Mastek

Trust. Value. Velocity

Lead with AI

Annual Report 2024-25

Corporate information

BOARD OF DIRECTORS

Ashank Desai (Principal Founder)
Chairman (Non-Executive and Non-Independent Director)

Ketan Mehta (Founder)
Non-Executive and Non-Independent Director

Rajeev Kumar Grover
Non-Executive and Independent Director

Suresh Vaswani
Non-Executive and Independent Director

Marilyn Jones
Non-Executive and Independent Director

Umang Nahata
Whole-Time Director & Chief Executive Officer
(w.e.f. August 10, 2024)
New Shareholders' Nominee Director

AUDIT COMMITTEE

Rajeev Kumar Grover
Chairman

Ashank Desai
Suresh Vaswani
Marilyn Jones

NOMINATION AND REMUNERATION COMMITTEE

Suresh Vaswani
Chairman

Ketan Mehta

Rajeev Kumar Grover

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Ketan Mehta
Chairman

Suresh Vaswani

Umang Nahata

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Rajeev Kumar Grover

Chairman

Ashank Desai

Umang Nahata

RISK MANAGEMENT & GOVERNANCE COMMITTEE

Ashank Desai
Chairman

Rajeev Kumar Grover

Marilyn Jones

Umang Nahata

COMPANY SECRETARY & COMPLIANCE OFFICER

Dinesh Kalani

Senior Vice President - Group Company Secretary & Compliance Officer

STATUTORY AUDITORS

Walker Chandiok & Co. LLP, Chartered Accountants

SECRETARIAL AUDITORS

P. Mehta & Associates, Company Secretaries

BANKERS

CITI Bank N.A.
ICICI Bank Limited
Standard Chartered Bank
HDFC Bank Limited

REGISTERED OFFICE

804/805, President House, Opp. C N Vidyalaya, Near Ambawadi Circle, Ahmedabad - 380 006, Gujarat, India

CORPORATE OFFICE

#106, SDF IV, Seepz, Andheri (East), Mumbai - 400 096, Maharashtra, India

CORPORATE IDENTIFICATION NUMBER (CIN)

L74140GJ1982PLC005215

INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

INE759A01021

REGISTRAR AND SHARE TRANSFER AGENTS

KFin Technologies Limited

Selenium Building, Tower-B,
Plot No 31 & 32, Financial District, Nanakramguda,
Serilingampally, Rangareddy, Hyderabad - 500 032,
Telangana, India

Contents

Forward-Looking Statement

This report may include forward-looking statements relating to the Company's future plans, expectations, and intentions. These statements are based on information and projections that the Company considers reasonable and made in good faith at the time of reporting. They can often be identified by words such as 'believe,' 'plan,' 'anticipate,' 'estimate,' 'expect,' 'may,' 'will,' and similar expressions.

While these forward-looking statements reflect the Company's perspective as of today, actual outcomes may differ materially due to various risks, uncertainties, and external factors. The Company remains committed to monitoring these factors and adapting its future strategies as circumstances evolve.

Reporting Suite

Our reporting suite includes a comprehensive Sustainability Report detailing our ESG commitments, performance, and long-term impact.

https://www.mastek.com/wp-content/uploads/2025/07/Mastek-Limited-SR-2024-25.pdf

To read this report online or to download please visit us at https://www.mastek.com

Independent Auditor's Report

To the Members of Mastek Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Mastek Limited ('the Company'), which comprise the standalone balance sheet as at 31 March 2025, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows and the standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. 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 Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income (loss)), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Restatement pursuant to the scheme of amalgamation

4. We draw attention to note 39(d) to the standalone financial statements, which describes that pursuant to the scheme of amalgamation ('the Scheme') between the Company and Meta Soft Tech Systems Private Limited (wholly owned subsidiary of the Company) (hereinafter referred to as 'Transferor Company'), as approved by the Hon'ble National Company Law Tribunal vide its order dated 17 May 2024, the business of the Transferor Company has been transferred and merged with the Company with 1 August 2022 as the appointed date and accounted for in accordance with the requirements of the approved Scheme and Appendix C to Ind AS 103, Business Combinations, applicable to common control business combination. Accordingly, the comparative financial statements presented in the accompanying standalone financial statements have been restated from the beginning of the earliest period presented, being 1 April 2023. Our opinion is not modified in respect of this matter.

Key Audit Matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. This matter was addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

6. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue from contract with customers Refer notes 2(d)(xii) and 19 to the accompanying standalone financial statements. Revenue is recognised basis the terms of each contract with customers wherein certain commercial arrangements involve complexity and significant judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation and the appropriateness of basis used to measure revenue recognised over the time period in selecting the accounting basis in each case.	Our audit procedures relating to revenue recognition included, but were not limited to the following: ▪ Evaluated the design and tested operating effectiveness of internal financial controls relating to the revenue recognition of the Company; ▪ Selected samples from all streams of contracts and performed detailed analysis on recognition of revenue as per the requirement of Ind AS 115, "Revenue from Contracts with Customers" which involved testing of inputs to examine the revenue recognised including estimates used; ▪ Compared the efforts or costs incurred with management's estimate of efforts or costs to identify variations, if any;

Key audit matter	How our audit addressed the key audit matter
The revenue of the Company also includes fixed price contracts where revenue is recognised in accordance with the percentage of completion method determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. Revenue from maintenance contracts is recognised over the period of time. We identified revenue of the Company as a key audit matter in the audit of standalone financial statements of current year as it involves inherent subjectivity relating to consideration of progress of the contract, efforts input till date and efforts required to complete the remaining contract performance obligations, and ability to deliver contracts within planned timelines. Changes in estimates as contract progresses can result in material adjustments to revenue recorded by the Company.	▪ Reviewed management's internal budgeting approvals process, on a sample basis, for cost to be incurred on a project and for any changes in initial budgeted costs; and ▪ Evaluated appropriateness and adequacy of disclosures made in the standalone financial statements with respect to revenue in accordance with the requirements of applicable financial reporting framework.

Information other than the Standalone Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. The Board of Directors of the Company is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of Company's Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the 'Annexure – I' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure - I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) Except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)}, 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 standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;

f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in 'Annexure – II' wherein we have expressed an unmodified opinion; and

h) 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 as at 31 March 2025;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 42(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 42(ii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year ended 31 March 2025 is in compliance with section 123 of the Act.

The final dividend paid by the Company during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 10 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As stated in note 55 to the standalone financial statements and based on our examination which included test checks, except for instances mentioned below, the Company in respect of financial year commencing on or after 01 April 2024, has used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below. Furthermore, except for instances mentioned below the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software SAP ECC6 to log any direct data changes, used for maintenance of all accounting records by the Company.
Instances of accounting software maintained by a third party where we are unable to comment on the audit trail feature at database level.	The accounting software used for maintenance of vendor invoice booking, purchase requisition and goods receipt note records is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organization), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Adi P Sethna
Partner
Membership No.: 108840
UDIN: 25108840BMNTVR4897

Place: Mumbai
Date: 18 April 2025

Annexure – I

Referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of Mastek Limited on the standalone financial statements for the year ended 31 March 2025

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment ('PPE') and relevant details of right-of-use assets ('ROU assets').

(B) The Company has maintained proper records showing full particulars of intangible assets.

