

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF MINDTREE LIMITED

Report on the Consolidated Financial Statements of Bluefin Solutions Limited (a wholly owned subsidiary of Mindtree Limited)

We have audited the accompanying consolidated financial statements of **Bluefin Solutions Limited** (hereinafter referred to as "the Company") and its subsidiaries (the Company 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 Statement of Cash Flow, 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"). The consolidated financial statements have been prepared by the Management solely for the purpose of inclusion in the standalone financial statements of Mindtree Limited ("the Parent") consequent to the approval of the Scheme as referred to in the "Company Overview" section (Refer Note 1) of the consolidated financial statements for the year ended March 31, 2018.

Management's Responsibility for the Consolidated Financial Statements

The Board of Directors of the Company and the Parent 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 including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting policies of the Parent followed by it in preparing its consolidated financial statements as per the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") as applicable.

The respective management of the entities included in the Group are responsible for 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 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 standalone financial statements by the management of the Parent, as aforesaid.

Auditor's Responsibility

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

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Deloitte Haskins & Sells

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 standalone 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 such internal financial control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates 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 presents fairly in all material respects in accordance with the accounting policies of the Parent, the consolidated state of affairs of the Group as at March 31, 2018, and its consolidated loss, consolidated total comprehensive loss, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Restriction of Distribution and Use

Without modifying our opinion, we draw attention to Note 2.1 to the consolidated financial statements, which describes the basis of preparation and presentation of the financial statements. These consolidated financial statements are prepared as per the accounting policies of the Parent for use in the preparation of the standalone financial statements of the Parent consequent to the approval of the Scheme as referred to in the "Company Overview" section (Refer Note 1) of the consolidated financial statements. As a result, these consolidated financial statements may not be suitable for any other purpose. Our report is solely intended for the Parent and should not be used for any purpose other than for the preparation and audit of the standalone financial statements of the Parent.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)



V. Balaji

Partner

(Membership No. 203685)

BENGALURU, April 18, 2018

Bluefin Solutions Limited
Consolidated balance sheet

	Note	As at March 31, 2018	(Amount in Rs) As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	-	17,872,206
Intangible assets	4	-	1,008,818
Financial assets	5		
Loans	5.1	-	2,349,114
Deferred tax assets (Net)	9	-	16,149,605
Other non-current assets	6	-	25,692,116
			63,071,859
Current assets			
Financial assets	7		
Trade receivables	7.1	-	555,911,711
Cash and cash equivalents	7.2	-	102,278,208
Other financial assets	7.3	-	157,844,151
Other current assets	8	3,667	82,178,685
		3,667	898,212,755
TOTAL ASSETS		3,667	961,284,614
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	-	112,579
Other equity	11	3,667	593,820,501
		3,667	593,933,080
Liabilities			
Current liabilities			
Financial liabilities	12		
Trade payables		-	259,221,033
Other financial liabilities	12.1	-	6,166,892
Other current liabilities	13	-	101,221,067
Provisions	14	-	742,542
			367,351,534
TOTAL EQUITY AND LIABILITIES		3,667	961,284,614

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 Number: 008072S

V. Balaji

Partner

Membership Number: 203685



Place: Bengaluru
Date : April 18, 2018

For Bluefin Solutions Limited

Guita Blake

Erwan Carpentier
Director

Guita Blake
Director

Erwan Carpentier

Place: Bengaluru
Date : April 18, 2018

Bluefin Solutions Limited
Consolidated statement of profit and loss

		(Amount in Rs)
	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
Revenue from operations	811,497,875	2,388,780,966
Other income	10,738	21,846,375
Total income	811,508,613	2,410,627,341
Expenses		
Employee benefits expense	592,145,314	1,658,089,435
Finance costs	-	74,485
Depreciation and amortization expense	9,054,130	13,310,719
Other expenses	398,224,057	814,744,341
Total expenses	999,423,501	2,486,218,980
Profit/ (Loss) before tax	(187,914,888)	(75,591,639)
Tax expense:		
Current tax	-	15,286,836
Deferred tax	-	(12,502,227)
Profit/(Loss) for the year	(187,914,888)	(78,376,248)
Other comprehensive income	24,882,953	(113,264,755)
Total comprehensive loss for the year	(163,031,935)	(191,641,003)
Earnings per equity share		
Equity shares of par value ₹ 0.001/- each		
Basic	(396)	(71)
Diluted	(396)	(71)
Weighted average number of equity shares used in computing earnings per share		
Basic	473,949	1,109,916
Diluted	473,949	1,109,916

