	188	-	188	-
FVTOCI				
Investment in equity instruments (unquoted)	1	1	1	1
Investment in preference shares (unquoted)	7	7	7	7
FVTPL				
Investments in mutual fund (quoted)	6,118	5,159	6,118	5,159
Derivative assets	1	37	1	37
Total assets	**24,557**	**20,510**	**24,557**	**20,510**
Financial liabilities				
Amortised cost				
Borrowings	3,014	996	3,014	996
Trade payables	1,710	1,651	1,710	1,651
Other financial liabilities	1,792	1,862	1,792	1,862
FVTPL				
Derivative liabilities	15	-	15	-
Liability towards acquisition of business	-	1,001	-	1,001
Total liabilities	**6,531**	**5,510**	**6,531**	**5,510**

The Management assessed that fair value of cash and short-term deposits, trade receivables, other current assets, trade payables, book overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

i) Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

ii) The fair value of the quoted bonds and mutual funds are based on price quotations at reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

iii) Fair values of the Group's interest-bearing borrowings and loans are determined by using Discounted Cash Flow (`DCF') method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non- performance risk as at March 31, 2018 was assessed to be insignificant.

iv) The fair values of the unquoted equity and preference shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility/ the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

v) The Group enters into derivative financial instruments with various counterparties, principally banks with investment grade credit ratings. Interest rate swaps, foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves etc. As at March 31, 2018 the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

29. 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 the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2018 and March 31, 2017.

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2018:

Particulars	Date of valuation	Total	Fair value measurent using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value:					
Derivative financial assets (Notes 28 & 7.5):					
Foreign exchange forward contracts	March 31, 2018	1	-	1	-
FVTOCI financial assets designated at fair value (Notes 28 & 5.1):					
Investment in equity instruments (unquoted)	March 31, 2018	1	-	-	1
Investment in preference shares (unquoted)	March 31, 2018	7	-	-	7
FVTPL financial assets designated at fair value (Notes 28 & 7.1):					
Investment in mutual funds (quoted)	March 31, 2018	6,118	6,118	-	-
Financial liabilities measured at fair value:					
Derivative financial liabilities (Notes 28 & 13.2):					
Foreign exchange forward contracts	March 31, 2018	15	-	15	-
Financial liabilities designated at FVTPL (Note 28, 11.2 & 13.2):					
Liability towards acquisition of business	March 31, 2018	-	-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2017:

Particulars	Date of valuation	Total	Fair value measurent using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value:					
Derivative financial assets (Note 28 & 7.5):					
Foreign exchange forward contracts	March 31, 2017	37	-	37	-
FVTOCI financial assets designated at fair value (Notes 28 & 5.1):					
Investment in equity instruments (unquoted)	March 31, 2017	1	-	-	1
Investment in preference shares (unquoted)	March 31, 2017	7	-	-	7
FVTPL financial assets designated at fair value (Note 28 & 7.1):					
Investment in mutual funds (quoted)	March 31, 2017	5,159	5,159	-	-
Financial liabilities measured at fair value:					
Financial liabilities designated at FVTPL (Note 28, 11.2 & 13.2):					
Liability towards acquisition of business	March 31, 2017	1,001	-	-	1,001

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

i) Reconciliation of fair value measurement of unquoted investment in equity instruments classified as FVTOCI (Level 3)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	7	11
Remeasurement recognised in OCI	-	(4)
Purchases	-	-
Sales	-	-
Closing balance	**7**	**7**

ii) Reconciliation of fair value measurement of liability towards acquisition of business classified as FVTPL (Level 3)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	1,001	1,431
Additions during the year	-	-
Fair value movement recognised in statement of profit and loss	46	182
Reversal during the year	(916)	(45)
Remeasurement recognised in statement of profit and loss	-	-
Translation adjustment	33	(100)
Payout during the year	(164)	(467)
Closing balance	**-**	**1,001**

Name of Financial Assets/ Liabilities	Valuation Techniques	Significant unobservable inputs	Sensitivity of the inputs to fair value
Liability towards acquisition of business	Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow out of the Group arising from the liability towards acquisition of business.	a) Discount rate determined using capital asset pricing model b) Revenue, operating margins and synergies from the acquired entities.	a) Any increase in the discount rate would result in a decrease in the fair value b) Any increase in the probable revenue, operating margin and synergies would result in increase in the fair value.

Derivative financials instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

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, 2018	As at March 31, 2017
Non-designated derivative instruments (Sell):		
in USD millions	36	19
in EUR millions	2	1
in GBP millions	3	3

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, 2018	As at March 31, 2017
Non-designated derivative instruments (Sell):		
Not later than 1 month		
in USD millions	11	9
in EUR millions	1	1
in GBP millions	1	1
Later than 1 month but not later than 3 months		
in USD millions	25	10
in EUR millions	1	-
in GBP millions	2	2

30. Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate 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. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivative for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

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 arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

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 revenues generated from top customer and top 5 customers:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Revenue from top customer	9,011	7,309
Revenue from top 5 customers	16,854	15,765

One customer accounted for more than 10% of the revenue for the year ended March 31, 2018, however none of the customers accounted for more than 10% of the receivables as at March 31, 2018. One customer accounted for more than 10% of the revenue for the year ended March 31, 2017, however none of the customers accounted for more than 10% of the receivables as at March 31, 2017.

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 counterparties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group 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 Group has unutilized credit limits with banks.

The Group'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 Group is given below:

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents	3,289	2,508
Investments in mutual funds (quoted)	6,118	5,159
Investments in non-convertible bonds (quoted)	100	100
Investment in term deposit (unquoted)	800	610
Investment in commercial paper (unquoted)	188	-
Total	**10,495**	**8,377**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2018 and March 31, 2017:

Particulars	As at March 31, 2018		
	Less than 1 year	1-2 years	2 years and above
Borrowings	3,005	5	4
Trade payables	1,710	-	-
Other financial liabilities	1,792	-	-
Derivative liabilities	15	-	-

Particulars	As at March 31, 2017		
	Less than 1 year	1-2 years	2 years and above
Borrowings	983	5	8
Trade payables	1,651	-	-
Other financial liabilities	2,633	230	-
Derivative liabilities	-	-	-

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 contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

The details in respect of the outstanding foreign exchange forward contracts are given under the derivative financial instruments section.

In respect of the Group's forward 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 ₹ 14 increase and ₹ 41 decrease in the Group's net profit as at March 31, 2018;

b) an approximately ₹ 52 increase and ₹ 22 increase in the Group's net profit as at March 31, 2017

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2018 and March 31, 2017.

As at March 31, 2018 **₹ in million**

Particulars	US$	Euro	Pound Sterling	Other currencies*	Total
Assets					
Trade receivables	6,847	1,078	1,314	408	9,647
Unbilled revenue	1,757	294	483	161	2,695
Cash and cash equivalents	1,971	131	522	502	3,126
Other assets	92	42	45	22	201
Liabilities					
Borrowings	-	-	-	-	-
Trade payables	622	48	236	78	984
Other liabilities	713	50	340	33	1,136
Net assets/liabilities	**9,332**	**1,447**	**1,788**	**982**	**13,549**

* *Others include currencies such as Singapore $, Australian $, Canadian $, Japanese Yen, Malaysian Ringgit, etc.*

As at March 31, 2017 ₹ in million

Particulars	US$	Euro	Pound Sterling	Other currencies*	Total
Assets					
Trade receivables	6,068	851	991	774	8,684
Unbilled revenue	1,204	111	325	179	1,819
Cash and cash equivalents	1,375	88	171	328	1,962
Other assets	95	30	39	23	187
Liabilities					
Borrowings	36	-	-	-	36
Trade payables	782	33	220	70	1,105
Other liabilities	1,439	31	535	27	2,032
Net assets/liabilities	**6,485**	**1,016**	**771**	**1,207**	**9,479**

* *Others include currencies such as Singapore $, Australian $, Canadian $, Japanese Yen, Malaysian Ringgit, etc.*

For the year ended March 31, 2018, every 1% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact operating margins by 0.2%/ (0.2)% respectively. For the year ended March 31, 2017, the impact on operating margins would be 0.2%/(0.2)% respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates and investments. The Group's borrowings and investments are primarily short-term, which do not expose it to significant interest rate risk.

31. 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, 2018	As at March 31, 2017
Total equity attributable to the equity share holders of the Group	27,414	25,771
As percentage of total capital	90%	96%
Current loans and borrowings	3,005	983
Non-current loans and borrowings	9	13
Total loans and borrowings	3,014	996
As a percentage of total capital	10%	4%
Total capital (borrowings and equity)	**30,428**	**26,767**

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 investment which is predominantly investment in liquid and short term mutual funds being far in excess of debt.

32. Related party transactions

Name of related party	Nature of relationship
Mindtree Foundation	Entity with common key managerial person
Bridgeweave Limited	Entity with common key managerial person
NuvePro Technologies Private Limited*	Entity in which a key managerial person is a member
Amitav Bagchi	Relative of a key managerial person
Coffee Day Global Limited Tanglin Developments Limited ('TDL') Sical Logistics Limited Mysore Amalgamated Coffee Estate Ltd	These entities are part of Coffee Day Group which through various entities and its promoters holds 20.45% equity stake in Mindtree.

* *Related party under The Companies Act, 2013.*

Transactions with the above related parties during the year were:

Name of related party	Nature of transaction	For the year ended	
		March 31, 2018	March 31, 2017
Mindtree Foundation	Donation paid	46	48
Bridgeweave Limited	Software services rendered	6	-
Sical Logistics Limited	Software services rendered	2	-
Coffee Day Global Limited	Procurement of supplies	20	25
	Software services rendered	23	37

Name of related party	Nature of transaction	For the year ended	
		March 31, 2018	March 31, 2017
Tanglin Developments Limited	Leasing office buildings and land	392	417
	Advance/ deposits paid/ (adjusted)		
	- towards electricity deposit/ charges	-	-
	- towards lease rentals	141	117
	Advance/ deposits received back		
	- towards lease rentals	141	157

Balances payable to related parties are as follows:

Name of related party		As at March 31, 2018	As at March 31, 2017
Coffee Day Global Limited	Trade Payables	1	3

Balances receivable from related parties are as follows:

Name of related party	Nature of balance	As at March 31, 2018	As at March 31, 2017
Coffee Day Global Limited	Trade receivables	36	44
Bridgeweave Limited	Trade receivables	6	-
Tanglin Developments Limited	Short-term loans and advances - Rental advance	-	-
	Long-term loans and advances - Security deposit (including electricity deposit) returnable on termination of lease	270	271

The amount outstanding are unsecured and will be settled in cash. No guarantee has been given or received.

Key Managerial Personnel:

Krishnakumar Natarajan [1]	Executive Chairman
Rostow Ravanan	CEO and Managing Director
N.S. Parthasarathy	Executive Vice Chairman, President and Chief Operating Officer
Subroto Bagchi	Non-Executive Director
Apurva Purohit	Independent Director
Manisha Girotra [4]	Independent Director
Prof. Pankaj Chandra [2]	Independent Director
V.G.Siddhartha [3]	Non-Executive Director
Milind Sarwate	Independent Director
Akshaya Bhargava	Independent Director
Jagannathan Chakravarthi	Chief Financial Officer
Vedavalli Sridharan	Company Secretary

[1] *The Board of Directors at their meeting held on January 19, 2017 have approved the extension of terms of employment of Mr. Krishnakumar Natarajan as Executive Chairman from July 01, 2017 to June 30, 2020 and the shareholders have approved the re-appointment at the Annual General meeting on July 18, 2017.*

[2] *Retired on April 01, 2018*

[3] *Resigned on March 09, 2018*

[4] *Resigned on April 18, 2018*

Transactions with key management personnel

Dividends paid to directors during the year ended March 31, 2018 amounts to ₹ 235 and for the year ended March 31, 2017 amounts to ₹ 222. Further, during the year ended March 31, 2018, 4,665 shares were allotted to the key management personnel.