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

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 3(b) to the standalone financial statements, are held in the name of the Company. For title deeds of immovable properties in the nature of building situated at Chennai and Mahape, Navi Mumbai with net carrying value of ₹ 720 lakhs and ₹ 307 lakhs, respectively, as at 31 March 2025, which have been mortgaged as security for loans or borrowings taken by the subsidiaries of the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(d) The Company has not revalued its PPE (including ROU assets) or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 13(i) to the standalone financial statements, the Company has a working capital limit in excess of ₹ 5 crores, sanctioned by banks on the basis of security of current assets. Pursuant to the terms of the sanction letters, till the time such limit remains unutilized / undrawn, the Company is not required to file any quarterly return or statement with such banks.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans to firms and limited liability partnerships (LLPs) during the year. The Company has not provided security or granted any loans or advances in the nature of loans to company during the year. The Company has made investments in Mutual Fund Securities during the year. Further, the Company has provided guarantee to foreign companies (its wholly owned subsidiaries) during the year, details in respect of which are given below:

(a) The Company has provided guarantee to subsidiaries during the year as per details given below:

Particulars	Guarantees (₹ in lakhs)
Aggregate amount provided/ granted during the year:	
- Mastek Inc.	22,461
- Mastek (UK) Limited	27,867
Balance outstanding as at balance sheet date in respect of above (including amounts provided in earlier years):	
- Mastek Inc. (amount of loan outstanding ₹ 54,944)	70,534
- Mastek (UK) Limited (amount of loan outstanding ₹ Nil)	29,336

Company has not given any securities during the year. Balance outstanding as at balance sheet date in respect of securities given in earlier years amounts to ₹ 1,027 lakhs for Mastek Inc. and Mastek (UK) Limited as disclosed under note 3(b) to the standalone financial statements.

(b) In our opinion, and according to the information and explanations given to us, the investment made and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

(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 investment made and guarantees and securities provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of Dues	Sum of Gross amount (₹ in lakhs)	Sum of Amount paid under protest (₹ in lakhs)	Period for which the amount relates to	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	9,510	9,510	1999-00 2000-01 2001-02 2002-03 2003-04 2004-05 2005-06 2006-07 2007-08 2008-09 2009-10 2010-11 2011-12	High Court
Income Tax Act, 1961	Income Tax	1,104	1,028	2013-14 2014-15 2017-18 2018-19 2020-21	CIT(A)

Name of the Statute	Nature of Dues	Sum of Gross amount (₹ in lakhs)	Sum of Amount paid under protest (₹ in lakhs)	Period for which the amount relates to	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002 (MVAT Act) & Central Sales Tax Act, 1956	MVAT & Sales Tax (tax along with interest and penalty)	237	39	2006-07 2009-10	High Court.
Maharashtra Value Added Tax Act, 2002 (MVAT Act) & Central Sales Tax Act, 1956	MVAT & Sales Tax (tax along with interest and penalty)	331	39	2012-13	Joint Commissioner of Sales Tax (Appeals), Mumbai (Appeal filed, Stay Order Obtained)
Maharashtra Value Added Tax Act, 2002 (MVAT Act) & Central Sales Tax Act, 1956	MVAT & Sales Tax (tax along with interest and penalty)	348	17	2013-14	Joint Commissioner
Navi Mumbai Municipal Corporation Local Body Tax Department	Assessment (tax along with interest and penalty)	35	10	2013-14 LBT	Deputy Commissioner NMMC.
Maharashtra MVAT Act, 2002 & Central Sales Tax Act, 1956	MVAT & Sales Tax (tax along with interest and penalty)	28	1	2015-16	Deputy Commissioner of Sales Tax, Mumbai (Appeal filed, Stay Order Obtained)

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of account.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loan during the year and there has been no utilisation during the current year of the term loan obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us, the Company has received whistle blower complaint during the year, which has been considered by us while determining the nature, timing, and extent of audit procedures.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, "Related Party Disclosures" specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the internal auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management of the Company and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm’s Registration No.: 001076N/N500013

Adi P Sethna
Partner
Membership No.: 108840
UDIN: 25108840BMNTVR4897

Place: Mumbai
Date: 18 April 2025

Annexure – II

To the Independent Auditor's Report of even date to the members of Mastek Limited on the standalone financial statements for the year ended 31 March 2025

Independent Auditor's Report on the internal financial controls with reference to standalone financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the standalone financial statements of Mastek Limited (the 'Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements 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 ('IFC Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibilities for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the IFC Guidance Note issued by the ICAI. Those Standards and the IFC 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 with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the IFC Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Adi P Sethna
Partner
Membership No.: 108840
UDIN: 25108840BMNTVR4897

Place: Mumbai
Date: 18 April 2025

Standalone Balance Sheet

As at March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)(i)	2,959	3,476
Right-of-use assets	3(b)	336	412
Capital work-in-progress	3(c)	174	91
Intangible assets under development	3(d)	17	-
Investment properties	3(e)	-	-
Goodwill	39	2,410	2,410
Other Intangible assets	3(a)(ii)	382	348
Financial assets			
Investment in subsidiaries	3(f)	76,240	76,240
Other financial assets	4(a)	1,419	1,220
Deferred tax assets (net)	27(e)	1,864	1,481
Income tax assets (net)		1,518	2,022
Other non-current assets	5	108	122
Total non-current assets		**87,427**	**87,822**
Current assets			
Financial assets			
Investments	6(a)	3,642	1,877
Trade receivables	6(b)	8,870	6,302
Cash and cash equivalents	6(c)(i)	704	1,196
Bank balances other than cash and cash equivalents	6(c)(ii)	105	1,517
Other financial assets	6(d)	793	1,133
Contract asset	7	54	-
Other current assets	8	3,724	2,236
Total current assets		**17,892**	**14,261**
Total assets		**1,05,319**	**1,02,083**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9	1,547	1,542
Other equity	10	89,714	83,402
Total equity		**91,261**	**84,944**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11(a)	218	4,257
Lease liabilities	11(b)	360	429
Other financial liabilities	11(c)	900	841
Provisions	12	2,715	1,940
Total non-current liabilities		**4,193**	**7,467**
Current liabilities			
Financial liabilities			
Borrowings	13	96	701
Lease liabilities	14	81	60
Trade payables	15		
total outstanding dues of micro enterprises and small enterprises; and		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		2,233	2,491
Other financial liabilities	16	4,508	4,134
Contract liabilities	19 (vi)	112	139
Other current liabilities	17	1,232	810
Provisions	18	1,603	1,337
Total current liabilities		**9,865**	**9,672**
Total liabilities		**14,058**	**17,139**
Total equity and liabilities		**1,05,319**	**1,02,083**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai, India
Date: April 18, 2025

For and on behalf of the Board of Directors of **Mastek Limited**

Umang Nahata
Whole-Time Director & CEO
DIN: 00323145
Place: Mumbai, India

Ashank Desai
Chairman
DIN: 00017767
Place: Mumbai, India

Dinesh Kalani
Sr. Vice President - Group Company Secretary & Compliance Officer
Place: Mumbai, India
Date: April 18, 2025