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 Number: 008072S



V. Balaji
Partner
Membership Number: 203685



For **Bluefin Solutions Limited**



Erwan Carpentier
Director

Guita Blake
Director

Place: Bengaluru
Date : April 18, 2018

Place: Bengaluru
Date : April 18, 2018

Bluefin Solutions Limited
Consolidated statement of cash flow

	(Amount in Rs)	
	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
Cash flow from operating activities		
Profit/(Loss) for the year	(187,914,888)	(75,591,639)
<i>Adjustments for :</i>		
Depreciation and amortization expense	9,054,130	13,310,719
Allowance for doubtful debt	4,134,087	3,737,159
Finance costs	-	74,485
Interest income on financial assets at amortised cost	(10,738)	(309,790)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	-	2,214,885
<i>Changes in operating assets and liabilities</i>		
Trade receivables	105,698,035	(145,944,302)
Other assets	(95,003,193)	78,110,978
Trade payables	(76,553,396)	(77,726,676)
Other liabilities	60,787,298	45,908,867
Net cash provided by operating activities before taxes	(179,808,665)	(156,215,314)
Income taxes (paid) / refund received	3,791,359	(14,805,271)
Net cash (used in)/ provided by operating activities	(176,017,306)	(171,020,585)
Cash flow from investing activities		
Purchase of property, plant and equipment	(6,271,862)	(8,262,687)
Interest income on financial assets at amortised cost and Dividend received	10,738	309,790
Net cash (used in)/ provided by investing activities	(6,261,124)	(7,952,897)
Cash flow from financing activities		
Issue of share capital (net of issue expenses paid)	123,830,546	83,462,497
Finance costs paid	-	(74,485)
Repayment of capital in accordance with the scheme of merger (Refer note 1)	(43,830,324)	-
Net cash (used in)/ provided by financing activities	80,000,222	83,388,012
Effect of exchange differences on translation of foreign currency cash and cash equivalents	-	(9,576,289)
Net decrease in cash and cash equivalents	(102,278,208)	(105,161,759)
Cash and cash equivalents at the beginning of the period	102,278,208	207,439,967
Cash and cash equivalents at the end of the period (Refer note 7.2)	-	102,278,208

See accompanying notes to the consolidated financials statements

As per our report of even date attached
For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration Number: 008072S

V. Balaji
Partner
Membership Number: 203685



Place: Bengaluru
Date : April 18, 2018

For Bluefin Solutions Limited

Erwan Carpentier
Erwan Carpentier
Director

Guita Blake
Guita Blake
Director

Place: Bengaluru
Date : April 18, 2018

Bluefin Solutions Limited
Consolidated statement of changes in equity for the year ended March 31, 2018

	(Amount in Rs)
(a) Equity share capital	110,412
Balance as at April 1, 2016	2,167
Add: Shares issued	112,579
Balance as at March 31, 2017	112,579
Balance as at April 1, 2017	3,220
Add: Shares issued	(115,799)
Add: Capital Reduction consequent to the Scheme (Refer Note 1)	-
Balance as at March 31, 2018	-

Particulars	Reserves and surplus			Items of Other Comprehensive Income (FCTR)	Total other equity
	Securities premium reserve	General reserve	Retained earnings		
Balance as at April 1, 2016	118,004,677	19,052,641	603,057,176	(38,113,320)	702,001,174
Loss for the period	-	-	(78,376,248)	-	(78,376,248)
Transfers	-	60,690,430	(60,690,430)	-	-
Other comprehensive income (net of taxes)	-	-	-	(113,264,755)	(113,264,755)
Issue of equity shares	83,460,330	-	-	-	83,460,330
Balance as at March 31, 2017	201,465,007	79,743,071	463,990,498	(151,378,075)	593,820,501
Balance as at April 1, 2017	201,465,007	79,743,071	463,990,498	(151,378,075)	593,820,501
Loss for the period	-	-	(187,914,888)	-	(187,914,888)
Issue of equity shares	123,827,326	-	-	-	123,827,326
Other comprehensive income (net of taxes)	-	-	-	24,882,953	24,882,953
Transfer of business against extinguishment of share capital (refer note 1)	(325,288,666)	(79,743,071)	(276,075,610)	126,495,122	(554,612,225)
Balance as at March 31, 2018	3,667	-	-	-	3,667