Compensation of key management personnel of the Group

Particulars	For the year ended*	
	March 31, 2018	March 31, 2017
Short-term employee benefits	77	74
Share-based payment transactions	4	3
Others	17	28
Total compensation paid to key management personnel	**98**	**105**

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

33. Contingent liabilities

a) The Group has received income tax assessment order for financial years 2006-07 and 2007-08 for the erstwhile subsidiary Mindtree Technologies Private Limited (MTPL) with demands amounting to ₹ 11 and ₹ 10 respectively 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.

b) The Group has received income tax assessment order 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 Income Tax Appellate Tribunal (ITAT). The Group has deposited ₹ 15 with the department against these demands. The department has adjusted pending refunds amounting to ₹ 563 against these demands.

The Group received a favorable 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 and 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, Bengaluru.

The Group has received the order from ITAT for the FY 2005-06 and ITAT has remanded the matter back to the Assessing Officer for re-assessment. The Group has filed an appeal with the Hon'ble High Court of Karnataka. The Hon'ble High Court has dismissed the appeal and this matter is pending with Assessing Officer.

The Group has received the order from ITAT for the FY 2006-07 and ITAT has remanded the matter back to the Assessing Officer for re-assessment. The Transfer Pricing Officer has passed the favorable order. Order giving effect to the ITAT order is received and demand is Nil.

The Group has received the order from ITAT for the FY 2007-08 and ITAT has quashed the order of the Assessing Officer. Order giving effect to the ITAT order is yet to be received.

The Group has received revised order for the FY 2008-09 under section 263 from Assessing Officer raising an additional demand of ₹ 61, taking the total demand to ₹ 124. The Group has filed an appeal before ITAT. The order giving effect to the said order has been received and appeal is filed with Commissioner Appeals. The Group has received the order from ITAT for the FY 2008-09 and ITAT has quashed the order of the Assessing Officer. Order giving effect to the ITAT order is yet to be received.

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 favorable 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.

c) 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 ITAT. 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.

d) The Group has received the revised order under section 263 for financial year 2009-10 from Assessing Officer reducing the demand to ₹ 6. The Group has filed an appeal before ITAT. ITAT has dismissed the appeal. Order giving effect has been received. The Group has filed an appeal before Commissioner of Income Tax (Appeals).

e) 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).

f) During the year, the Group received an order passed under section 7A of the Employees Provident Fund & Miscellaneous Provisions Act, 1952 from Employees Provident Fund Organisation (EPFO) claiming provident fund contribution aggregating to ₹ 250 on (a) full salary paid to International Workers and (b) special allowance paid to employees. Based on a legal advice obtained, the Group has assessed that it has a legitimate ground for appeal, and has contested the order by filing an appeal with the Employees' Provident Funds Appellate Tribunal.

34. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2018 is ₹ 450 (As at March 31, 2017: ₹ 242).

35. The Board of Directors at its meeting held on October 06, 2017, have approved the Scheme of Amalgamation ("the Scheme") of its wholly owned subsidiary, Magnet 360, LLC ("Transferor Company") with Mindtree Limited ("Transferee Company") with an appointed date of April 01, 2017. During the year, the Company has filed an application with the National Company Law Tribunal (NCLT), Bengaluru Bench. Pending the required approvals, the effect of the Scheme has not been given in the financial statements.

During the year ended March 31, 2018, all the three subsidiaries of Magnet 360, LLC comprising Reside, LLC, M360 Investments, LLC and Numerical Truth, LLC have been wound up and the assets and liabilities of the aforesaid subsidiaries have been transferred to Magnet 360, LLC against the cancellation and extinguishment of Magnet 360, LLC's investment in those subsidiaries.

During the quarter ended September 30, 2017, the Reserve Bank of India has approved the proposal to transfer the business and net assets ("the Scheme") of its wholly owned subsidiary, Bluefin Solutions Limited, UK ('Bluefin') to the Company against cancellation and extinguishment of the Company's investment in Bluefin.

During the quarter ended June 30, 2017, the National Company Law Tribunal (NCLT) had approved the Composite Scheme of Amalgamation ("the Scheme") of Discoverture Solutions L.L.C. and Relational Solutions Inc., wholly owned subsidiaries of the Company (together "the Transferor Companies"), with the Company with an appointed date of April 1, 2015.

Refer note 32 of the standalone financial statements for the year ended March 31, 2018 for details.

36. Segment information

The CEO & MD of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group'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 four reportable business segments – RCM, BFSI, TMS and TH. The reportable business segments are in line with the segment wise information which is being presented to the CODM.

Each segment item reported is measured at the measure used to report to the Chief Operating Decision Maker for the purposes of making decisions about allocating resources to the segment and assessing its performance.

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; the rest of the world comprises of all other geographies 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.

CODM does not review assets and liabilities at reportable segments level hence segment disclosure relating to total assets and liabilities has not been provided. 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.

Statement of income	For the year ended	
	March 31, 2018	March 31, 2017
Segment revenue from external customers		
RCM	12,689	12,476
BFSI	13,255	12,882
TMS	20,467	19,235
TH	8,217	7,771
Total	**54,628**	**52,364**
Segment operating income		
RCM	1,663	1,493
BFSI	1,245	1,153
TMS	3,441	3,671
TH	1,056	864
Total	**7,405**	**7,181**

Statement of income	For the year ended	
	March 31, 2018	March 31, 2017
Depreciation and Amortization expense	(1,715)	(1,858)
Profit for the year before finance expenses, other income and tax	**5,690**	**5,323**
Finance costs	(169)	(191)
Other income	1,550	449
Interest income	110	104
Foreign exchange gain/ (loss)	242	(136)
Net profit before taxes	**7,423**	**5,549**
Income taxes	(1,722)	(1,363)
Net profit after taxes	**5,701**	**4,186**

Other information	For the year ended	
	March 31, 2018	March 31, 2017
Other significant non-cash expense (Allocable)		
RCM	17	26
BFSI	(7)	6
TMS	7	1
TH	-	10

Geographical information

Revenues	For the year ended	
	March 31, 2018	March 31, 2017
America	37,957	35,705
Europe	11,717	11,281
India	1,765	1,641
Rest of world	3,189	3,737
Total	**54,628**	**52,364**

Note:

Management believes that it is currently not practicable to provide disclosure of assets by geographical location, as meaningful segregation of the available information is onerous.

Please refer to Note No. 30 on Financial Instruments for information on revenue from major customers.

37. Total of expenditure incurred on Corporate Social Responsibility activities during the year ended March 31, 2018 is ₹ 124. (during the year ended March 31, 2017 is ₹ 109).

38. 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 June 30, 2017 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, 2018	March 31, 2017
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	8	10
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 period (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

39. 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, 2018		Share in other comprehensive income for the year ended March 31, 2018		Share in total comprehensive income for the year ended March 31, 2018	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Mindtree Limited*	97.82%	26,815	106.75%	6,086	99.22%	127	106.59%	6,213
Foreign subsidiaries								
Mindtree Software (Shanghai) Co. Ltd	0.05%	14	0.04%	2	0.00%	-	0.03%	2
Magnet 360 LLC (consolidated)	2.13%	585	-6.79%	(387)	0.78%	1	-6.62%	(386)

* *after adjusting inter company transactions and balances and includes goodwill and intangible assets arising on account of acquisition.*

40. 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, 2018	As at March 31, 2017
Share application money pending allotment (refer note 10)	-	3,500
Cash on hand (refer note 7.3)	76,943	382,576
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited (refer note 5.1)	126,400	126,400

Related party disclosures (refer note 32) Amount in ₹

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Software services received from NuvePro Technologies Private Limited*	355,537	-
Professional services received from Amitav Bagchi	185,000	-

* *Payable to NuvePro Technologies Private Limited as at March 31, 2018 is ₹ 56,413 (As at March 31, 2017: ₹ Nil).*

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's 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, 2018

Place: Bengaluru
Date: April 18, 2018

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 Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Statement of Financial Position as at March 31, 2018, the Consolidated Statement of Profit or Loss, the Consolidated Statement of Comprehensive Income for the year ended March 31, 2018, 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

The Company's Board of Directors are responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

This responsibility also includes maintenance of adequate accounting records, 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.

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 financial control relevant to the Company's preparation and 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 estimate made by the management, 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 a true and fair view in conformity with the aforesaid accounting principles, of the consolidated state of affairs of the Group as at March 31, 2018, the consolidated profit and consolidated total comprehensive income for the year then ended, consolidated changes in equity and the consolidated cash flows for the year ended on that date.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

Bengaluru, April 18, 2018

Consolidated statement of financial position

₹ in million, except share data

	Note	As at	
		March 31, 2018	March 31, 2017
Assets			
Goodwill	5b	4,539	4,470
Property, plant and equipment	4	3,601	3,991
Intangible assets	5a	1,520	1,941
Investments	6	58	58
Deferred tax assets	17	318	624
Non-current tax assets		1,336	1,130
Other non-current assets	9	962	1,072
Total non-current assets		**12,334**	**13,286**
Trade receivables	7	10,155	8,962
Other current assets	9	1,589	1,349
Unbilled revenues		2,791	1,885
Investments	6	7,206	5,869
Derivative assets		1	37
Cash and cash equivalents	8	3,289	2,508
Total current assets		**25,031**	**20,610**
Total assets		**37,365**	**33,896**
Equity			
Share capital		1,639	1,680
Share premium		8	1,444
Retained earnings		25,344	23,308
Other components of equity		427	(657)
Equity attributable to owners of the Company		27,418	25,775
Total equity		**27,418**	**25,775**
Liabilities			
Loans and borrowings	13	9	13
Other non-current liabilities	15	85	301
Total non-current liabilities		**94**	**314**
Loans and borrowings	13	3,005	983
Trade payables and accrued expenses	14	1,710	1,651
Unearned revenue		720	505
Current tax liabilities		315	323
Derivative liabilities		15	-
Employee benefit obligations	16	723	686
Other current liabilities	15	2,729	3,149
Provisions	15	636	510
Total current liabilities		**9,853**	**7,807**
Total liabilities		**9,947**	**8,121**
Total equity and liabilities		**37,365**	**33,896**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of profit or loss

₹ in million, except share data

	Note	Year ended March 31,	
		2018	2017
Revenues		54,628	52,364
Cost of revenues	19	(38,192)	(36,500)
Gross profit		**16,436**	**15,864**
Selling, general and administrative expenses	19	(10,736)	(10,531)
Results from operating activities		**5,700**	**5,333**
Foreign exchange gain/(loss)		242	(136)
Finance expenses		(169)	(191)
Finance and other income	18	1,650	543
Profit before tax		**7,423**	**5,549**
Income tax expense	17	(1,722)	(1,389)
Profit for the year		**5,701**	**4,160**
Attributable to:			
Owners of the Company		5,701	4,160
Non-controlling interests		-	-
		5,701	**4,160**
Earnings per equity share:	21		
Basic		34.39	24.77
Diluted		34.28	24.73
Weighted average number of equity shares used in computing earnings per equity share:			
Basic		165,787,460	167,918,389
Diluted		166,286,624	168,203,640