Standalone Statement of Profit and Loss

For the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
INCOME			
Revenue from operations	19	48,629	43,424
Other income	20	7,335	7,225
Total income (1)		**55,964**	**50,649**
EXPENSES			
Employee benefits expenses	21	33,530	29,810
Finance costs	22	394	109
Depreciation and amortisation expenses	23	1,374	1,350
Other expenses	24	6,730	6,674
Total expenses (2)		**42,028**	**37,943**
Profit before tax (3 = 1-2)		**13,936**	**12,706**
Tax expense / (credit)	27		
Current tax		1,975	1,767
Deferred tax		(118)	2,719
Current tax adjustments relating to earlier years		21	(3,801)
Total tax expense (net) (4)		**1,878**	**685**
Net profit for the year (5 = 3-4)		**12,058**	**12,021**
Other comprehensive income ('OCI')			
Items that will not be reclassified subsequently to profit or loss:			
Defined benefit plan actuarial loss		(100)	(124)
Income tax relating to above item	27	25	56
Items that will be reclassified subsequently to profit or loss:			
Effective portion of losses on hedging instruments in cash flow hedges (net)		(625)	(419)
Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss (net)		(328)	(540)
Income tax relating to above items	27	240	294
OCI for the year, net of taxes (6)		**(788)**	**(733)**
Total Comprehensive Income ('TCI') for the year, net of taxes (5+6)		**11,270**	**11,288**
Earnings per share (in ₹)	25		
(Equity shares of face value ₹ 5 each)			
Basic		39.06	39.23
Diluted		38.70	38.93

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of **Mastek Limited**

Adi P. Sethna
Partner
Membership No.: 108840

Umang Nahata
Whole-Time Director & CEO
DIN: 00323145
Place: Mumbai, India

Ashank Desai
Chairman
DIN: 00017767
Place: Mumbai, India

Dinesh Kalani
Sr. Vice President - Group Company Secretary & Compliance Officer

Place: Mumbai, India
Date: April 18, 2025

Place: Mumbai, India
Date: April 18, 2025

Standalone Statement Of Cash Flows

For the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Cash flows from operating activities		
Profit before taxes	13,936	12,706
Adjustments for:		
Interest income	(288)	(242)
Investment at FVTPL - net change in fair value	(42)	(74)
Guarantee commission	(696)	(499)
Employee stock compensation expenses	187	119
Finance costs	394	109
Depreciation and amortisation	1,374	1,350
Allowance for expected credit loss and bad debts written off	(16)	114
Net gain on foreign currency translation	205	(19)
Dividend from subsidiary	(5,885)	(5,612)
Profit on sale of property, plant and equipment, net	(19)	(51)
Profit on sale of current investments	(160)	(25)
Rental income	(7)	(7)
Operating profit before working capital changes	**8,983**	**7,869**
Changes in working capital		
Increase in trade receivables	(2,083)	(71)
Increase in advances and other assets	(1,694)	(133)
Increase in trade payables, other liabilities and provisions	1,168	1,658
Cash generated from operating activities before taxes	**6,374**	**9,323**
Income taxes paid, net of refunds	(1,332)	(1,165)
Net cash generated from operating activities (A)	**5,042**	**8,158**
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	120	95
Purchase of property, plant and equipment and intangible assets	(800)	(764)
Interest income received	206	38
Purchase consideration paid for acquisition of subsidiary, net of cash and cash equivalents (Refer note 39(a))	-	(7,770)
Purchase consideration paid for slump purchase (Refer note 39(c))	-	(1,050)
Dividend from subsidiary (Refer note 20)	5,885	5,612
Rental income	7	7
Guarantee commission received	159	193
Liquidation of / (Investment in) short term bank deposits	1,418	(1,417)
Purchase of short term investments	(22,182)	(18,423)
Proceeds from sale of short term investments	20,658	16,622
Taxes on proceeds from sale of short term investments	(40)	(11)
Net cash generated from / (used in) investing activities (B)	**5,431**	**(6,868)**

Standalone Statement Of Cash Flows

For the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Cash flows from financing activities		
Proceeds from issue of shares under the employee stock option schemes	32	55
Proceeds from long term borrowings	93	4,790
Repayment of long term borrowings	(4,707)	(103)
Movement in unclaimed dividend bank accounts	(6)	(14)
Dividends paid, including unclaimed dividend	(5,860)	(5,810)
Payment of principal portion of lease liabilities	(115)	(107)
Interest paid on finance lease	(49)	(58)
Other finance charges	(353)	(28)
Net cash used in financing activities (C)	**(10,965)**	**(1,275)**
Net (decrease) / increase in cash and cash equivalents during the year	(492)	15
Cash and cash equivalents at the beginning of the year	1,196	1,181
Cash and cash equivalents at the end of the year [Refer note 6(c)(i)]	**704**	**1,196**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of **Mastek Limited**

Adi P. Sethna
Partner
Membership No.: 108840

Umang Nahata
Whole-Time Director & CEO
DIN: 00323145
Place: Mumbai, India

Ashank Desai
Chairman
DIN: 00017767
Place: Mumbai, India

Dinesh Kalani
Sr. Vice President - Group Company Secretary & Compliance Officer
Place: Mumbai, India
Date: April 18, 2025

Place: Mumbai, India
Date: April 18, 2025

Standalone Statement of Changes in Equity

For the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Equity share capital (Refer note 9)

Particulars	Amount
Balance as at April 1, 2024	**1,542**
Add: Shares issued on exercise of stock options	5
Balance as at March 31, 2025	**1,547**
Balance as at April 1, 2023	**1,526**
Add: Shares issued on exercise of stock options and restricted shares	8
Add: Issue of share pursuant to acquisition of non controlling interest in Mastek Enterprise Solutions Private Limited (Refer note 39(a))	8
Balance as at March 31, 2024	**1,542**

Other equity

Particulars	Reserve and Surplus					OCI			Total other equity
	Capital redemption reserve	Securities premium	Share options outstanding account	General reserve	Retained earnings	Remeasurement of defined benefit plans	Effective portion of cash flow hedge	Fair value of changes in other financial instruments	
Balance as at April 1, 2024	1,539	43,947	1,564	58	35,686	346	262	-	83,402
TCI for the year ended March 31, 2025									
Profit for the year	-	-	-	-	12,058	-	-	-	12,058
OCI (net of taxes)	-	-	-	-	-	(75)	(713)	-	(788)
TCI for the year	**-**	**-**	**-**	**-**	**12,058**	**(75)**	**(713)**	**-**	**11,270**
Transactions with owners of the Company									
(i) Contributions and distributions									
Issue of equity share on exercise of employee share option	-	30	-	-	-	-	-	-	30
Equity settled share based payment	-	-	878	-	-	-	-	-	878
Transferred to securities premium on share options exercised	-	605	(605)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(5,866)	-	-	-	(5,866)
ESOP adjustments *	-	-	(37)	37	-	-	-	-	-
Total contributions and distributions	**-**	**635**	**236**	**37**	**(5,866)**	**-**	**-**	**-**	**(4,958)**
(ii) Changes in ownership interests									
Issue of share pursuant to acquisition of non controlling interest in Mastek Enterprise Solutions Private Limited (Refer note 39(a))	-	-	-	-	-	-	-	-	-
Total changes in ownership interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transactions with owners of the Company	**-**	**635**	**236**	**37**	**(5,866)**	**-**	**-**	**-**	**(4,958)**
Balance as at March 31, 2025	**1,539**	**44,582**	**1,800**	**95**	**41,878**	**271**	**(451)**	**-**	**89,714**