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 Number: 008072S

V. Balaji

V. Balaji
Partner
 Membership Number: 203668

Place: Bengaluru
 Date : April 18, 2018



For Bluefin Solutions Limited

Erwan Carpentier

Erwan Carpentier
 Director

Place: Bengaluru
 Date : April 18, 2018

Guita Blaise

Guita Blaise
 Director

Bluefin Solutions Limited

Significant accounting policies and notes to the accounts

For the year ended March 31, 2018

All amounts in Indian Rupees, except share and per share data, unless otherwise stated

1. Company overview

Bluefin Solutions Limited (the "Company"), a UK based Company, was founded in 2002. Mindtree Limited acquired the 100% holding of this entity from the promoters of the Company. The Company offers SAP implementation and integration services, and business advisory services in areas of business growth strategy, operational excellence, business change management and information technology excellence. The Company has offices in the United Kingdom, Malaysia, Singapore, and the United States. The Company has four wholly owned subsidiaries - Bluefin Solutions Inc., Bluefin Solutions Sdn Bhd., Blouvin (Pty) Limited and Bluefin Solutions Pte. Ltd (the Company and its subsidiaries together called "the Group").

During the year, the Reserve Bank of India approved the proposal to transfer the business and net assets ("the Scheme") of the Group to Mindtree Limited ('the Parent') against cancellation and extinguishment of Mindtree Limited's investment in the Company except for 1 share. Also, consequent to the Scheme, Bluefin Solutions Sdn Bhd became a direct subsidiary of Mindtree Limited.

2. Significant accounting policies

2.1 Basis of preparation and presentation

(a) Statement of compliance

These consolidated financial statements of the Company 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, solely for the purpose of inclusion in the standalone financial statements of Mindtree Limited consequent to the approval of the Scheme as referred to in the "Company Overview" section. These consolidated financial statements have been prepared by applying uniform accounting policies in use at Mindtree Limited, the Parent.

(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. Defined benefit and other long-term employee benefits

(c) Use of estimates and judgement

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. 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 major tax jurisdiction is UK, 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.

iii) *Other estimates:* The preparation of consolidated financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of consolidated 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.



Bluefin Solutions Limited
Significant accounting policies and notes to the accounts
For the year ended March 31, 2018

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 functional currency of the Group was changed from Pound Sterling (GBP) to Indian Rupee (INR) with effect from Sep 1, 2017 (Refer note 1). The Indian Rupee (INR) equivalent items in the consolidated statement of profit and loss are translated at the rates prevailing on the dates of the respective transactions and the assets and liabilities are translated at the exchange rates prevailing as at balance sheet date. The resultant exchange gain or loss is taken to foreign currency translation reserve.

(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) 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 at amortised cost and non derivative financial liabilities at amortised cost.

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 bank overdrafts that are repayable on demand, book overdraft and are considered part of the Group's cash management system.

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.

(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.



Bluefin Solutions Limited
Significant accounting policies and notes to the accounts
For the year ended March 31, 2018

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
Computers	2 - 3 years
Furniture and fixtures	5 years
Office equipment	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
Computer software	2-3 years

(vi) 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.

(vii) 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.



Bluefin Solutions Limited
Significant accounting policies and notes to the accounts
For the year ended March 31, 2018

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 historical 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 consolidated statement of profit and loss under other expenses. 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 recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through 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").

(viii) Employee benefits

The Group pays contributions to defined contribution personal pension schemes of employees. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

(ix) 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.

(x) 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.



Bluefin Solutions Limited
Significant accounting policies and notes to the accounts
For the year ended March 31, 2018

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 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.