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,	
	2018	**2017**
Profit for the year	5,701	4,160
Other comprehensive income, net of taxes		
Items that will not be reclassified to profit or loss		
- Defined benefit plan actuarial gains/ (losses)	(18)	(8)
Items that may be reclassified subsequently to profit or loss		
- Foreign currency translation difference relating to foreign operations	146	(610)
- Net change in fair value of Investments	-	(3)
Total other comprehensive income, net of taxes	128	(621)
Total comprehensive income for the year	**5,829**	**3,539**
Attributable to:		
Owners of the Company	5,829	3,539
Non-controlling interests	-	-
	5,829	**3,539**

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	Other components of equity: Share based payment reserve	Special Economic Zone reinvestment reserve	Capital redemption reserve	Other reserves	Foreign Currency Translation Reserve	Equity attributable to owners of the Company	Total equity
Balance as at April 1, 2016	167,786,176	1,678	1,376	21,156	59	-	-	127	(217)	24,179	24,179
Issue of equity shares on exercise of options/ restricted shares	239,370	2	6	-	-	-	-	-	-	8	8
Profit for the year		-	-	4,160	-	-	-	-	-	4,160	4,160
Other comprehensive income		-	-	-	-	-	-	(11)	-	(11)	(11)
Transferred to securities premium reserve		-	62	-	(62)	-	-	-	-	-	-
Compensation cost related to employee share based payment transaction		-	-	-	54	-	-	-	-	54	54
Cash dividend paid (including dividend tax thereon)		-	-	(2,005)	-	-	-	-	-	(2,005)	(2,005)
Other adjustments		-	-	(3)	-	-	-	-	3	-	-
Exchange differences on translation of foreign operations		-	-	-	-	-	-	-	(610)	(610)	(610)
As at March 31, 2017	**168,025,546**	**1,680**	**1,444**	**23,308**	**51**	**-**	**-**	**116**	**(824)**	**25,775**	**25,775**
Balance as at April 1, 2017	168,025,546	1,680	1,444	23,308	51	-	-	116	(824)	25,775	25,775
Issue of equity shares on exercise of options/ restricted shares	124,765	1	-	-	-	-	-	-	-	1	1
Profit for the year		-	-	5,701	-	-	-	-	-	5,701	5,701
Other comprehensive income		-	-	-	-	-	-	(18)	-	(18)	(18)
Created during the year		-	-	(1,265)	-	1,223	42	-	-	-	-
Utilised during the year		-	-	459	-	(459)	-	-	-	-	-
Buyback of equity shares (refer note 11)	(4,224,000)	(42)	(1,481)	(1,117)	-	-	-	-	-	(2,640)	(2,640)
Transferred to securities premium reserve		-	45	-	(45)	-	-	-	-	-	-
Compensation cost related to employee share based payment transaction		-	-	-	195	-	-	-	-	195	195
Cash dividend paid (including dividend tax thereon)		-	-	(1,742)	-	-	-	-	-	(1,742)	(1,742)
Exchange differences on translation of foreign operations		-	-	-	-	-	-	-	146	146	146
As at March 31, 2018	**163,926,311**	**1,639**	**8**	**25,344**	**201**	**764**	**42**	**98**	**(678)**	**27,418**	**27,418**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

₹ in million, except share data

	Year ended March 31,	
	2018	2017
Cash flow from operating activities		
Profit for the year	5,701	4,160
Adjustments for :		
Depreciation of property, plant and equipment	1,205	1,273
Amortisation of intangibles	500	575
Amortization of stock compensation	195	54
Finance expenses	169	191
Income tax expense	1,722	1,389
Interest / dividend income	(111)	(111)
Loss/ (gain) on sale of property, plant and equipment	(6)	(9)
Net gain on financial assets designated at fair value through profit and loss	(459)	(323)
Reversal of liability towards acquisition of businesses recognised in the statement of profit and loss	(916)	(45)
Unrealised exchange difference on liability towards acquisition of businesses	33	(100)
Unrealised exchange difference on derivatives	51	14
Effect of exchange differences on translation of foreign currency cash and cash equivalents	12	42
Changes in operating assets and liabilities		
Trade receivables	(1,157)	650
Unbilled revenues	(906)	247
Other assets	(59)	538
Trade payables and accrued expenses	176	(271)
Unearned revenues	216	161
Other liabilities	910	(129)
Net cash provided by operating activities before taxes	7,276	8,306
Income taxes paid (net of refunds)	(1,632)	(1,771)
Net cash provided by operating activities	**5,644**	**6,535**
Cash flow from investing activities		
Expenditure on property, plant and equipment	(1,020)	(871)
Proceeds from sale of property, plant and equipment	9	25
Payment of deferred consideration liabilities	(164)	(467)
Interest income received from Investments	51	51
Dividend income received	1	8
Purchase of Investments	(14,648)	(13,171)
Proceeds from sale of investments	13,771	9,892
Net cash used in/provided by investing activities	**(2,000)**	**(4,533)**
Cash flow from financing activities		
Issue of share capital (net of issue expenses paid)	1	8
Payment for buyback of shares	(2,640)	-
Finance expenses	(54)	(2)
Repayment of loans and borrowings	(2,540)	(383)
Proceeds from short-term borrowings	4,500	935
Dividends paid (including distribution tax)	(2,142)	(1,934)
Net cash used in financing activities	**(2,875)**	**(1,376)**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(2)	(55)
Net (decrease)/increase in cash and cash equivalents	**767**	**571**
Cash and cash equivalents at the beginning of the year	2,508	1,937
Cash and cash equivalents at the end of the year (Note 8)	**3,275**	**2,508**

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, Bluefin Solutions Limited, Bluefin Solutions Sdn Bhd., and Magnet 360, 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 four industry verticals – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Technology, Media and Services (TMS), Travel and Hospitality (TH). 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 (USA), United Kingdom, Japan, Singapore, Malaysia, Australia, Germany, Switzerland, Sweden, South Africa, UAE, Netherlands, Canada, Belgium, France, Ireland, Poland 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 on April 18, 2018.

2. Basis of preparation of financial statements

(a) Statement of compliance

The consolidated financial statements as at and for the year ended March 31, 2018 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. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);

iii. Share based payment transactions and

iv. Defined benefit and other long-term employee benefits

(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 period in which the loss becomes probable.

ii) *Income taxes:* The Group's two major tax jurisdictions are India and the U.S., though the Group 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 17.

iii) *Contingent consideration:* Contingent consideration representing liability towards acquisition of business is reassessed at every reporting date. Any increase or decrease in the probability of achievement of financial targets would impact the measurement of the liability. Appropriate changes in estimates are made when the Management becomes aware of the circumstances surrounding such estimates.

iv) *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 Group estimates the probability of collection 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 Group'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 from 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 statement of subsidiaries 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 Group'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 the Company.

(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 respective 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 profit or loss 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.

For the purposes of presenting the consolidated financial statements assets and liabilities of Group's foreign operations with functional currency different from the Company are translated into Company's functional currency i.e. INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

Exchange differences arising, if any are recognised in other comprehensive income and accumulated in equity.

On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the statement of profit and loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the balance sheet date.

(iv) Financial instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. Loans and borrowings and payable are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

(i) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

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. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, 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 Group's cash management system.

(ii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and

(b) the asset's contractual cash flow represent SPPI

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest earned is recognised under the effective interest rate (EIR) model.

(iii) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI. There is no recycling of the amount from OCI to statement of profit and loss, even on sale of the instrument. However, the Group may transfer the cumulative gain or loss within the equity.

(iv) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit or loss.

b) Non-derivative financial liabilities

(i) Financial liabilities at amortised cost: Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

(ii) Financial liabilities at FVTPL: Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the consolidated statement of profit or loss.

c) 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 costs are recognized in statement of profit or loss 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 profit or loss. 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 consolidated statement of profit or loss 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 consolidated statement of profit or loss and reported within foreign exchange gains/ (losses).

(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	5 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 Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the consolidated statement of profit or loss 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 consolidated statement of profit or loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work-in-progress respectively.

(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 profit or loss.

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 to 5 years
Vendor relationship	5 to 10 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 profit or loss over the lease term.

(viii) Impairment

a) Financial assets

In accordance with IFRS 9, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

(i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument;

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. This amount is reflected under the head other expenses in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

The Group assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and the recoverable amount. Losses are recognised in statement of 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 statement of profit or loss.

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. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's Cash Generating Units (CGU) or groups of CGUs expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU prorata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in consolidated statement of profit or loss and is not reversed in the subsequent period.

(ix) Employee Benefits

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 or loss in the period in which the employee renders services.

b) Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Group 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 Group'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 profit or loss.

(x) Share based payment transactions

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 profit or loss 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 phantom stock, 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 Phantom stock options plan. Any changes in the liability are recognized in statement of profit or loss.

(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 profit or loss 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. 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, goods and services 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, dividend income and gains on the disposal of FVTPL financial assets. Interest income is recognized as it accrues in the statement of profit or loss, using the effective interest method.

Dividend income is recognized in the statement of profit or loss 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 profit or loss 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 profit or loss 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 is 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 (EPS)

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) Research and development costs

Research costs are expensed as incurred. Development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably.

During the period of development, the asset is tested for impairment annually.

(xvii) 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 or 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 fair value.

New standards and interpretations not yet adopted

a) 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 Group is currently evaluating the requirements of IFRS 15, and has not yet determined the impact on the consolidated financial statements.

b) 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.

c) IFRIC 22, Foreign currency transactions and advance consideration:

On December 8, 2016, the IFRS interpretations committee of the International Accounting Standards Board (IASB) issued IFRS interpretation, IFRIC 22, Foreign Currency Transactions and Advance Consideration which clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. The effective date for adoption of IFRIC 22 is annual reporting periods beginning on or after January 1, 2018, though early adoption is permitted. The Group is currently evaluating the impact of IFRIC 22 on the consolidated financial statements.

d) IFRIC 23, Uncertainty over Income Tax Treatments:

On June 7, 2017, the International Accounting Standards Board (IASB) issued IFRS interpretation IFRIC 23 Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12, Income Taxes. The effective date for adoption of IFRIC 23 is annual periods beginning on or after January 1, 2019, though early adoption is permitted. The Group is currently evaluating the effect of IFRIC 23 on the consolidated financial statements.

e) Amendment to IAS 19 – plan amendment, curtailment or settlement:

On February 7, 2018, the IASB issued amendments to the guidance in IAS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

i) to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

ii) to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after January 1, 2019, though early application is permitted. The Group is evaluating the effect of this amendment on the consolidated financial statements.

4. Property, plant and equipment

Particulars	Land	Buildings	Computer Systems	Furniture, fixtures and equipment	Vehicles	Total
Gross carrying value:						
As at April 1, 2016	**84**	**2,263**	**2,745**	**4,047**	**29**	**9,168**
Additions	-	227	430	280	-	937
Disposal/Adjustments	-	-	125	35	-	160
Translation Adjustment Loss/(Gain)	-	-	16	5	-	21
As at March 31, 2017	**84**	**2,490**	**3,034**	**4,287**	**29**	**9,924**
Accumulated depreciation/impairment:						
As at April 1, 2016	**7**	**353**	**1,990**	**2,653**	**14**	**5,017**
Depreciation	1	207	569	488	8	1,273
Disposal/Adjustments	-	-	109	35	-	144
Translation Adjustment Loss/(Gain)	-	-	14	7	-	21
As at March 31, 2017	**8**	**560**	**2,436**	**3,099**	**22**	**6,125**
Capital work-in-progress						192
Net carrying value as at March 31, 2017	**76**	**1,930**	**598**	**1,188**	**7**	**3,991**
Gross carrying value:						
As at April 1, 2017	**84**	**2,490**	**3,034**	**4,287**	**29**	**9,924**
Additions	-	322	354	242	-	918
Disposal/Adjustments	-	26	202	32	2	262
Translation Adjustment Loss/(Gain)	-	-	(3)	(1)	-	(4)
As at March 31, 2018	**84**	**2,786**	**3,189**	**4,498**	**27**	**10,584**
Accumulated depreciation/ impairment:						
As at April 1, 2017	**8**	**560**	**2,436**	**3,099**	**22**	**6,125**
Depreciation	1	231	491	477	5	1,205
Disposal/Adjustments	-	26	199	32	2	259
Translation Adjustment Loss/(Gain)	-	-	(3)	(1)	-	(4)
As at March 31, 2018	**9**	**765**	**2,731**	**3,545**	**25**	**7,075**
Capital work-in-progress						92
Net carrying value as at March 31, 2018	**75**	**2,021**	**458**	**953**	**2**	**3,601**

The depreciation expense for the year ended March 31, 2018 and March 31, 2017 is included in the following line items in the statement of profit or loss.