Standalone Statement of Changes in Equity

For the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	Reserve and Surplus					OCI			Total other equity
	Capital redemption reserve	Securities premium	Share options outstanding account	General reserve	Retained earnings	Remeasurement of defined benefit plans	Effective portion of cash flow hedge	Fair value of changes in other financial instruments	
Balance as at April 1, 2024	1,539	39,450	1,358	22	29,489	414	927	-	73,199
TCI for the year ended March 31, 2025									
Profit for the year	-	-	-	-	12,021	-	-	-	12,021
OCI (net of taxes)	-	-	-	-	-	(68)	(665)	-	(733)
TCI for the year	**-**	**-**	**-**	**-**	**12,021**	**(68)**	**(665)**	**-**	**11,288**
Transactions with owners of the Company									
(i) Contributions and distributions									
Issue of equity share on exercise of employee share option	-	47	-	-	-	-	-	-	47
Equity settled share based payment	-	-	890	-	-	-	-	-	890
Transferred to securities premium on share options exercised	-	648	(648)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(5,824)	-	-	-	(5,824)
ESOP adjustments *	-	-	(36)	36	-	-	-	-	-
Total contributions and distributions	**-**	**695**	**206**	**36**	**(5,824)**	**-**	**-**	**-**	**(4,887)**
(ii) Changes in ownership interests									
Issue of share pursuant to acquisition of non controlling interest in Mastek Enterprise Solutions Private Limited (Refer note 39(a))	-	3,802	-	-	-	-	-	-	3,802
Total changes in ownership interests	**-**	**3,802**	**-**	**-**	**-**	**-**	**-**	**-**	**3,802**
Total transactions with owners of the Company	**-**	**4,497**	**206**	**36**	**(5,824)**	**-**	**-**	**-**	**(1,085)**
Balance as at March 31, 2025	**1,539**	**43,947**	**1,564**	**58**	**35,686**	**346**	**262**	**-**	**83,402**

*ESOP adjustment reflects vested stock options lapsed during the year.

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai, India
Date: April 18, 2025

For and on behalf of the Board of Directors of **Mastek Limited**

Umang Nahata
Whole-Time Director & CEO
DIN: 00323145
Place: Mumbai, India

Ashank Desai
Chairman
DIN: 00017767
Place: Mumbai, India

Dinesh Kalani
Sr. Vice President - Group Company Secretary & Compliance Officer
Place: Mumbai, India
Date: April 18, 2025

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

1 Company overview

Mastek Limited (the 'Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company's registered office is located at 804/805, President House, Opp. C N Vidyalaya, Near Ambawadi Circle, Ahmedabad - 380 006, Gujarat, India. The Company is a provider of vertically-focused enterprise technology solutions.

The portfolio of the Company's offering includes business and technology services comprising of Application Development, Application Maintenance, Business Intelligence and Data Warehousing, Testing & Assurance and Legacy Modernisation. The Company carries out its operations from India and has its software development centres in India at Mumbai, Pune, Chennai and Mahape.

2 Basis of preparation and presentation

a. General information and statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with Companies (Indian Accounting Standards) Rules, 2015 (as amended), and the presentation and disclosure requirement of Division II of Schedule III to the Act and the guidelines issued by the Securities and Exchange Board of India ('SEBI') to the extent applicable. The accounting policies for the years ended March 31, 2025 and March 31, 2024 are consistent.

The revision to standalone financial statements is permitted by Company's Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

These standalone financial statements of the Company ('standalone financial statements') as at and for the year ended March 31, 2025 were approved and authorised by the Company's board of directors on April 18, 2025. All amounts included in the standalone financial statements are reported in Indian rupees (in lakhs) except share and per share data, unless otherwise stated and "0" denotes amounts less than fifty thousand rupees. These standalone financial statements are separate financial statements of the Company under Ind AS 27 "Separate Financial Statements" ('Ind AS 27').

b. Basis of preparation

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following 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 instrument

iii. Share based payment transactions; and

iv. Defined benefit and other long-term employee benefits.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle which does not exceed 12 months.

c. Use of estimate and judgement

The preparation of standalone 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 recognised 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 recognised in the standalone financial statements is included in the following notes:

(i) Revenue recognition:

Timing of satisfaction of performance obligations - The Company applies the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs expected to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date. This ensures that the standalone financial statements reflect the expected outcome of the contract, taking into account all available information at the reporting date.

For fixed price contracts, the Company satisfies performance obligations over time as efforts or costs are expended, provided that certain criteria are met. This is because the Company's efforts or costs expended represent progress towards completion and there is a direct relationship between input and productivity. Therefore, revenue is recognized as the

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

Company performs work or incurs costs, reflecting the proportion of completion achieved.

Transaction price and amount allocated to performance obligations - The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring agreed services to a customer.

The transaction price is allocated to each performance obligation based on its standalone selling price if it is distinct, or alternatively, an estimation method is used to allocate the transaction price to performance obligations in the contract. This allocation is based on the relative standalone selling prices of each distinct performance obligation. Any uncertainty or variability in the transaction price is estimated and included in the allocation of the transaction price to each performance obligation.

(ii) Income taxes:

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) Deferred tax:

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(iv) Defined benefit plans and compensated absences:

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(v) Property, plant and equipment:

The change in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The estimated useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Depreciation of PPE is calculated on straight-line basis over the useful life estimated by the management either based on technical evaluation or those prescribed under Schedule II to the Act.

(vi) Intangible assets:

The charge in respect of periodic amortisation is derived after determining an estimate of the expected useful life and the expected residual value at the end of its useful life. Amortisation of intangible assets is calculated on straight-line basis over the useful life estimated by the management which reflects the manner in which the economic benefit is expected to be generated.

(vii) Expected credit losses on financial assets:

On application of Ind AS 109 "Financial instruments" ('Ind AS 109'), the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company’s history of collections, customer’s credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

(viii) Provisions:

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can me made. Provisions (excluding defined benefit obligation and compensated absences) are discounted to its present value only where the effect is material and are determined based on best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

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(ix) Share-based payments:

At the grant date, fair value of options granted to employees is recognised as employee benefit expense, with corresponding increase in equity, over the period that the employee become unconditionally entitled to the option. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "Share options outstanding account". The amount recognised as expense is adjusted to reflect the impact of the revision in estimates based on number of options that are expected to vest, in the standalone statement of profit and loss with a corresponding adjustment to equity.

(x) Leases:

Ind AS 116 "Leases" ('Ind AS 116') requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

(xi) Evaluation of indicators for impairment of assets:

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal and external factors. An asset is treated as impaired when the carrying value exceeds its recoverable value. The recoverable amount is the higher of the fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk specific to the assets. An impairment loss is charged to the standalone statement of profit and loss in the year in which an assets is identified as impaired. After impairment, depreciation or amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(xii) Contingent liabilities:

Contingent liability is possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Initially, Company makes an assessment of whether a transaction is to be disclosed as contingent liability or to be recorded as provision. Also at each balance sheet date, basis the management judgement, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

(xiii) Fair value measurements:

Management applies valuation techniques to determine fair value of financial assets and liabilities (where active market quotes are not available). This involves developing estimates and assumptions around volatility and dividend yield etc. which may affect the value of financial assets and liabilities.

(xiv) Control:

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Estimates and judgements are continuously evaluated. These are based on historical experience and other factors including expectation of future events that may have financial impact on the Company and that are believed to be reasonable under the circumstances.

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d. Summary of material accounting policy information

(i) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the 'functional currency'). The standalone 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

Foreign currency transactions of the Company are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities are translated at each reporting date based on the rate prevailing on such date. Gains and losses resulting from the settlement of foreign currency monetary items and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the standalone statement of profit and loss. Non-monetary assets and liabilities are continued to be carried at rates of initial recognition.