(xi) 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.

(xii) Finance income and expense

Finance income consists of interest income and dividend income. 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 rate method.

Foreign currency gains and losses are reported on a net basis.



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(xiii) Income tax

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

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

(xiv) Earnings per share

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.

(xv) 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 favourable interest is recognized at government rate. 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, The Effects of Changes in Foreign Exchange Rates: 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.



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3 Property, plant and equipment

Particulars	Office equipment	Computers	Furniture and fixtures	Total
Gross carrying value				
At April 1, 2016	13,896,970	102,782,480	19,249,919	135,929,369
Additions	71,920	8,003,285	-	8,075,205
Translation adjustment	(2,116,888)	(14,505,480)	(2,802,267)	(19,424,635)
Disposals / adjustments	-	-	-	-
At March 31, 2017	11,852,002	96,280,285	16,447,652	124,579,939
At April 1, 2017	11,852,002	96,280,285	16,447,652	124,579,939
Additions	-	6,271,862	-	6,271,862
Translation adjustment	415,768	3,231,226	526,803	4,173,797
Transfer of assets (Refer Note 1)	(12,267,770)	(105,783,373)	(16,974,455)	(135,025,598)
At March 31, 2018	-	-	-	-
Accumulated depreciation				
At April 1, 2016	13,756,252	80,145,056	18,685,118	112,586,426
Depreciation expense	66,964	11,942,957	220,501	12,230,422
Translation adjustment	(2,099,983)	(13,248,382)	(2,760,750)	(18,109,115)
Disposals / adjustments	-	-	-	-
At March 31, 2017	11,723,233	78,839,631	16,144,869	106,707,733
At April 1, 2017	11,723,233	78,839,631	16,144,869	106,707,733
Depreciation expense	23,815	7,812,914	284,228	8,120,957
Translation adjustment	412,028	2,770,767	519,063	3,701,858
Transfer of assets (Refer Note 1)	(12,159,076)	(89,423,312)	(16,948,160)	(118,530,548)
At March 31, 2018	-	-	-	-
Net carrying value as at March 31, 2018	-	-	-	-
Net carrying value as at March 31, 2017	128,769	17,440,654	302,783	17,872,206



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4 Intangible assets

Particulars	Computer software
Gross carrying value	
At April 1, 2016	6,740,387
Additions	187,483
Translation adjustment	(1,028,646)
Disposals / adjustments	-
At March 31, 2017	5,899,224
At April 1, 2017	5,899,224
Additions	-
Translation adjustment	208,362
Transfer of assets (Refer Note 1)	(6,107,586)
At March 31, 2018	-
Accumulated depreciation	
At April 1, 2016	4,487,862
Amortisation expense	1,080,297
Translation adjustment	(677,753)
Disposals / adjustments	-
At March 31, 2017	4,890,406
At April 1, 2017	4,890,406
Amortisation expense	933,173
Translation adjustment	174,511
Transfer of assets (Refer Note 1)	(5,998,090)
At March 31, 2018	-
Net carrying value as at March 31, 2018	-
Net carrying value as at March 31, 2017	1,008,818



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Non-current assets		
5 Financial assets		
5.1 Loans		
Particulars	As at March 31, 2018	As at March 31, 2017
<i>(Unsecured, considered good)</i>		
Security deposits	-	2,349,114
Total	-	2,349,114
6 Other non-current assets		
Particulars	As at March 31, 2018	As at March 31, 2017
Advance income-tax	-	25,692,116
Total	-	25,692,116
Current assets		
7 Financial assets		
7.1 Trade receivables		
Particulars	As at March 31, 2018	As at March 31, 2017
<i>(Unsecured)</i>		
Considered good	-	555,911,711
Considered doubtful	-	4,988,196
Less: Allowance for doubtful debts	-	(4,988,196)
Total	-	555,911,711
Movement in the expected credit loss allowance		
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	4,988,196	1,251,037
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	4,134,087	3,737,159
Transfer consequent to the Scheme (Refer Note 1)	(9,122,283)	-
Provision at the end of the year	-	4,988,196
7.2 Cash and cash equivalents		
Particulars	As at March 31, 2018	As at March 31, 2017
Cash on hand	-	46,663
Balances with banks in current accounts and deposit accounts	-	102,231,545
Cash and cash equivalents	-	102,278,208
7.3 Other financial assets		
Particulars	As at March 31, 2018	As at March 31, 2017
Advances to employees	-	192,783
Unbilled revenue	-	157,651,368
	-	157,844,151
8 Other current assets		
Particulars	As at March 31, 2018	As at March 31, 2017
Prepaid expenses	-	34,645,552
Others	3,667	47,533,133
Total	3,667	82,178,685