Particulars	Year ended March 31,	
	2018	**2017**
Cost of revenues	1,109	1,172
Selling, general and administrative expenses	96	101
Total	**1,205**	**1,273**

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, 2016	67	1,023	71	1,413	54	728	318	268	3,942
Additions	-	40	-	-	-	-	-	-	40
Disposal/Adjustments	-	3	-	-	-	-	-	-	3
Translation Adjustment Loss/(Gain)	-	1	-	151	1	47	32	6	238
As at March 31, 2017	67	1,059	71	1,262	53	681	286	262	3,741
Accumulated amortisation/ impairment:									
As at April 1, 2016	66	926	21	204	7	48	18	20	1,310
Amortisation	-	82	18	306	11	99	33	26	575
Disposal/Adjustments	-	3	-	-	-	-	-	-	3
Translation Adjustment Loss/(Gain)	-	(1)	-	61	-	16	6	-	82
As at March 31, 2017	66	1,006	39	449	18	131	45	46	1,800
Net carrying value as at March 31, 2017	1	53	32	813	35	550	241	216	1,941
Gross carrying value:									
As at April 1, 2017	67	1,059	71	1,262	53	681	286	262	3,741
Additions	-	35	-	-	-	-	-	-	35
Disposal/Adjustments	-	-	-	-	-	-	-	-	-
Translation Adjustment Loss/(Gain)	-	-	-	(30)	-	(9)	(6)	-	(45)
As at March 31, 2018	67	1,094	71	1,292	53	690	292	262	3,821
Accumulated amortisation/ impairment:									
As at April 1, 2017	66	1,006	39	449	18	131	45	46	1,800
Amortisation	-	46	18	276	11	93	30	26	500
Disposal/Adjustments	-	-	-	-	-	-	-	-	-
Translation Adjustment Loss/(Gain)	-	-	-	(1)	-	-	-	-	(1)
As at March 31, 2018	66	1,052	57	726	29	224	75	72	2,301
Net carrying value as at March 31, 2018	1	42	14	566	24	466	217	190	1,520
Estimated useful life (in years)	5.00	2 - 3	4	3 - 5	5	5 - 10	10	10	
Estimated remaining useful life (in years)	-	0.08 - 1.99	1	2.25	2.00 - 2.25	2.25 - 7.75	7.25 - 7.75	7.25	

The aggregate amount of research and development expense recognized in the statement of profit or loss for the year ended March 31, 2018 is ₹ 396 (₹ 321 for the year ended March 31, 2017)

The amortisation expense for the year ended March 31, 2018 and March 31, 2017 is included in the following line items in the statement of profit or loss.

Particulars	Year ended March 31,	
	2018	2017
Cost of revenues	460	528
Selling, general and administrative expenses	40	47
Total	500	575

b) Goodwill

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	4,470	4,815
Translation Adjustment Loss/ (Gain)	(69)	345
Balance at the end of the year	**4,539**	**4,470**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Cash Generating Units (CGU) or groups of CGUs, which benefit from the synergies of the acquisition. The Chief Operating Decision Maker reviews the goodwill for any impairment at the operating segment level, which is represented through groups of CGUs.

The goodwill on acquisition of subsidiaries has been allocated as follows:

Particulars	As at March 31, 2018
RCM	2,388
BFSI	1,133
TMS	948
TH	70
Total	**4,539**

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization. The value-in-use is determined based on specific calculations. These calculations use pre-tax cash flow projections over a period of five years, based on financial budgets approved by management and an average of the range of each assumption mentioned below.

As of March 31, 2018, the estimated recoverable amount of the CGU exceeded its carrying amount, hence impairment is not triggered. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Discount rate	15.0% - 20.8%	15.6% - 19.6%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Group. These estimates are likely to differ from future actual results of operations and cash flows.

6. Investments

Investments in liquid and short term mutual fund units, non-convertible bonds, term deposits, unlisted equity securities and preference shares are classified as Investments.

Cost and fair value of the above are as follows:

As at March 31, 2018 and March 31, 2017

Particulars	As at March 31, 2018	As at March 31, 2017
Non-current		
Investment in non-convertible bonds, unlisted equity securities and unlisted preference shares		
Cost	59	59
Gross unrealised holding gains/ (losses)	(1)	(1)
Fair value	58	58
Current		
Investment in non-convertible bonds, term deposits, liquid, short term mutual funds and commercial paper		
Cost	6,970	5,683
Gross unrealised holding gains/ (losses)	236	186
Fair value	7,206	5,869
Total Investments	**7,264**	**5,927**

7. Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017
Trade receivables	10,274	9,068
Allowance for expected credit losses	(119)	(106)
Total	**10,155**	**8,962**

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Group estimates the following matrix at the reporting date.

Particulars	Ageing			
	1-90 days	91-180 days	181-360 days	More than 360 days*
Default rate	0.2 %	1.6 %	25 %	60 %

**In case of probability of non-collection, default rate is 100%*

Movement in the expected credit loss allowance:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	106	126
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	13	(20)
Provision at the end of the year	**119**	**106**

8. Cash and cash equivalents

Cash and cash equivalents consist of the following:

Particulars	As at March 31, 2018	As at March 31, 2017
Cash balances	-	-
Current and time deposits with banks #	3,289	2,508
Cash and cash equivalents in the statement of financial position	**3,289**	**2,508**
Book overdrafts used for cash management purposes (Refer note 15)	(14)	-
Cash and cash equivalents in the statement of cash flow	**3,275**	**2,508**

Balance with banks amounting to ₹ 13 and ₹ 346 as of March 31, 2018 and March 31, 2017 respectively includes unpaid dividends and dividend payable.

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.

9. Other assets

Particulars	As at March 31, 2018	As at March 31, 2017
Non-current		
Capital advances	70	27
Security deposits	751	667
Prepaid expenses	125	152
Service tax credit receivable	11	1
Others	5	225
	962	**1,072**
Current		
Prepaid expenses	812	760
Advance to employees	264	282
Advance to suppliers	43	39
Interest accrued and not due	25	21
Security deposits	17	12
Others	428	235
	1,589	**1,349**
Total	**2,551**	**2,421**

10. Equity

a) Share capital and share premium

The Group has only one class of equity shares. The authorized share capital of the Group 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 Group is 163,926,311 equity shares of ₹ 10 each amounting to ₹ 1,639.

The Group 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 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. A final dividend, including tax thereon, on common stock is recorded as a liability on the date of approval by the shareholders.

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.

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 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, 2018 and year ended March 31, 2017 was ₹ 9 and ₹ 10 respectively.

The Board of Directors at its meeting held on April 20, 2017 had recommended a final dividend of 30% (₹ 3 per equity share of par value ₹ 10 each). The proposal was approved by shareholders at the Annual General Meeting held on July 18, 2017. This has resulted in a cash outflow of ₹ 607 inclusive of dividend distribution tax of ₹ 103. The Board of Directors at its meeting held on October 25, 2017 had declared an interim dividend of 20% (₹ 2 per equity share of par value ₹ 10 each) and special dividend of 20% (₹ 2 per equity share of par value ₹ 10 each) due to completion of ten years of Initial Public Offering (IPO). Also, the Board of Directors at its meeting held on January 17, 2018 had declared an interim dividend of 20% (₹ 2 per equity share of par value ₹ 10 each). The aforesaid interim and special dividends were paid during the year.

The Board of Directors at its meeting held on April 18, 2018, have declared an interim dividend of 20% (₹ 2 per equity share of par value ₹ 10 each) and recommended a final dividend of 30% (₹ 3 per equity share of par value ₹ 10 each) which is subject to approval of shareholders.

b) Retained earnings

Retained earnings comprises of undistributed earnings. 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) Special Economic Zone reinvestment reserve

This Special Economic Zone reinvestment reserve has been created out of the profit of eligible SEZ units in terms of the provisions of section 10AA(1)(II) of the Income Tax Act, 1961. The reserve should be utilized by the Group for acquiring new plant and machinery for the purpose of its business in terms of the section 10AA(2) of Income Tax Act, 1961.

e) Capital redemption reserve

A statutory reserve created to the extent of sum equal to the nominal value of the share capital extinguished on buyback of Company's own shares pursuant to Section 69 of the Companies Act, 2013.

f) Other reserve

Changes in the fair value of equity instruments is recognized in other comprehensive income (net of taxes), and presented within equity in other reserve.

g) Foreign currency translation reserve

Exchange difference relating to the translation of the results and net assets of the Company'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.

11. 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) Pursuant to the approval of the Board and the Administrative Committee at its meetings held on June 28, 2017 and July 20, 2017 respectively, the Group bought back 4,224,000 equity shares of ₹ 10 each on a proportionate basis, at a price of ₹ 625 per equity share for an aggregate consideration of ₹ 2,640 (Rupees Two thousand six hundred and forty million only), and completed the extinguishment of the equity shares bought back. Capital redemption reserve has been created to the extent of nominal value of share capital extinguished amounting to ₹ 42 million. The buyback and creation of capital redemption reserve was effected by utilizing the share premium and free reserves.

c) The Group has not allotted any equity shares as fully paid up without payment being received in cash.

12. Employee stock incentive plans

The Group instituted the Employees Stock Option Plan ('ESOP') in fiscal year 2000, which was approved by the Board of Directors (Board). The Group currently administers seven 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 March 31, 2018 and March 31, 2017.

Program 2 [ESOP 2001]

Options under this program have been granted to employees at an exercise price of ₹ 50 per option (₹ 12.5 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,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding options, beginning of the year	1,680	12.50	18,360	12.50
Granted during the year	-	-	-	-
Exercised during the year	1,680	12.50	14,228	12.50
Lapsed during the year	-	-	2,452	12.50
Forfeited during the year	-	-	-	-
Outstanding options, end of the year	-	-	1,680	12.50
Options vested and exercisable, end of the year	-	-	1,680	12.50

Program 3 [ESOP 2006 (a)]

This plan was terminated on October 25, 2006 and there are no options outstanding as at March 31, 2018 and March 31, 2017.

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. There are no outstanding options as at March 31, 2018 and March 31, 2017.

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.

Particulars	Year ended March 31,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding options, beginning of the year	145,456	105.88	152,336	106.50
Granted during the year	-	-	-	-
Exercised during the year	-	-	6,880	119.63
Lapsed during the year	145,456	105.88	-	-
Forfeited during the year	-	-	-	-
Outstanding options, end of the year	-	-	145,456	105.88
Options vested and exercisable, end of the year	-	-	145,456	105.88

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,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding options, beginning of the year	-	-	40,000	123.25
Granted during the year	-	-	-	-
Exercised during the year	-	-	40,000	123.25
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Outstanding options, end of the year	-	-	-	-
Options vested and exercisable, end of the year	-	-	-	-

Program 7 [ESOP 2010A]

In-principle approvals for administering the seventh stock option program i.e. ESOP 2010A have 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, 2018 and March 31, 2017.