(iii) Financial instruments

A. Initial recognition and measurement

The Company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets (except trade receivables) and financial liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular purchase and sale of financial assets are recognised on the trade date. Further, trade receivables are measured at transaction price on initial recognition.

B. Subsequent measurement

Non-derivative financial instruments

a. Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and 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.

b. Financial assets at fair value through Other Comprehensive Income ('FVOCI')

A financial asset is subsequently measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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.

c. Financial assets at fair value through profit or loss ('FVTPL')

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d. Equity Instruments

All equity instruments are initially measured at fair value. Any subsequent fair value gain /loss is recognised through profit or loss if such investments are held for trading purposes. The fair value gains or losses of all other equity investments are recognised in Other Comprehensive Income. Securities are classified as 'quoted' if the prices at which they are traded are publicly available.

e. Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative instruments

The Company holds derivative financial instruments i.e., foreign exchange forward contracts, to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. These derivative instruments are designated as cash flow hedges.

The hedge accounting is discontinued when the hedging instrument are expired or sold, terminated or no longer qualifies for hedge accounting. The cumulative gain or loss on the hedging instruments recognised in hedging

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reserve till the period hedge was effective remains in cash flow hedging reserve until the forecasted transaction occur. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to profit or loss upon the occurrence of related forecasted transactions.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in OCI 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 recognised in the standalone statement of profit and loss.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C. **De-recognition of financial instruments**

The Company derecognises a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

D. **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

E. **Investment in subsidiary companies**

Investment in subsidiaries is carried at cost in the separate financial statements.

(iv) Current versus non-current classification

1. An asset is considered as current when it is:

   (a) Expected to be realised or intended to be sold or consumed in the normal operating cycle, or

   (b) Held primarily for the purpose of trading, or

   (c) Expected to be realised within twelve months after the reporting period, or

   (d) Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

2. All other assets are classified as non-current.

3. Liability is considered as current when it is:

   (a) Expected to be settled in the normal operating cycle, or

   (b) Held primarily for the purpose of trading, or

   (c) Due to be settled within twelve months after the reporting period, or

   (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

4. All other liabilities are classified as non-current.

5. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

6. All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as a period not exceeding twelve months for the purpose of current and non-current classification of assets and liabilities.

(v) Property, plant and equipment ('PPE')

PPE are stated at historical cost, less accumulated depreciation and impairment losses, if any. Historical costs include expenditure directly attributable to acquisition which are capitalised until the PPE are ready for use, as intended by management, including non-refundable taxes. Any trade discount and rebates are deducted in arriving at the purchase price.

The cost of PPE acquired in a business combination is recorded at fair value on the date of acquisition. The fair value is taken as per the report of independent valuer. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

An item of PPE initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal.

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Gains or losses arising from disposals of assets are measured as the difference between the net disposal proceeds and the carrying value of the asset on the date of disposal and are recognised in the standalone statement of profit and loss, in the period of disposal.

The Company depreciates PPE over their estimated useful lives using the straight-line method. The estimated useful lives of PPE for the current and comparative periods are as follows:

Category	Estimated useful life
Building	25 - 30 years
Computers	2 - 4 years
Plant and equipment	2 - 5 years
Furniture and fixtures	5 years
Office equipment	5 years
Vehicles	5 years
Leasehold improvement	Life of the asset or the primary period of lease whichever is less
Leasehold land	Lease term ranging from 95-99 years

In case of certain PPE, the Company uses useful life different from those specified in Schedule II to the Act which is duly supported by technical evaluation. The management believe that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date. Depreciation on addition to PPE or on disposal of PPE is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be. Capital work-in-progress includes PPE under construction and not ready for intended use as on the balance sheet date.

(vi) Intangible assets

Intangible assets acquired separately are initially recognised at cost of acquisition which includes purchase price including import duties and nonrefundable taxes, if any and further includes directly attributable cost of preparing the asset for its intended use. Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset on the date of disposal and are recognised in the standalone statement of profit and loss when the asset is derecognised.

Amortisation on addition to intangible assets or on disposal of intangible assets is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

The estimated useful lives of the amortisable intangible assets for the current and comparative periods are as follows:

Category	Estimated useful life
Computer software	1 - 5 years

(vii) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right of use asset ('ROU') and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for low value asset. For these short-term leases and leases for low-value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

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Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

i. Right of use assets

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit ('CGU') to which the asset belongs.

ii. Lease liabilities

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment on whether it will exercise an extension or a termination option.

As a lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Contingent rents are recognised as revenue in the period in which they are earned.

(viii) Impairment of assets

a. Non financial assets

Intangible assets, ROU assets and PPE are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the standalone statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the standalone statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

b. Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all trade receivables and contract assets that do not constitute a financing component. In determining the allowances for doubtful trade receivables and contract assets, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables and contract assets based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime credit losses if the credit risk on the

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financial asset has increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due (inclusive of additional 60 days over and above 30 days rebuttable presumption, where the delay could be due to administrative oversight which is considered normal in the industry and/ or geographies where Company is operating).

For impairment of investment in subsidiaries, refer accounting policy of 'Investment in subsidiaries'.

(ix) Employee benefits

A. Long term employee benefits

(a) Defined contribution plan

The Company has defined contribution plans for post employment benefits in the form of provident fund, employees' state insurance, labour welfare fund and superannuation fund in India which are administered through Government of India and/ or Life Insurance Corporation of India ('LIC'). Under the defined contribution plans, the Company has no further obligation beyond making the contributions. Such contributions are charged to the standalone statement of profit and loss as incurred.

(b) Defined benefit plan

The Company has defined benefit plans for post employment benefits in the form of gratuity for its employees in India. The gratuity scheme of the Company is administered through LIC. Liability/asset for defined benefit plans is recognised on the basis of actuarial valuations, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary which is the net of the present value of defined obligation and the fair value of plan assets. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method.

Actuarial gains or losses are recognised in OCI. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised 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 discount rate used is with reference to the market yields on government bonds for a term approximating with the term of the related obligation. The actual return on the plan assets above or below the discount rate is recognised 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) Other long-term employee benefits

The employees of the Company are also entitled for other long-term benefit in the form of compensated absences as per the policy of the Company. Employees are entitled to accumulate leave balance up to the upper limit as per the Company's policies which can be carried forward perpetually. Leave encashment for employees gets triggered on an annual basis, if the accumulated leave balance exceeds the upper limit of leave. Further, at the time of retirement or death while in employment or on termination of employment, leave encashment vests equivalent to salary payable for number of days of accumulated leave balance. Liability for such benefits is provided on the basis of actuarial valuations, as at the balance sheet date, carried out by an independent actuary using the projected unit credit method. Actuarial gains and loss are recognised in the standalone statement of profit and loss during the period in which they arise.

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B. **Short-term employee benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services. These benefits include salary and performance incentives etc.

C. **Termination benefits**

Termination benefits, including those in the nature of voluntary retirement benefits or those arising from restructuring, are recognised in the standalone statement of profit and loss when the Company has a present obligation as a result of past event, when a reliable estimate can be made of the amount of the obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations.

(x) Share based payments

The Company determines the compensation cost based on the fair value method using Black-Scholes-Merton formula, in accordance with Ind AS 102 "Share-based Payment" ('Ind AS 102'). The Company grants options to its employees which will be vested in a graded manner and are to be exercised within a specified period. The compensation cost is amortised on graded basis over the vesting period. The share based payment expense is determined based on the Company's estimate of equity instrument that will eventually vest.