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9 Deferred tax

Deferred tax assets/(liabilities) as at March 31, 2018 in relation to:

Particulars	April 1, 2017	Transferred consequent to the Scheme (Refer Note 1)	March 31, 2018
Property, plant and equipment	(568,616)	568,616	-
Provision for doubtful debts	884,336	(884,336)	-
Others	15,833,885	(15,833,885)	-
Total	16,149,605	(16,149,605)	-

Deferred tax assets/(liabilities) as at March 31, 2017 in relation to:

Particulars	April 1, 2016	Recognised in profit and loss	March 31, 2017
Property, plant and equipment	(392,790)	(175,826)	(568,616)
Provision for doubtful debts	250,207	634,129	884,336
Others	3,789,961	12,043,924	15,833,885
Total	3,647,378	12,502,227	16,149,605



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10 Equity share capital

a) Particulars	As at March 31, 2018	As at March 31, 2017
Issued, subscribed and paid-up capital (₹ 0.001 each fully paid)	-	112,579
Total	-	112,579

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	
	No of shares	Rs	No of shares	Rs
Number of shares outstanding at the beginning of the year	1,129,904	112,579	1,104,124	110,412
Add: additional issue of capital	38,670	3,220	25,780	2,167
Less: Capital reduction consequent to the Scheme (Refer Note 1)	(1,168,573)	(115,799)	-	-
Number of shares outstanding at the end of the year	1	-	1,129,904	112,579

c) The Group has only one class of shares referred to as equity shares having a par value of ₹ 0.001 each.

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	%
Mindtree Limited (Holding Company)	1	100%	1,129,904	100%

11 Other equity

a) Securities premium reserve	As at March 31, 2018	As at March 31, 2017
Amounts received on (issue of shares) in excess of the par value has been classified as securities premium.	3,667	201,465,007
b) General reserve	-	79,743,071
This represents appropriation of profit by the Group.		
c) Retained earnings	-	463,990,498
Retained earnings comprises of prior years' undistributed earnings after taxes.		
d) Foreign currency translation reserve	-	(151,378,075)
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.		
Total	3,667	593,820,501

Non- current liabilities

12 Financial liabilities

12.1 Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Employee benefits payable	-	6,166,892
Total	-	6,166,892



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13 Other current liabilities

Particulars	As at	As at
	March 31, 2018	March 31, 2017
Unearned income	-	18,222,018
Statutory dues	-	82,999,049
Total	-	101,221,067

14 Provisions

Particulars	As at	As at
	March 31, 2018	March 31, 2017
Provision for discount	-	742,542
Total	-	742,542

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	For the year ended
	March 31, 2018	March 31, 2017
Balance at the beginning of the year	742,542	4,082,471
Provisions made during the year	3,179,705	-
Released during the year	-	(3,339,929)
Transfer consequent to the Scheme (Refer Note 1)	(3,922,247)	-
Provision at the end of the year	-	742,542