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,			
	2018		2017	
	Number of share options	Weighted average Exercise price	Number of share options	Weighted average Exercise price
Outstanding shares, beginning of the year	-	-	-	-
Granted during the year	123,085	10.00	178,262	10.00
Exercised during the year	123,085	10.00	178,262	10.00
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 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 outstanding options/units as at March 31, 2018 are given below:

Particulars	Phantom stock options plan
Total no. of units/ shares	1,195,000
Vested units/ shares	-
Lapsed units/ shares	1,195,000
Forfeited units/ shares	-
Cancelled units/ shares	-
Outstanding units/shares as at the end of the year	-
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 as at the beginning of the year	200,200
Number of units/shares granted during the period under letters of intent issued	703,000
Vested units/ shares	123,085
Lapsed units/ shares	22,115
Forfeited units/ shares	100,000
Cancelled units/ shares	-
Outstanding units/shares as at the end of the year	658,000
Contractual life	1-4 years
Date of grant*	18-Jul-13, 12-May-15, 21-Oct-15, 27-Oct-15, 25-Feb-16, 24-Aug-16, 14-Apr-17, 26-Jul-17, 23-Aug-17
Price per share/ unit*	Exercise price of ₹ 10

* *Based on Letter of Intent*

** *Excludes direct allotment of shares*

The following tables summarize information about the options/ shares outstanding under various programs as at March 31, 2018 and March 31, 2017.

Particulars	As at March 31, 2018		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in ₹)
Program 2	-	-	-
ERSP 2012	-	-	-

Particulars	As at March 31, 2017		
	Number of options/ shares	Weighted average remaining contractual life (in years)	Weighted average exercise price (in ₹)
Program 2	1,680	0.50	12.50
Program 5	145,456	0.33	105.88

The weighted average fair value of each unit under the above mentioned ERSP 2012 plan, granted during the year ended was ₹ 442.9 using the Black-Scholes model with the following assumptions:

Particulars	As at March 31, 2018
Weighted average grant date share price	429.46
Weighted average exercise price	₹ 10
Dividend yield %	0.64%
Expected life	1-2 years
Risk free interest rate	6.39%
Volatility	28.31%

13. Loans and borrowings

A summary of loans and borrowings is as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Non-current		
Unsecured long-term loan and borrowings	9	13
	9	**13**
Current		
Current portion of unsecured long-term loan and borrowings	5	5
Secured bank loans	-	36
Unsecured short term borrowings	-	942
Unsecured bank loans	3,000	-
	3,005	**983**
Total	**3,014**	**996**

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 Unsecured long term borrowings 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. Any delay in repayment entails a liability of 12% p.a. compounded monthly for the period of delay. The loan carries an effective interest rate of 3% p.a. and is repayable in full in June 2021. There is no default in the repayment of the principal loan and interest amounts.

Unsecured bank loans represents the working capital loan obtained from HDFC Bank during the year.

Unsecured short term borrowings represent the commercial paper offering from HDFC Bank obtained during the previous year ended March 31, 2017 and the same was repaid during the year.

14. Trade payables and accrued expenses

Trade payables and accrued expenses consist of the following:

Particulars	As at March 31, 2018	As at March 31, 2017
Trade payables	451	699
Accrued expenses	1,259	952
Total	**1,710**	**1,651**

15. Other liabilities and provisions

Particulars	As at March 31, 2018	As at March 31, 2017
Non-current		
Others	85	301
	85	**301**
Current		
Book overdraft	14	-
Advances from customers	385	67
Dividend payable (including dividend tax)**	-	404
Employee and other liabilities	1,648	1,300
Statutory dues payable	513	409
Other liabilities	169	969
	2,729	**3,149**
Total	**2,814**	**3,450**
Current		
Provisions		
Provision for discount	534	414
Provision for disputed dues*	86	81
Provision for post contract support services	10	8
Provision for forseeable losses on contracts	6	7
Total	**636**	**510**

* *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.*

** *Represents interim dividend declared on March 27, 2017*

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	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	414	667
Provisions made during the year	515	462
Utilisations during the year	(350)	(663)
Released during the year	(45)	(52)
Provision at the end of the year	534	414

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 one year.

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	8	7
Provisions made during the year	2	1
Provision at the end of the year	10	8

Provision for disputed dues

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	81	76
Provisions made during the year	5	5
Provision at the end of the year	86	81

Provision for foreseeable losses on contracts

Provision for foreseeable losses on contracts represents excess of estimated cost over the future revenues to be recognised and expected to be utilized within a period of one year

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	7	-
Provisions made during the year	91	7
Released during the year	(92)	-
Provision at the end of the year	6	7

16. Employee benefit obligations

Employee benefit obligations comprises of following:

Particulars	As at March 31, 2018	As at March 31, 2017
Gratuity (net)	141	91
Compensated absences	582	595
Total	**723**	**686**

17. Income tax expense

Income tax expense in the statement of profit or loss consists of:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Current taxes:		
In respect of the current period *	1,555	1,577
Deferred taxes:		
In respect of the current period	167	(188)
Grand Total	**1,722**	**1,389**

** Tax expense for the year ended March 31, 2018 is net of reversals of ₹ 250 on submission of tax filings.*

Income tax expense has been allocated as follows:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Income tax expense as per the statement of profit or loss	1,722	1,389
Income tax included in other comprehensive income on:		
- Net loss/ (gain) on investment in equity shares at FVTOCI	-	1
- Net loss/ (gain) on remeasurement of defined benefit plan	5	2
	5	3
Total	**1,727**	**1,392**

The reconciliation between the provision for income tax of the Group and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Profit before tax	7,423	5,549
Enacted income tax rate in India	34.61%	34.61%
Computed expected tax expense	2,569	1,921
Effect of:		
Income exempt from tax	(1,358)	(1,024)
Temporary differences reversing during the tax holiday period	9	16
Expenses (net) that are not deductible in determining taxable profit	181	113
Different tax rates of branches operating in other jurisdictions	401	338
Income subject to different tax rates	67	(14)
Loss of foreign subsidiary	90	27
Tax Provision (reversals)	(250)	-
Others	13	12
Total income tax expense recognised in the statement of profit or loss	**1,722**	**1,389**

The tax rates under Indian Income Tax Act, for the year ended March 31, 2018 and March 31, 2017 is 34.61% and 34.61% respectively.

The Group has not created deferred tax assets on the following:

Particulars	As at March 31, 2018	As at March 31, 2017
Unused tax losses (long term capital loss) which expire in		
- FY 2016-17	-	2
- FY 2018-19	159	163
- FY 2019-20	34	34
- FY 2021-22	48	48
- FY 2022-23	28	28
- FY 2023-24	22	22
Unused tax losses of foreign jurisdiction	133	149
Loss of foreign subsidiary	261	76

The components of deferred tax assets are as follows:

Deferred tax assets/ (liabilities) as at March 31, 2018 in relation to:

Particulars	As at April 1, 2017	Recognised in profit and loss	Recognised in other comprehensive income	Others	As at March 31, 2018
Property, plant and equipment	326	117	-	-	443
Provision for doubtful debts	14	5	-	-	19
Provision for compensated absence	262	(34)	-	-	228
Intangible assets	(239)	(193)	-	-	(432)
Others	127	(44)	-	-	83
Net gain on fair value of mutual funds	(64)	(18)	-	-	(82)
MAT credit entitlement/ (Utilisation)	198	-	-	(139)	59
Total	**624**	**(167)**	**-**	**(139)**	**318**

Deferred tax assets/ (liabilities) as at March 31, 2017 in relation to:

Particulars	As at April 1, 2016	Recognised in profit and loss	Recognised in other comprehensive income	Others	As at March 31, 2017
Property, plant and equipment	254	72	-	-	326
Provision for doubtful debts	22	(8)	-	-	14
Provision for compensated absence	203	59	-	-	262
Intangible assets	(337)	98	-	-	(239)
Others	126	1	-	-	127
Net gain on fair value of mutual funds	(30)	(34)	-	-	(64)
FVTOCI financial investments	(1)	-	1	-	-
Deferred tax related to net loss/ (gain) on remeasurements of defined benefit plans recognised in OCI during the year	-	-	-	-	-
MAT credit entitlement	198	-	-	-	198
Total	**435**	**188**	**1**	**-**	**624**

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.

A substantial portion of the profits of the Group's India operations are exempt from Indian income taxes being profits attributable to export operations from undertakings situated in Special Economic Zone (SEZ). 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.

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 tax on income attributable to its permanent establishments in the foreign jurisdictions due to operation of its foreign branches and subsidiaries.

18. Finance and other income

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Interest income on financial assets at amortised cost	110	104
Net gain on sale of investments in mutual funds	-	177
Gain on sale of property, plant and equipment	6	8
Dividend income from investments in mutual funds	1	8
Net gain on financial assets designated at fair value through profit and loss	459	146
Reversal of liability towards acquisition of business*	916	45
Others	158	55
Total	**1,650**	**543**

* *During the year ended March 31, 2018, the Group has written back earn out payable towards acquisition of business to the erstwhile shareholders of Bluefin Solutions Limited, Relational Solutions Inc. and Magnet 360 LLC amounting to ₹ 916.*

19. Expenses by nature

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Employee benefits	35,641	34,125
Travel expenses	2,333	2,208
Communication expenses	700	752
Sub-contractor charges	3,489	3,071
Computer consumables	815	825
Legal and professional charges	552	512
Power and fuel	289	313
Rent	965	981
Repairs to buildings	63	57
Repairs to machinery	53	50
Insurance	81	99
Rates and taxes	225	152
Other expenses	2,017	2,038
Depreciation charges - PPE	1,205	1,273
Impairment loss on goodwill and amortisation charges	500	575
Total cost of revenues, selling, general and administrative expenses	**48,928**	**47,031**

20. Employee benefits

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Salaries and wages	33,207	31,992
Contribution to provident and other funds	2,100	1,882
Expense on employee stock based compensation	195	54
Staff welfare expenses	139	197
Total	**35,641**	**34,125**

The employee benefit cost is recognized in the following line items in the statement of profit or loss:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Cost of revenues	29,865	28,438
Selling, general and administrative expenses	5,776	5,687
Total	**35,641**	**34,125**

Defined benefit plans

Amount recognized in the statement of profit or loss in respect of gratuity cost (defined benefit plan) is as follows:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Gratuity cost		
Service cost	113	97
Net interest on net defined liability/ (asset)	3	4
Re-measurement - actuarial gain/ (loss) recognised in OCI	23	10
Net gratuity cost	**139**	**111**
Assumptions		
Discount rate	7.40%	6.80%
Salary increase	4.00%	4.00%

The estimates of future salary increase, 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, 2018	As at March 31, 2017
Change in projected benefit obligations		
Obligations at the beginning of the year	591	517
Service cost	113	97
Interest cost	38	36
Benefits settled	(64)	(73)
Actuarial (gain)/loss - Experience	57	13
Actuarial (gain)/loss - demographic assumptions	-	3
Actuarial (gain)/loss - financial assumptions	(30)	(2)
Obligations at end of the year	**705**	**591**
Change in plan assets		
Plan assets at the beginning of the year, at fair value	500	376
Interest income on plan assets	35	32
Re-measurement - actuarial gain/ (loss)	-	-
Return on plan assets greater/ (lesser) than discount rate	5	4
Contributions	85	154
Benefits settled	(61)	(66)
Plan assets at the end of the year, at fair value	**564**	**500**

Historical Information : -

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Present value of defined benefit obligation	(705)	(591)	(517)	(411)	(365)
Fair value of plan assets	564	500	376	396	363
Asset/ (liability) recognised	**(141)**	**(91)**	**(141)**	**(15)**	**(2)**

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, 2018	As at March 31, 2017
Experience adjustment on plan liabilities	27	14
Experience adjustment on plan assets	(5)	(4)

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, 2018		As at March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(33)	37	(29)	32
Future salary growth (1% movement)	37	(34)	31	(29)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2018	As at March 31, 2017
Within 1 year	116	98
1-2 years	119	104
2-3 years	135	110
3-4 years	150	119
4-5 years	159	129
5-10 years	771	605

The Group expects to contribute ₹ 116 to its defined benefit plans during the next fiscal year.