The amounts recognised in "Share options outstanding account" are transferred to share capital and securities premium upon exercise of stock options by employees. Where employee stock options lapse after vesting, an amount equivalent to the cumulative cost for the lapsed option is transferred from "Share options outstanding account" to "General reserve".

(xi) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain.

Contingent asset is not recognised in the standalone financial statement. However, it is recognised only when an inflow of economic benefits is probable.

(xii) Revenue recognition

When a performance obligation is satisfied, the Company recognises as revenue the amount of the transaction price (which excludes estimates of variable consideration) that is allocated to that performance obligation. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

The Company derives revenue primarily from Information Technology services which includes IT Outsourcing services, support and maintenance services. The Company recognises revenue over time, over the period of the contract, on transfer of control of deliverables (solutions and services) to its customers in an amount reflecting the consideration to which the Company expects to be entitled. To recognise revenues, Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied.

Company accounts for a contract when it has approval and commitment from all parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

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Contracts may include incentives, service penalties and rewards. The Company includes an estimate of the amount it expects to receive for the total transaction price if it is probable that a significant reversal of cumulative revenue recognised will not occur and when the uncertainty associated with the variable consideration is resolved. Any modification or change in existing performance obligations is assessed whether the services is added to the existing contracts or not. The distinct services are accounted for as a new contract and services which are not distinct are accounted for on a cumulative catch-up basis.

Fixed Price contracts related to application development, consulting and other services are single performance obligation or a stand-ready performance obligation, which in either case is comprised of a series of distinct services that are substantially the same and have the same pattern of transfer to the customer (i.e. distinct days or months of service). Revenue is recognised in accordance with the methods prescribed for measuring progress i.e. 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. Revenues relating to time and material contracts are recognised as the related services are rendered.

Multiple element arrangements

In contracts with multiple performance obligations, Company accounts for individual performance obligations separately if they are distinct and allocate the transaction price to each performance obligation based on its relative standalone selling price out of total consideration of the contract. Standalone selling price is determined utilising observable prices to the extent available. If the standalone selling price for a performance obligation is not directly observable, Company uses expected cost plus margin approach.

IT support and maintenance

Contracts related to maintenance and support services are either fixed price or time and material. In these contracts, the performance obligations are satisfied, and revenues are recognised, over time as the services are provided. Revenue from maintenance contracts is recognised ratably over the period of the contract because the Company transfers the control evenly by providing standard services. The term of the maintenance contract is usually one year. Renewals of maintenance contracts create new performance obligations that are satisfied over the term with the revenues recognised ratably over the term.

Any modification or change in existing performance obligations is assessed whether the services is added to the existing contracts or not. The distinct services are accounted for as a new contract and services which are not distinct are accounted for on a cumulative catch-up basis.

Cost to fulfil the contracts

Recurring operating costs for contracts with customers are recognised as incurred. Revenue recognition excludes any government taxes but includes reimbursement of out of pocket expenses. Provision of onerous contract are recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting the future obligations under the contract. The provision is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Incremental costs of obtaining a contract

The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. For certain contracts, Company does incur insignificant incremental costs to obtain the contract. Company applies practical expedient by recognising such cost as expense, when incurred, in the standalone statement of profit and loss instead of creating an asset as the amortisation period of the asset that the Company otherwise would have recognised is one year or less.

Significant financing component

Company considers all relevant facts and circumstances in assessing whether a contract contains a financing component and whether that financing component is significant to the contract, including both the conditions:

(a) the difference, if any, between the amount of promised consideration and the cash selling price of the promised goods or services; and

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(b) the combined effect of both the following conditions:

i) the expected length of time between when the entity transfers the promised goods or services to the customer and when the customer pays for those goods or services; and

ii) the prevailing interest rates in the relevant market.

Other operating revenue -

It includes revenue arising from Company's ancillary revenue-generating activities. Revenue from these activities are recorded only when Company is reasonably certain of such income.

Trade receivables, contract assets and contract liabilities

Trade Receivable is primarily comprised of billed and unbilled receivables (i.e. only the passage of time is required before payment is due) for which the Company has an unconditional right to consideration, net of an allowance for expected credit loss. A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are presented separately in the standalone financial statements and primarily relate to unbilled amounts on fixed-price contracts utilising the cost to cost method i.e. percentage of completion method (POCM) of revenue recognition. A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received. Contract liabilities are recognised as revenue when the Company performs under the contract.

The difference between opening and closing balance of the contract assets and liabilities results from the timing differences between the performances obligation and customer payment.

(xiii) Income tax

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws. Deferred tax is recognised on timing differences between the accounting base and the taxable base for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

Deferred tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in standalone 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 recognised 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 recognised for all taxable temporary differences.

Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

(xiv) Other income

Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

(xv) Finance / Borrowing costs

Borrowing costs includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

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as at and for the year ended March 31, 2025

(xvi) Investment property

Property that is held either for long term rental yield or for capital appreciation or both, but not for sale in ordinary course of the business, use in the production or supply of goods or services or for administrative purposes is classified as investment property. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment loss, if any. Depreciation is provided in the same manner as PPE. Any gain or loss on disposal of an investment property is recognised in standalone statement of profit and loss.

(xvii) Investment in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investment in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the standalone statement of profit and loss.

(xviii) Financial guarantee contract/ Guarantee commission

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 "Revenue from Contracts with Customers" ('Ind AS 115').

(xix) Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to assist users in understanding the financial performance achieved and in making projections of financial performance, the nature and amount of such material items are disclosed separately as exceptional items.

(xx) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedge is recognised in other comprehensive income and accumulated under cash flow hedge reserve. The Company classifies its forward contract that hedge foreign currency risk associated as cash flow hedge and measures them at fair value. The gain or loss relating to the ineffective portion is recognised immediately in the standalone statement of profit and loss and is included in the 'other expense/ other income' line item. Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion (as described above) are reclassified to the standalone statement of profit and loss in the periods when the hedged item affects the standalone statement of profit and loss, in the same line as the recognised hedged item. When the hedging instrument expires or is sold or terminated or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss at that time remains in equity until the forecast transaction occurs and when the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity are immediately reclassified to standalone statement of profit and loss within other income.

(xxi) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules, as issued from time to time. During the year ended March 31, 2025, the MCA notified Ind AS 117 – Insurance Contracts and amendments to Ind AS 116 – Leases, specifically relating to sale and leaseback transactions. These changes are applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