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15 Other income			
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
Interest income on financial asset at amortised cost	10,738	309,790	
Foreign exchange gain/ (loss)	-	21,536,585	
Total	10,738	21,846,375	
16 Employee benefits expense			
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
Salaries and wages	510,441,033	1,435,047,528	
Contribution to provident and other funds	80,164,270	220,317,874	
Staff welfare expenses	1,540,011	2,724,033	
Total	592,145,314	1,658,089,435	
17 Finance costs			
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
Interest expense on financial instruments designated at			
- Amortised cost	-	74,485	
Total	-	74,485	
18 Depreciation and amortization expense			
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
Depreciation of property, plant and equipment (Refer note 3)	8,120,957	12,230,422	
Amortization of other intangible assets (Refer note 4)	933,173	1,080,297	
Total	9,054,130	13,310,719	
19 Other expenses			
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
Travel expenses	66,451,976	131,245,167	
Communication expenses	7,381,178	12,229,146	
Sub-contractor charges	211,491,901	414,330,167	
Computer consumables	8,950,334	39,985,580	
Legal and professional charges	13,688,889	27,767,592	
Lease rentals	11,522,861	31,232,822	
Repairs and maintenance - Buildings	1,348,972	6,019,924	
Insurance	2,243,272	8,101,470	
Rates and taxes	2,606,316	24,516	
Other expenses	58,106,336	143,807,957	
Foreign exchange loss /(gain)	14,432,022	-	
Total	398,224,057	814,744,341	



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20 Other Comprehensive Income (OCI)

Components of changes to OCI by each type of reserve in equity is shown below-

During the year March 31, 2018				
Particulars	Equity instruments through Other Comprehensive Income	FCTR	Other items of Comprehensive Income	Total
A (i) Items that will be reclassified to profit or loss				
Foreign exchange translation differences	-	24,882,953	-	24,882,953
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total	-	24,882,953	-	24,882,953

During the year March 31, 2017

Particulars	Equity instruments through Other Comprehensive Income	FCTR	Other items of Comprehensive Income	Total
A (i) Items that will be reclassified to profit or loss				
Foreign exchange translation differences	-	(113,264,755)	-	(113,264,755)
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total	-	(113,264,755)	-	(113,264,755)

21 Government grants

Bluefin has claimed R&D tax relief under UK corporation tax rules. Bluefin undertakes R&D activities and incurs qualifying revenue expenditure which is entitled to an additional deduction under UK corporation tax rules, details of which are given below:

Nature of expenses	For the year ended March 31, 2018	For the year ended March 31, 2017
Grant towards R & D credit	-	48,124,706
Total	-	48,124,706

The grant recognized in the balance sheet is Rs Nil as at March 31, 2018 (As at March 31, 2017: Rs 33,229,837).

22 Operating lease

The Group has lease rental expense under such non-cancellable operating lease. The lease rental expenses during the year ended March 31, 2018 amounted to Rs 9,575,888 (for the year ended March 31, 2017 amounted to Rs 24,213,267.)

Particulars	As at	
	March 31, 2018	March 31, 2017
Payable – Not later than one year	-	17,410,708
Payable – Later than one year and not later than five years	-	34,895,271
Payable – Later than five years	-	-

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 is Rs 1,946,973 (for the period ended March 31, 2017: Rs 7,019,555).



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23 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	-	2,349,114	-	2,349,114
Trade receivable	-	555,911,711	-	555,911,711
Cash and cash equivalents	-	102,278,208	-	102,278,208
Other assets	-	157,844,151	-	157,844,151
Total assets	-	818,383,184	-	818,383,184
Financial liabilities				
Amortised cost				
Trade payables	-	259,221,033	-	259,221,033
Other liabilities	-	6,166,892	-	6,166,892
Total liabilities	-	265,387,925	-	265,387,925

The management assessed that fair value of cash and short-term deposits, trade receivables, other current assets, trade payables 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) Fair values of the Group's interest-bearing borrowings and loans are determined by using 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.



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24 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The 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 in 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	For the year ended March 31, 2017
Revenue from top customer	211,504,300	468,382,285
Revenue from top 5 customers	519,766,129	1,198,998,856

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	-	102,278,208
Total	-	102,278,208

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2018, March 31, 2017:

Particulars	As at March 31, 2018		
	Less than 1 year	1-2 years	2 years and above
Trade payables	-	-	-
Other financial liabilities	-	-	-

Particulars	As at March 31, 2017		
	Less than 1 year	1-2 years	2 years and above
Trade payables	259,221,033	-	-
Other financial liabilities	6,166,892	-	-

Foreign currency risk

The Group's exchange risk arises from its foreign operations, foreign currency revenues and expenses (primarily in U.S. dollars and euros). A significant portion of the Group's revenues are in these foreign currencies, while a significant portion of its costs are in British pound sterling. As a result, if the value of the British pound sterling appreciates relative to these foreign currencies, the Group's revenues measured in British pound sterling may decrease. The exchange rate between the British pound sterling 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.