As at March 31, 2018 and March 31, 2017, 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.

21. 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, 2018		Year ended March 31, 2017	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	165,787,460	165,787,460	167,918,389	167,918,389
Weighted average number of equity shares resulting from assumed exercise of employee stock options	-	499,164	-	285,251
Weighted average number of equity shares for calculation of earnings per share	165,787,460	166,286,624	167,918,389	168,203,640

22. 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, 2018	March 31, 2017
Grant towards workforce training	2	5
Total	**2**	**5**

The Group had availed a grant of USD 950,000 for renovation of project facility in the financial year 2011-2012. 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 has claimed R&D tax relief under UK corporation tax rules. The Group 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	For the year ended	
	March 31, 2018	March 31, 2017
Grant towards R & D credit	19	48
Total	**19**	**48**

As at March 31, 2018, the grant recognized in the balance sheet is ₹ 56 (As at March 31, 2017: ₹ 33).

23. Operating leases

The Group has various operating leases, mainly for office buildings including land. Lease rental expense under such non-cancellable operating lease during the year ended March 31, 2018 and March 31, 2017 amounted to ₹ 400 and ₹ 467 respectively.

Future minimum lease payments under non-cancellable operating lease as at March 31, 2018 is as below:

Minimum lease payments	As at March 31, 2018	As at March 31, 2017
Payable -- Not later than one year	258	297
Payable -- Later than one year and not later than five years	593	513
Payable -- Later than five years	351	313

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, 2018 and March 31, 2017 amounted to ₹ 565 and ₹ 514 respectively.

24. Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2018, March 31, 2017 is as follows:

As at March 31, 2018

Particulars	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities measured at amortised cost	Financial assets at fair value through OCI	Total carrying amount	Fair value
Assets					
Trade receivables	-	10,155	-	10,155	10,155
Unbilled revenue	-	2,791	-	2,791	2,791
Investments	6,118	1,138	8	7,264	7,264
Cash and cash equivalents	-	3,289	-	3,289	3,289
Derivative assets	1	-	-	1	1
Other assets	-	1,057	-	1,057	1,057
Total assets	**6,119**	**18,430**	**8**	**24,557**	**24,557**

Particulars	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities measured at amortised cost	Financial assets at fair value through OCI	Total carrying amount	Fair value
Liabilities					
Loans and borrowings	-	3,014	-	3,014	3,014
Trade payables and accrued expenses	-	1,710	-	1,710	1,710
Derivative liabilities	15	-	-	15	15
Contingent consideration	-	-	-	-	-
Other liabilities	-	1,792	-	1,792	1,792
Total liabilities	**15**	**6,516**	**-**	**6,531**	**6,531**

As at March 31, 2017

Particulars	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities measured at amortised cost	Financial assets at fair value through OCI	Total carrying amount	Fair value
Assets					
Trade receivables	-	8,962	-	8,962	8,962
Unbilled revenue	-	1,885	-	1,885	1,885
Investments	5,159	760	8	5,927	5,927
Cash and cash equivalents	-	2,508	-	2,508	2,508
Derivative assets	37	-	-	37	37
Other assets	-	1,191	-	1,191	1,191
Total assets	**5,196**	**15,306**	**8**	**20,510**	**20,510**
Liabilities					
Loans and borrowings	-	996	-	996	996
Trade payables and accrued expenses	-	1,651	-	1,651	1,651
Derivative liabilities	-	-	-	-	-
Contingent consideration	1,001	-	-	1,001	1,001
Other liabilities	-	1,862	-	1,862	1,862
Total liabilities	**1,001**	**4,509**	**-**	**5,510**	**5,510**

The management assessed that fair value of cash and short-term deposits, trade receivables, other current assets, trade payables, book overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

i) Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

ii) The fair value of the quoted bonds and mutual funds are based on price quotations at reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

iii) Fair values of the Group's interest-bearing borrowings and loans are determined by using Discounted Cash Flow ('DCF') method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non- performance risk as at March 31, 2018 was assessed to be insignificant.

iv) The fair values of the unquoted equity and preference shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility/ the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

v) The Group enters into derivative financial instruments with various counterparties, principally banks with investment grade credit ratings. Interest rate swaps, foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves etc. As at March 31, 2018 the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

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, 2018, March 31, 2017:

As at March 31, 2018

Particulars	As at March 31, 2018	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual fund units	6,118	6,118	-	-
Investments in unlisted equity securities and preference shares	8	-	-	8
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts	1	-	1	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts	15	-	15	-
Contingent consideration	-	-	-	-

There have been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2018.

As at March 31, 2017

Particulars	As at March 31, 2017	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual fund units	5,159	5,159	-	-
Investments in unlisted equity securities and preference shares	8	-	-	8
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts	37	-	37	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts	-	-	-	-
Contingent consideration	1,001	-	-	1,001

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, 2018	As at March 31, 2017
Balance at the beginning of the year	8	12
Remeasurement recognised in OCI	-	(4)
Balance at the end of the year	8	8

Details of income and interest expense are as follows:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Income from Investments in mutual funds	459	323
Interest income on financial asset at amortised cost	110	104
Interest expense	(169)	(191)

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, 2018	As at March 31, 2017
Non-designated derivative instruments (Sell)		
In USD millions	36	19
In EUR millions	2	1
In GBP millions	3	3

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, 2018	As at March 31, 2017
Non-designated derivative instruments (Sell)		
Not later than 1 month		
In USD millions	11	9
In EUR millions	1	1
In GBP millions	1	1
Later than 1 month but not later than 3 months		
In USD millions	25	10
In EUR millions	1	-
In GBP millions	2	2

Financial risk management

The Group's activities expose it to a variety of financial risks: Credit risk, liquidity risk, foreign currency risk and interest rate 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.

All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

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 arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

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 revenues generated from top customer and top 5 customers:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Revenue from top customer	9,011	7,309
Revenue from top 5 customers	16,854	15,765

One customer accounted for more than 10% of the revenue during year ended March 31, 2018 and March 31, 2017; however, none of the customers accounted for more than 10% of the receivables for the year ended March 31, 2018 and March 31, 2017.

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 counterparties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group 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 Group has unutilized credit limits with banks.

The Group'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 Group is given below:

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents	3,289	2,508
Investments in mutual funds (quoted)	6,118	5,159
Investments in non-convertible bonds	100	100
Interest bearing deposits with corporates	800	610
Investment in commerical paper (unquoted)	188	-
Total	**10,495**	**8,377**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2018 and March 31, 2017:

Particulars	As at March 31, 2018		
	Less than 1 year	1-2 years	2 years and above
Loans and borrowings	3,005	5	4
Trade payables and accrued expenses	1,710	-	-
Derivative liabilities	15	-	-
Other liabilities	1,792	-	-

Particulars	As at March 31, 2017		
	Less than 1 year	1-2 years	2 years and above
Loans and borrowings	983	5	8
Trade payables and accrued expenses	1,651	-	-
Derivative liabilities	-	-	-
Other liabilities	2,633	230	-

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 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 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 ₹ 14 increase and ₹ 41 decrease in the Group's net profit as at March 31, 2018;

b) an approximately ₹ 52 increase and ₹ 22 increase in the Group's net profit as at March 31, 2017;

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2018 and March 31, 2017.

As at March 31, 2018 **₹ in million**

Particulars	US $	Euro	Pound Sterling	Other currencies*	Total
Assets					
Trade receivables	6,847	1,078	1,314	408	9,647
Unbilled revenue	1,757	294	483	161	2,695
Cash and cash equivalents	1,971	131	522	502	3,126
Other assets	92	42	45	22	201

Particulars	US $	Euro	Pound Sterling	Other currencies*	Total
Liabilities					
Loans and borrowings	-	-	-	-	-
Trade payables and accrued expenses	622	48	236	78	984
Other liabilities	713	50	340	33	1,136
Net assets/ liabilities	**9,332**	**1,447**	**1,788**	**982**	**13,549**

* *Others include currencies such as Singapore $, Australian $, Canadian $, Japanese Yen, Malaysian Ringgit, etc.*

As at March 31, 2017 ₹ in million

Particulars	US $	Euro	Pound Sterling	Other currencies*	Total
Assets					
Trade receivables	6,068	851	991	774	8,684
Unbilled revenue	1,204	111	325	179	1,819
Cash and cash equivalents	1,375	88	171	328	1,962
Other assets	95	30	39	23	187
Liabilities					
Loans and borrowings	36	-	-	-	36
Trade payables and accrued expenses	782	33	220	70	1,105
Other liabilities	1,439	31	535	27	2,032
Net assets/ liabilities	**6,485**	**1,016**	**771**	**1,207**	**9,479**

* *Others include currencies such as Singapore $, Australian $, Canadian $, Japanese Yen, Malaysian Ringgit, etc.*

For the year ended March 31, 2018 and 2017, every 1% increase/decrease of the respective foreign currencies compared to functional currency of the Group would impact operating margins by 0.2% /(0.2)% and 0.2%/(0.2)% respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with fixed interest rates and investments.

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 13 and 6 above.

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, 2018	As at March 31, 2017
Total equity attributable to the equity share holders of the Group	27,418	25,775
As percentage of total capital	90%	96%
Current loans and borrowings	3,005	983
Non-current loans and borrowings	9	13
Total loans and borrowings	3,014	996
As percentage of total capital	10%	4%
Total capital (loans and borrowings and equity)	**30,432**	**26,771**

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 investment, which is predominantly investment in liquid and short-term mutual funds being far in excess of debt.

25. 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 Sical Logistics Limited	These entities are part of Coffee Day Group which through various entities and its promoters holds 20.45% equity stake in Mindtree
Mindtree Foundation	Entity with common key managerial person
Bridgeweave Limited	Entity with common key managerial person
NuvePro Technologies Private Limited	Entity in which a key managerial person is a member
Amitav Bagchi	Relative of a key managerial person

Transactions with the above related parties during the year were:

Name of related party	Nature of transaction	Year ended	
		March 31, 2018	March 31, 2017
Mindtree Foundation	Donation paid	46	48
Bridgeweave Limited	Software services rendered	6	-
Sical Logistics Limited	Software services rendered	2	-
Coffee Day Global Limited	Procurement of supplies	20	25
	Software services rendered	23	37
Tanglin Developments Limited	Leasing office buildings and land	392	417
	Advance/deposits paid/(adjusted):		
	- towards electricity deposit/charges	-	-
	- towards lease rentals	141	117
	Advance/ deposits received back:		
	- towards electricity deposit/ charges	-	-
	- towards lease rentals	141	157

Balances payable to related parties are as follows:

Name of related party	As at March 31, 2018	As at March 31, 2017
Coffee Day Global Limited	1	3

Balances receivable from related parties are as follows:

Name of related party	Nature of transaction	As at March 31, 2018	As at March 31, 2017
Coffee Day Global Limited	Trade receivables	36	44
Bridgeweave Limited	Trade receivables	6	-
Tanglin Developments Limited	Short-term loans and advances		
	- Rental advance	-	-
	Long-term loans and advances		
	- Security deposit (including electricity deposit) returnable on termination of lease	270	271

The amounts outstanding are unsecured and will be settled in cash. No guarantee has been given or received.