e. Details of investments in subsidiary companies in accordance with Ind AS 27

Name of subsidiary	Principal place of business and country of incorporation	% ownership interest held by the Company as at March 31, 2025	% ownership interest held by the Company as at March 31, 2024
Mastek Enterprise Solution Private Limited	India	100%	100%
Mastek (UK) Limited	UK	100%	100%
Mastek Inc.	USA	100%	100%
Trans American Information Systems Inc.	USA	100%	100%
Mastek Digital, Inc.	Canada	100%	100%
Mastek Arabia FZ LLC	UAE	100%	100%
Evolutionary Systems Consultancy LLC	UAE	49%	49%
Mastek Systems Pty Ltd	Australia	100%	100%
Mastek Systems Bahrain WLL (formerely know as Evolutionary Systems Bahrain WLL)	Bahrain	100%	100%
Mastek Arabia Systems Egypt LLC (formerly known as Evolutionary Systems Egypt LLC)	Egypt	100%	100%
Evosys Kuwait WLL	Kuwait	49%	49%
Mastek Systems (Malaysia) SDH BHD (formerly known as Evosys Consultancy Services (Malaysia) SDN BHD)	Malaysia	100%	100%
Newbury Cloud, Inc.	USA	100%	100%
Mastek Systems B.V. (formerly known as Evolutionary Systems B.V.)	Netherlands	100%	100%
Evolutionary Systems Qatar WLL	Qatar	49%	49%
Mastek Information Technology Company (LLC) (formerly known as Evolutionary Systems Saudi LLC)	Saudi Arabia	100%	100%
Mastek Systems (Singapore) Pte. Limited (formerly known as Evolutionary Systems (Singapore) Pte. Limited)	Singapore	100%	100%
Mastek Systems Company Limited (formerly known as Evolutionary Systems Company Limited)	UK	100%	100%
Evolutionary Systems Corp.	USA	100%	100%
Evolutionary Systems Canada Limited	Canada	100%	100%
Metasoftech Solutions LLC	USA	100%	100%
BizAnalytica LLC	USA	100%	100%

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

3 (a) (i) Property, plant and equipment ('PPE')

Particulars	Gross carrying value (at cost)				Accumulated depreciation/ amortisation				Net carrying value	
	As at April 1, 2024	Additions	Disposal	As at March 31, 2025	As at April 1, 2024	For the year	Disposal	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
a. Own assets:										
Buildings (refer note iii)	3,601	-	-	3,601	2,155	130	-	2,285	1,316	1,446
Computers	2,189	224	(112)	2,301	1,970	187	(112)	2,045	256	219
Plant and equipment	1,619	23	(1)	1,641	1,347	76	(1)	1,422	219	272
Furniture and fixtures	3,645	1	(97)	3,549	3,461	45	(97)	3,409	140	184
Vehicles	863	93	(258)	698	455	108	(157)	406	292	408
Office equipment	987	25	(1)	1,011	752	66	(1)	817	194	235
Total (A)	**12,904**	**366**	**(469)**	**12,801**	**10,140**	**612**	**(368)**	**10,384**	**2,417**	**2,764**
b. Leased assets:										
Leasehold land	386	-	-	386	327	4	-	331	55	59
Leasehold improvements	1,178	4	-	1,182	526	170	-	696	486	652
Vehicles	24	-	-	24	23	-	-	23	1	1
Total (B)	**1,588**	**4**	**-**	**1,592**	**876**	**174**	**-**	**1,050**	**542**	**712**
Total (A + B)	**14,492**	**370**	**(469)**	**14,393**	**11,016**	**786**	**(368)**	**11,434**	**2,959**	**3,476**

3 (a) (ii) Other intangible assets

Particulars	Gross carrying value (at cost)				Accumulated depreciation/ amortisation				Net carrying value	
	As at April 1, 2024	Additions	Disposal	As at March 31, 2025	As at April 1, 2024	For the year	Disposal	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Computer software	2,043	527	(1,349)	1,221	1,695	493	(1,349)	839	382	348
Total	**2,043**	**527**	**(1,349)**	**1,221**	**1,695**	**493**	**(1,349)**	**839**	**382**	**348**

3 (b) Right-of-use assets

Particulars	Gross carrying value (at cost)				Accumulated depreciation/ amortisation				Net carrying value	
	As at April 1, 2024	Additions	Disposal	As at March 31, 2025	As at April 1, 2024	For the year	Disposal	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Buildings	664	19	-	683	252	95	-	347	336	412
Total	**664**	**19**	**-**	**683**	**252**	**95**	**-**	**347**	**336**	**412**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

For previous year ended March 31, 2024

3 (a) (i) Property, plant and equipment ('PPE')

Particulars	Gross carrying value (at cost)					Accumulated depreciation/ amortisation				Net carrying value	
	As at April 1, 2023	Acquired through business combination (Refer note 39(c))	Additions	Disposal	As at March 31, 2024	As at April 1, 2023	For the year	Disposal	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
a. Own assets:											
Buildings (refer note iii)	3,601	-	-	-	3,601	2,025	130	-	2,155	1,446	1,576
Computers	2,867	18	22	(718)	2,189	2,440	211	(681)	1,970	219	427
Plant and equipment	2,356	-	134	(871)	1,619	2,137	81	(871)	1,347	272	219
Furniture and fixtures	4,547	-	115	(1,017)	3,645	4,408	70	(1,017)	3,461	184	139
Vehicles	690	-	262	(89)	863	430	107	(82)	455	408	260
Office equipment	1,671	-	198	(882)	987	1,553	81	(882)	752	235	118
Total (A)	**15,732**	**18**	**731**	**(3,577)**	**12,904**	**12,993**	**680**	**(3,533)**	**10,140**	**2,764**	**2,739**
b. Leased assets:											
Leasehold land	386	-	-	-	386	323	4	-	327	59	63
Leasehold improvements	923	-	255	-	1,178	376	150	-	526	652	547
Vehicles	24	-	-	-	24	23	-	-	23	1	1
Total (B)	**1,333**	**-**	**255**	**-**	**1,588**	**722**	**154**	**-**	**876**	**712**	**611**
Total (A + B)	**17,065**	**18**	**986**	**(3,577)**	**14,492**	**13,715**	**834**	**(3,533)**	**11,016**	**3,476**	**3,350**

3 (a) (ii) Other intangible assets

Particulars	Gross carrying value (at cost)					Accumulated depreciation/ amortisation				Net carrying value	
	As at April 1, 2023	Acquired through business combination (Refer note 39(c))	Additions	Disposal	As at March 31, 2024	As at April 1, 2023	For the year	Disposal	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Computer software	1,316	-	727	-	2,043	1,265	430	-	1,695	348	51
Total	**1,316**	**-**	**727**	**-**	**2,043**	**1,265**	**430**	**-**	**1,695**	**348**	**51**

3 (b) Right-of-use assets

Particulars	Gross carrying value (at cost)					Accumulated depreciation/ amortisation				Net carrying value	
	As at April 1, 2023	Acquired through business combination (Refer note 39(c))	Additions	Disposal	As at March 31, 2024	As at April 1, 2023	For the year	Disposal	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Building	540	-	189	(65)	664	182	86	(16)	252	412	358
Total	**540**	**-**	**189**	**(65)**	**664**	**182**	**86**	**(16)**	**252**	**412**	**358**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Notes:

(i) Refer note 36 for capital commitments.

(ii) Information on PPE maintained as security by the Company (refer notes 11(a) and 13).

Class of assets	Net carrying amount		Loan/ financing facilities against which assets are pledged
	March 31, 2025	March 31, 2024	
Buildings (Chennai property)	720	774	Term loan from bank by Mastek Inc (subsidiary) Term loan from bank by Mastek (UK) Limited (subsidiary)
Buildings (Mahape property)	307	363	Term loan from bank by Mastek Inc. (subsidiary)
Vehicles	292	408	Vehicle loans from bank

(iii) All the title deeds of the immovable properties are held in the name of the Company.

(iv) All the lease agreements are duly executed in favour of the Company (lessee).

(v) Refer note 35 for disclosure on leased assets and related lease liabilities.