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The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2018, March 31, 2017

As at March 31, 2018

Particulars	US \$	Pound Sterling	Other currencies*	Total
Assets				
Trade receivables	-	-	-	-
Unbilled revenue	-	-	-	-
Cash and cash equivalents	-	-	-	-
Other assets	-	-	-	-
Liabilities				
Trade payables	-	-	-	-
Other liabilities	-	-	-	-
Net assets/liabilities	-	-	-	-

* Others include currencies such as Singapore \$, Malaysian Ringgit etc.

As at March 31, 2017

Particulars	US \$	Pound Sterling	Other currencies*	Total
Assets				
Trade receivables	86,825,668	447,870,257	21,215,786	555,911,711
Unbilled revenue	40,272,096	105,949,504	11,429,768	157,651,368
Cash and cash equivalents	54,666,590	41,423,596	6,188,022	102,278,208
Other assets	-	192,783	2,349,114	2,541,897
Liabilities				
Trade payables	41,323,141	197,663,357	20,234,535	259,221,033
Other liabilities	579,348	5,587,544	-	6,166,892
Net assets/liabilities	139,861,865	392,185,239	20,948,155	552,995,259

* Others include currencies such as Singapore \$, Malaysian Ringgit etc.

Interest rate risk

Interest rate risk is the risk that the fair value or 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. The Group's financial instruments are primarily short-term, which do not expose it to significant interest rate risk.

25 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	As at
	March 31, 2018	March 31, 2017
Total equity attributable to the equity share holders of the Group	3,667	593,933,080
As percentage of total capital	100%	100%
Total capital (loans and borrowings and equity)	3,667	593,933,080

The Group is 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.



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26 Related party transaction

Name of related party	Nature of relationship
Mindtree Limited	Holding Company
Mindtree Software (Shanghai) Co., Ltd.	Fellow subsidiary
Magnet 360, LLC	Fellow subsidiary with effect from January 19, 2016
Bluefin Solutions Sdn BHD*	Fellow subsidiary

*Direct subsidiary of Mindtree limited with effect from September 1, 2017

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 Limited	Software services rendered	1,707,308	50,159,940
	Software services received	12,725,458	15,274,775

Balances payable to related parties are as follows:

Name of related party	Nature of balance	As at March 31, 2018	As at March 31, 2017
Mindtree Limited	Trade Payables	-	6,727,947

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
Mindtree Limited	Trade receivables	-	11,469,865
	Other Current Assets	3,667	-

The amount outstanding are unsecured and will be settled in cash. No guarantee has been given or received.



Bluefin Solutions Limited
Significant accounting policies and notes to the accounts
For the year ended March 31, 2018
All amounts in Indian Rupees, except share and per share data, unless otherwise stated

27 Segment information

The Company is engaged in providing services in various industry sectors, including automotive, consumer products, energy and natural resources, financial services, manufacturing, media, pharmaceutical, public-sector, retail, services and logistics and is considered to constitute a single segment in the context of operating segment reporting as prescribed by Indian Accounting Standard 108 - "Segment Reporting".

The secondary segment is identified to geographical locations. Details of secondary segment by geographical locations are given below:

Geographical information

Revenues	For the year ended March 31, 2018	For the year ended March 31, 2017
America	90,633,876	335,442,967
Europe	655,217,420	1,968,557,078
Rest of world	65,646,579	84,780,921
Total	811,497,875	2,388,780,966

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.

As per our report of even date attached
For Deloitte Haskins & Sells
Chartered Accountants
 Firm's Registration Number: 008072S

V. Balaji

V. Balaji
Partner
 Membership Number: 203685



Place: Bengaluru
 Date :April 18, 2018

For Bluefin Solutions Limited

Erwan Carpentier

Erwan Carpentier
 Director

Guita Blake

Guita Blake
 Director

Place: Bengaluru
 Date :April 18, 2018