Key Managerial Personnel:

Krishnakumar Natarajan [1]	Executive Chairman
Rostow Ravanan	CEO and Managing Director
N.S. Parthasarathy	Executive Vice Chariman, President and Chief Operating Officer
Subroto Bagchi	Non-Executive Director
Apurva Purohit	Independent Director
Manisha Girotra [4]	Independent Director
Prof. Pankaj Chandra [2]	Independent Director
V.G.Siddhartha [3]	Non-Executive Director
Milind Sarwate	Independent Director
Akshaya Bhargava	Independent Director
Jagannathan Chakravarthi	Chief Financial Officer
Vedavalli Sridharan	Company Secretary

[1] *The Board of Directors at their meeting held on January 19, 2017 have approved the extension of terms of employment of Mr. Krishnakumar Natarajan as Executive Chairman from July 01, 2017 to June 30, 2020 and the shareholders have approved the re-appointment at the Annual General Meeting on July 18, 2017*

[2] *Retired on April 01, 2018*

[3] *Resigned on March 09, 2018*

[4] *Resigned on April 18, 2018*

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, 2018 and March 31, 2017 have been detailed below:

Particulars	Year ended March 31,	
	2018*	2017*
Whole-time directors and executive officers		
Salaries	38	38
Contribution to Provident fund	1	1
Bonus and Incentives	37	34
Reimbursement of expenses	1	1
Share-based payments as per IFRS 2	4	3
Total Remuneration	**81**	**77**
Non-whole-time directors		
Commission	17	28
Total Remuneration	**17**	**28**
Total	98	105

* *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, 2018 and March 31, 2017 amounts to ₹ 235 and ₹ 222 respectively. Further, during the year ended March 31, 2018, 4,665 shares were allotted to the key management personnel.

26. Contingent liabilities

a) The Group has received income tax assessment order for financial years 2006-07 and 2007-08 for the erstwhile subsidiary Mindtree Technologies Private Limited (MTPL) with demands amounting to ₹ 11 and ₹ 10 respectively 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.

b) The Group has received income tax assessment order 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 Income Tax Appellate Tribunal (ITAT). The Group has deposited ₹ 15 with the department against these demands. The department has adjusted pending refunds amounting to ₹ 563 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 and 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, Bengaluru.

The Group has received the order from ITAT for the FY 2005-06 and ITAT has remanded the matter back to the Assessing Officer for re-assessment. The Group has filed an appeal with the Hon'ble High Court of Karnataka. The Hon'ble High Court has dismissed the appeal and this matter is pending with Assessing Officer.

The Group has received the order from ITAT for the FY 2006-07 and ITAT has remanded the matter back to the Assessing Officer for re-assessment. The Transfer Pricing Officer has passed the favorable order. Order giving effect to the ITAT order is received and demand is Nil.

The Group has received the order from ITAT for the FY 2007-08 and ITAT has quashed the order of the Assessing Officer. Order giving effect to the ITAT order is yet to be received.

The Group has received revised order for the FY 2008-09 under section 263 from Assessing Officer raising an additional demand of

₹ 61, taking the total demand to ₹ 124. The Group has filed an appeal before ITAT. The order giving effect to the said order has been received and appeal is filed with Commissioner Appeals. The Group has received the order from ITAT for the FY 2008-09 and ITAT has quashed the order of the Assessing Officer. Order giving effect to the ITAT order is yet to be received.

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.

c) 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 ITAT. 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.

d) The Group has received the revised order under section 263 for financial year 2009-10 from Assessing Officer reducing the demand to ₹ 6. The Group has filed an appeal before ITAT. ITAT has dismissed the appeal. Order giving effect has been received. The Group has filed an appeal before Commissioner of Income Tax (Appeals).

e) 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).

f) During the year, the Group received an order passed under section 7A of the Employees Provident Fund & Miscellaneous Provisions Act, 1952 from Employees Provident Fund Organisation (EPFO) claiming provident fund contribution aggregating to ₹ 250 on (a) full salary paid to International Workers and (b) special allowance paid to employees. Based on a legal advice obtained, the Group has assessed that it has a legitimate ground for appeal, and has contested the order by filing an appeal with the Employees' Provident Funds Appellate Tribunal.

27. Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2018 is ₹ 450 (March 31, 2017: ₹ 242).

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 Group'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 four reportable business segments – RCM, BFSI, TMS and TH. The reportable business segments are in line with the segment wise information which is being presented to the CODM.

Each segment item reported is measured at the measure, used to report to the Chief Operating Decision Maker for the purposes of making decisions about allocating resources to the segment and assessing its performance.

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; the rest of the world comprises of all other geographies 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.

CODM does not review assets and liabilities at reportable segments level, hence segment disclosure relating to total assets and liabilities has not been provided. 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	For the year ended	
	March 31, 2018	March 31, 2017
Segment revenue		
RCM	12,689	12,476
BFSI	13,255	12,882
TMS	20,467	19,235
TH	8,217	7,771
Total	**54,628**	**52,364**
Segment operating income		
RCM	1,663	1,493
BFSI	1,245	1,153
TMS	3,441	3,671
TH	1,056	864
Total	**7,405**	**7,181**
Depreciation and Amortization expense	(1,705)	(1,848)
Profit for the year before finance expenses, other income and tax	**5,700**	**5,333**
Finance expenses	(169)	(191)
Other income	1,540	439
Interest income	110	104
Foreign exchange gain/(loss)	242	(136)
Net profit before taxes	**7,423**	**5,549**
Income taxes	(1,722)	(1,389)
Net profit after taxes	**5,701**	**4,160**

Other information	For the year ended	
	March 31, 2018	March 31, 2017
Other significant non-cash expense (Allocable)		
RCM	17	26
BFSI	(7)	6
TMS	7	1
TH	-	10

Geographical information

Revenues	For the year ended	
	March 31, 2018	March 31, 2017
America	37,957	35,705
Europe	11,717	11,281
India	1,765	1,641
Rest of world	3,189	3,737
Total	**54,628**	**52,364**

Refer Note no. 24 on Financial Instruments for information on revenue from major customers

29. The Board of Directors at its meeting held on October 06, 2017, have approved the Scheme of Amalgamation ("the Scheme") of its wholly owned subsidiary, Magnet 360, LLC ("Transferor Company") with Mindtree Limited ("Transferee Company") with an appointed date of April 01, 2017. During the year, the Company has filed an application with the National Company Law Tribunal (NCLT), Bengaluru Bench. Pending the required approvals, the effect of the Scheme has not been given in the financial statements.

During the year ended March 31, 2018, all the three subsidiaries of Magnet 360, LLC comprising Reside, LLC, M360 Investments, LLC and Numerical Truth, LLC have been wound up and the assets and liabilities of the aforesaid subsidiaries have been transferred to Magnet 360, LLC against the cancellation and extinguishment of Magnet 360, LLC's investment in those subsidiaries.

During the quarter ended September 30, 2017, the Reserve Bank of India had approved the proposal to transfer the business and net assets ("the Scheme") of its wholly owned subsidiary, Bluefin Solutions Limited, UK ('Bluefin') to the Company against cancellation and extinguishment of the Company's investment in Bluefin.

During the quarter ended June 30, 2017, the National Company Law Tribunal (NCLT) had approved the Composite Scheme of Amalgamation ("the Scheme") of Discoverture Solutions L.L.C. and Relational Solutions Inc., wholly owned subsidiaries of the Company (together "the Transferor Companies"), with the Company with an appointed date of April 1, 2015.

Global Presence

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BLUEFIN SOLUTIONS INC

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BLUEFIN SOLUTIONS SDN. BHD.

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Ph: +603 2289 2003

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MAGNET 360, LLC

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Mindtree Limited

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Ph: + 91 80 6706 4000 Fax: + 91 80 6706 4100 E-mail: investors@mindtree.com Website: www.mindtree.com

Notice of the Nineteenth Annual General Meeting

NOTICE is hereby given that the Nineteenth Annual General Meeting (AGM) of the Members of Mindtree Limited will be held on Tuesday, July 17, 2018 at 10.30 AM at Hotel 'Radisson Blu Atria Bengaluru', No. 1, Palace Road, Bengaluru-560 001, Karnataka, to transact the following businesses:

Ordinary business:

1. To receive, consider, approve and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2018 together with Reports of the Directors and Auditors thereon.
2. To confirm the payment of the first interim dividend of 20%, special dividend (interim) of 20%, second interim dividend of 20% and third interim dividend of 20% aggregating to ₹ 8/- per equity share of ₹ 10/- each and to approve a final dividend of 30% per equity share of ₹ 10/- each, for the Financial Year 2017-18.
3. To appoint a Director in place of Mr. N S Parthasarathy (DIN 00146954), who retires by rotation and being eligible, offers himself for reappointment.

Special business:

4. To appoint Mr. Bijou Kurien (DIN 01802995) 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 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. Bijou Kurien (DIN 01802995) who qualifies for being appointed as an Independent Director, 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 three years from July 17, 2018 to July 16, 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."*

5. To contribute to Charitable and other Funds

   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 181 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant rules, circulars, notifications, if any, made thereunder (including statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), Foreign Exchange Management Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other applicable Regulations, if any, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (or Committee thereof) to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, body, university, institute, society, trust, etc. for charitable and other purposes in any financial year of upto a total amount of Rs. 150 Crores (Rupees One Hundred and Fifty Crores only) or 10% of the Company's average net profits of the three immediately preceding financial years, whichever is higher.*

   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**

Sd/-
Vedavalli S
Company Secretary
A15470

Place: Bengaluru
Date: June 8, 2018

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 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 MEMBER. 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 extended e-voting facility, for its Members to enable them to cast their votes electronically on the proposed resolutions in this notice, in addition to the voting at the Annual General Meeting.

   The e-voting commences on Saturday, July 14, 2018 at 9 AM IST and ends on Monday, July 16, 2018 at 5 PM IST. During this period the Shareholders holding shares in dematerialized or physical form, as on the cut-off date i.e., Tuesday, July 10, 2018 may cast their vote electronically.

   Instructions for e-voting:

   Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

   Step 2 : Cast your vote electronically on NSDL e-Voting system.

   Details on Step 1 - Log-in to NSDL e-Voting website is mentioned below:

   1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.
   2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
   3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

   4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

   5. Your password details are given below:
      a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
      b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
      c) How to retrieve your 'initial password'?
         (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
         (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request to evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 - Casting of votes on NSDL e-Voting system is given below:

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General e-Voting Guidelines for Shareholders

1 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nagendradrao@gmail.com with a copy marked to evoting@nsdl.co.in

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the 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 the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. 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 download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
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, i.e. Tuesday, July 10, 2018.
5. Any person who is not a member on the cut-off date should treat this 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 as well as voting at the AGM.
7. Any person, who acquires shares and becomes a Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, July 10, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Registrar and Share Transfer Agent (RTA).
8. The facility for voting through Ballot Paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through Ballot paper.
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 submit 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.The Chairman/Authorised person shall declare the results of the voting forthwith, which shall not be later than 7 PM on Thursday, July 19, 2018.
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 https://www.mindtree.com/about/investors and on the website of NSDL after the results are declared by the Chairman/Authorised person 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 Wednesday, July 11, 2018 to Tuesday, July 17, 2018 (both the 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 Nineteenth Annual General Meeting, will be paid on or before Tuesday, July 31, 2018:
    (a) To those Members whose names appear on the Register of Members of the Company on Tuesday, July 10, 2018.
    (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 10, 2018, as per the list of beneficiaries furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL), the Depositories, for this purpose.
15. Mr. N S Parthasarathy (DIN 00146954) was appointed as Executive Vice Chairman for a period commencing from October 21, 2016 to December 31, 2018 by Shareholders through postal ballot, is subject to retirement by rotation based on the terms of his appointment. Mr. N S Parthasarathy (DIN 00146954), who retires by rotation, being eligible, offers himself for reappointment.
16. Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the brief resume/details of:
    a) Mr. N S Parthasarathy (DIN 00146954) who retires by rotation and being eligible offers himself for reappointment.
    b) Mr. Bijou Kurien (DIN 01802995) who is being appointed as Independent Director.

    are annexed hereto.
17. The Company is obliged to print such bank's details on the dividend warrants as furnished by the Depository Participant (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. 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/ RTA.
19. 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/ RTA.
20. 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 RTA. Member(s) holding shares in demat form may contact their respective DPs for availing this facility.
21. Member(s) holding shares in physical form is/are requested to notify immediately any change in 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.
22. 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, 2018, will be sent in electronic form to those Members who have registered their e-mail addresses with their DPs/ RTA and made available to the Company. 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/rnt.helpdesk@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 https://www.mindtree.com/about/investors and made available for inspection at the Registered Office of the Company during business hours of the Company. For members, who have not registered their email addresses, physical copies are being sent by permitted modes.

23. 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/RTA 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.
24. Guidelines for attending the Nineteenth Annual General Meeting of the Company:
    a. Members/proxies are requested to affix their signature at the space provided in the attendance slip and handover the same at the entrance of the venue of the Nineteenth AGM.
    b. Corporate Member(s) intending to send their authorized representatives to attend the AGM 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 DP ID, Client ID and the relevant identity card to the AGM for easier identification and recording of attendance at this AGM.
25. 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 during business hours on any working day and will also be made available at the venue of the Nineteenth AGM.
26. Members seeking any information with regard to the accounts, are requested to write to the Company at investors@mindtree.com at an early date, so as to enable the management to keep the information ready at the Nineteenth AGM.
27. The Certificate from Auditors of the Company as required under SEBI (Share Based Employee Benefits) Regulations, 2014 and any amendments thereto, with regard to Company's Employee Stock Option Plans (ESOPs) and Mindtree Employee Restricted Stock Purchase Scheme (ESPS/ ERSP 2012) is available for inspection by the Members at the venue of the Nineteenth AGM.
28. If any Shareholder/Member intends to claim the unclaimed shares, please send the documents listed below to the Company's RTA, 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.

By the order of the Board of Directors
for **Mindtree Limited**

Sd/-
Vedavalli S
Company Secretary
A15470

Place: Bengaluru
Date: June 8, 2018

Information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

Mr. Namakal Srinivasan Parthasarathy (Partha) – Executive Vice Chairman-Item Number 3

A. Brief Resume and Expertise of Mr. N S Parthasarathy:

Mr. N S Parthasarathy aged about 57 years, has over 30 years of experience in the Information Technology Industry. He has been with Mindtree since its inception in 1999 and today he oversees the People Function, Kalinga – our global learning centre, Administration, Facilities, CIS, Investor Relations, Legal and the CTO organization. He also leads Mindtree's business in the APAC region. Partha is known for his expertise in setting up large Offshore Development Centers (ODC), handling global delivery and operations. Partha's vision and passion for delivery excellence has helped Mindtree deliver best-in-class service with significant value to our customers.

Prior to co-founding Mindtree, Partha was the General Manager of Wipro's technology solutions division, where he led Wipro's development center for some of its large customers. Today, Partha works with leading educational institutions in India with a vision to bridge the industry-academia gap, in order to foster better interactions between the two. Partha received a Masters (Honors) degree from BITS Pilani and an M.Tech. in Computer Science from IIT, Kharagpur, India. He is an alumnus of Harvard Business School.

B. Disclosure of relationship between Directors Inter se, Manager and Key Managerial Personnel (KMP):

Mr. N S Parthasarathy is not related to any Director, Manager or KMP of Mindtree Limited.

C. Date of first appointment on the Board:

January 01, 2014

D. Name/s of Listed Companies (other than Mindtree) in which the person holds the Directorship and the Membership of Committees of the Board:

None

E. Details of shareholding:

Mr. N S Parthasarathy held 2,340,527 equity shares of ₹ 10/- each, amounting to 1.43% of shareholding of Mindtree Limited as on March 31, 2018.

F. Number of Board Meetings attended during the year (April 01, 2017 to March 31, 2018):

Total Number of Board meetings held: 7
Total number of Board meetings attended: 7

G. Committee Details in Mindtree Limited (only Audit Committee and Stakeholders' Relationship Committee):

As a Chairman – None.
As a Member- None.

H. Last drawn Remuneration:

The details of remuneration paid to Mr. N S Parthasarathy are provided in Annexure 4 of the Directors' Report.

Mr. Bijou Kurien (Bijou)-Independent Director – Item Number 4

A. Brief Resume and Expertise of Mr. Bijou Kurien:

Mr. Bijou Kurien, aged about 59 years, has been associated with marquee brands in the fast-moving consumer products, consumer durables and retail industry in India for over 34 years. His association with the development of Indian retail is over 25 years. After earning his spurs at Hindustan Unilever Ltd., he joined the founding team at Titan Industries, where he helped build powerful brands in the Watch and Jewellery Industry like Titan, Fastrack, Sonata, Tanishq etc., and also create India's largest exclusive brand retail chains. In his stint with Reliance Retail, he was at the forefront of one of the most ambitious retail ventures ever which dramatically transformed the Indian retail landscape. Currently, he is an independent consultant and member of the Strategic Advisory Board of L Catterton Asia (a part of the LVMH Group), an Independent Director on several listed and unlisted companies, advises select consumer product companies and mentors a few start-ups.

Bijou has been associated with the India Retail Forum & Retailers Association of India and has significantly contributed to its development. In addition, he is also a member of the World Retail Congress since its inception, as a member of its Advisory board as well as the Grand Jury for selection of the World Retail award winners.

In addition to retail industry fora, he is the Mentor of the FICCI National Retail Committee, member of the Advisory Council of the RAI and Governing boards of various academic institutions. He has also received several acknowledgements including Retail CEO of the Year (2013) by ET Now, Asia Pacific Retail Leader of the Year (2012) by the World Retail Congress etc.

Mr. Bijou Kurien is a science graduate and also did PG Diploma in Business Management from XLRI, Jamshedpur.

B. Disclosure of relationship between Directors Inter se, Manager and Key Managerial Personnel (KMP):

Mr. Bijou Kurien is not related to any Director, Manager or KMP of Mindtree Limited.

C. Date of first appointment on the Board:

Not Applicable

D. Name/s of Listed Companies (other than Mindtree) in which the person holds the Directorship and the Membership of Committees of the Board:

Name of the Company	Directorship/ Chairmanship	Name of the Committee	Whether Chairman or Member
Brigade Enterprises Limited	Director	Audit Committee	Member
		Nomination and Remuneration Committee	Member
Timex Group India Limited	Director	Audit Committee	Member
		Stakeholders' Relationship Committee	Member

E. Details of shareholding:

None

F. Number of Board Meetings attended during the year (April 01, 2017 to March 31, 2018):

Not Applicable

G. Committee Details in Mindtree Limited (only Audit Committee and Stakeholders' Relationship Committee):

Not Applicable

H. Last drawn Remuneration:

Not Applicable

EXPLANATORY STATEMENT

[Pursuant to the provisions of Section 102 of the Companies Act, 2013]

Item No. 4

The Nomination and Remuneration Committee at its meeting held on April 18, 2018, has approved the appointment of Mr. Bijou Kurien (DIN 01802995) as an Independent Director of the Company for a term of three years commencing from July 17, 2018 to July 16, 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 April 18, 2018, has recommended the appointment of Mr. Bijou Kurien (DIN 01802995) as Independent Director. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Mr. Bijou Kurien (DIN 01802995) 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. Bijou Kurien (DIN 01802995) (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. Bijou Kurien (DIN 01802995) as Independent Director of the Company for period commencing from July 17, 2018 to July 16, 2021, pursuant to 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. Bijou Kurien (DIN 01802995), Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Bijou Kurien (DIN 01802995) as Independent Director setting out the terms and conditions is available for inspection by the Members at the Registered Office of the Company during the business hours on any working day up to the date of this Annual General Meeting of the Company and will also be made available at the venue of the Nineteenth AGM.

Memorandum of Concern or Interest

None of the Promoters/ Directors/ KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 4 of this Notice.

The Board recommends the resolution set forth in Item no. 4 for the approval of the Members.

Item No. 5

Your Company would like to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, body, university, institute, society, trust, etc. for charitable and other purposes. In terms of the provisions of Section 181 of the Companies Act, 2013, any amount contributed to any charitable and other funds in excess of 5% of the Company's average net profits during the three immediately preceding financial years need prior approval of the Members of the Company. It is therefore necessary to obtain the approval of the Members of the Company for the contributions to be made by the Company in excess of the limits prescribed under the said section.

Approval of the Members is now being sought pursuant to Section 181 of the Companies Act, 2013, authorising the Board of Directors (or Committee thereof) of the Company to make contributions in any financial year for a total amount of upto Rs. 150 Crores or 10% of the Company's average net profits of the three immediately preceding financial years, whichever is higher.

Memorandum of Concern or Interest

None of the Promoters/ Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 5 of this Notice.

The Board recommends the resolution set forth in Item no. 5 for the approval of the Members.

By the order of the Board of Directors
for **Mindtree Limited**

Sd/-
Vedavalli S
Company Secretary
A15470

Place: Bengaluru
Date: June 8, 2018

Mindtree
Welcome to possible

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

Nineteenth Annual General Meeting – July 17, 2018
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]

Name of the Shareholder(s)	
Registered Address	
E mail ID	
DP ID No.*	
Client ID No.*	
Folio No.	

***Applicable for investors holding shares in electronic form.**

I/We, being the Member(s) of Mindtree Limited, holding .... shares of Mindtree Limited, hereby appoint

Name:.. Address:..

E-mail Id:...Signature:..

or failing him / her

Name:.. Address:..

E-mail Id:...Signature:..

or failing him / her

Name:.. Address:..

E-mail Id:...Signature:..

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Nineteenth Annual General Meeting of the Company, to be held on Tuesday, July 17, 2018, at 10.30 AM at Hotel 'Radisson Blu Atria Bengaluru', No. 1, Palace Road, Bengaluru – 560 001, Karnataka, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolutions	For	Against
1.	To adopt Audited Standalone Financial Statements and Audited Consolidated Financial Statements together with Reports of the Directors and Auditors thereon for the Financial Year 2017-18		
2.	To confirm payment of first interim dividend, special dividend (interim), second interim dividend, third interim dividend and to approve final dividend, for the Financial Year 2017-18		
3.	To appoint a Director in place of Mr. N S Parthasarathy (DIN 00146954), who retires by rotation and being eligible, offers himself for reappointment		
4.	To appoint Mr. Bijou Kurien (DIN 01802995), as Independent Director		
5.	To contribute to Charitable and other Funds		

Signed this .... day of .... 2018.

Affix revenue stamp

Signature of Shareholder ....

Signature of Proxy holder(s) ....

Notes:

1. 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.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy.

Mindtree Limited
Global Village, behind R V Engineering College
Mylasandra, Mysore Road
Bengaluru - 560 059, Karnataka
Tel: +91 80 6706 4000