3(c) Capital work-in-progress ('CWIP')

Particulars	As at	
	March 31, 2025	March 31, 2024
Capital work-in-progress	174	91
	174	**91**

CWIP includes cost incurred towards leasehold improvement of Mahape, Navi Mumbai building and access control systems at Mahape & SEEPZ

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance as at the beginning of the year	91	455
Addition during the year	93	-
Less: Capitalised during the year	(10)	(364)
Balances at the end of the year	**174**	**91**

CWIP ageing schedule

As at March 31, 2025

Sr no	Particulars	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	Projects in progress	92	-	-	-	92
ii	Projects temporarily suspended*	-	-	-	82	82
Total		**92**	**-**	**-**	**82**	**174**

As at March 31, 2024

Sr no	Particulars	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	Projects in progress	-	-	9	-	9
ii	Projects temporarily suspended*	-	-	-	82	82
Total		**-**	**-**	**9**	**82**	**91**

*Represents approval cost incurred for obtaining permission for construction of additional area at the Company's Mahape, Navi Mumbai property, which will be utilised on need basis in the future.

There is no capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

3(d) Intangible assets under development

Particulars	As at March 31, 2025	As at March 31, 2024
Projects in progress	17	-
	17	**-**

Projects in progress include implementation cost of strategic portfolio management modules

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at the beginning of the year	-	-
Addition during the year	27	-
Less: Capitalised during the year	(10)	-
Balances at the end of the year	**17**	**-**

Intangible assets under development ageing schedule

As at March 31, 2025

Sr no	Particulars	Amount in intangible assets under development for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	Projects in progress	17	-	-	-	17
ii	Projects temporarily suspended	-	-	-	-	-
Total		**17**	**-**	**-**	**-**	**17**

As at March 31, 2024

Sr no	Particulars	Amount in intangible assets under development for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	Projects in progress	-	-	-	-	-
ii	Projects temporarily suspended	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

There is no intangible under development, whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

3(e)Investment property

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Investment property (at cost less accumulated depreciation)		
Gross carrying value		
Balance as at the beginning of the year	2	2
Additions	-	-
Disposal	-	-
Balance as at the end of the year	2	2
Accumulated depreciation		
Balance as at the beginning of the year	2	2
For the year	-	-
Disposal	-	-
Balance as at the end of the year	2	2
Net carrying value	-	-
(B) Fair value of investment property by an independent valuer (refer note (i) below)		
(i) Fair value of investment property	-	-
(ii) Valuation method used by the independent valuer	-	-
The amounts recognised in the standalone statement of profit and loss account for:		
(i) rental income from investment property	7	7
(ii) direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period; and	-	-
(iii) direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period.	-	-
Depreciation method used	SLM	SLM
Useful lives or depreciation rates used	28 years	28 years

Notes:

i) Valuation for Prabhadevi, Mumbai property is not carried out since the rental and carrying value are not significant and the same is not mortgaged as security. This property is let out for generating rental income.

ii) The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

3(f) Investment in subsidiaries at cost (unquoted)

Particulars	As at March 31, 2025	As at March 31, 2024
Investment in equity instruments (at cost)		
Mastek (UK) Limited		
200,000 (March 31, 2024 - 200,000) equity shares of £ 1 each, fully paid up	216	216
Mastek Enterprise Solutions Private Limited (MESPL) (formerly know as Trans American Information System Private Limited)		
34,520 (March 31, 2024 - 34,520) equity shares of ₹1 each, fully paid up	1,187	1,187
150,000 (March 31, 2024 - 150,000) equity shares of ₹1 each, fully paid up {on account of buyout of 3/3 MESPL Cumulative Convertible Preference Shares ('CCPS')} (Refer note 39(a))	47,849	47,849
Deemed equity in MESPL {(4,235,294 (March 31, 2024 - 4,235,294) fully paid up equity shares of ₹ 5 each of the Company (share issued against the part discharge of consideration for acquisition) and fair valuation of put option liability as at date of transaction consummation} (Refer note 39(a))	26,988	26,988
	76,240	**76,240**
Aggregate carrying value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate carrying value of unquoted investments	76,240	76,240
Aggregate amount of impairment in value of investments	-	-

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

4(a) Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Advances to employees	-	4
Security deposits	85	96
Guarantee commission receivable	769	786
Derivatives		
Foreign exchange forward contracts	565	334
	1,419	**1,220**
Dues from directors or other officers of the Company	-	-
Dues from firms or private companies in which director is a partner or a director or a member	-	-

Note:

(i) Refer note 32 for information on credit risk and market risk.

5 Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	12	26
Security deposits	96	96
	108	**122**
Dues from directors or other officers of the Company	-	-
Dues from firms or private companies in which director is a partner or a director or a member	-	-

6 Financial assets - Current

a. Investments

Particulars	As at March 31, 2025		As at March 31, 2024	
	Units	Amount	Units	Amount
(i) Investment in mutual funds				
Investment in mutual funds at FVTPL (quoted):				
Aditya Birla Sun Life Liquid Fund - Growth	-	-	1,06,201	410
Kotak Liquid Scheme - Regular - Growth	-	-	6,277	304
HDFC Liquid Fund - Growth	8,003	403	7,546	354
ICICI Prudential Liquid Fund - Regular - Growth	1,06,059	403	2,13,300	756
ICICI Prudential Money Market Fund - Regular - Growth	99,646	371	-	-
HDFC Money Market Fund - Growth	10,866	609	-	-
Kotak Money Market Scheme- Regular - Growth	18,242	804	-	-
Aditya Birla Sun Life Money Manager Fund - Regular	2,19,390	797	-	-
SBI Liquid	6,355	255	-	-
Total (A)		**3,642**		**1,824**
(ii) Investment in bonds at amortised cost (unquoted):				
8.5% - Bond with State Bank of India	-	-	-	53
Total (B)	**-**	**-**	**-**	**53**
Aggregate amount of quoted investments in mutual funds		3,642		1,824
Aggregate carrying value of unquoted investments in mutual funds		-		-
Aggregate carrying value of unquoted Investment in bonds at cost		-		53
Aggregate amount of impairment in value of investments		-		-
		3,642		**1,877**

Note:

Refer note 32 for information on credit risk and market risk.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

b. Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured		
Trade receivables considered good	7,784	6,194
Trade receivables which have significant increase in credit risk	1,086	528
Trade receivables credit impaired	623	247
Total	**9,493**	**6,969**
Less: Allowance for expected credit loss	(623)	(667)
	8,870	6,302
Dues from directors or other officers of the Company	-	-
Dues from firms or private companies in which director is a partner or a director or a member	-	-

Notes:

(i) Trade receivables are non-interest bearing and are generally settled in 30 to 45 days.

(ii) Refer note 32 for information on credit risk and market risk

(iii) Refer note 11(a) and 13 for information on assets provided as collateral or security for borrowings or finance facilities availed by the Company.

(iv) Refer note 28 for outstanding with related parties

Ageing schedule as at 31 March, 2025

Sr. no.	Particulars	Unbilled	Current but not due	Outstanding for following periods from due date of payment					Total
				Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
i.	Undisputed trade receivables - considered good	4,559	101	3,124	-	-	-	-	7,784
ii.	Undisputed trade receivables – which have significant increase in credit risk	-	-	1,086	-	-	-	-	1,086
iii.	Undisputed trade receivables – credit impaired	-	-	-	-	-	107	4	111
iv.	Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
v.	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi.	Disputed trade receivables – credit impaired	-	-	-	-	-	409	103	512
	Total	**4,559**	**101**	**4,210**	**-**	**-**	**516**	**107**	**9,493**
	Less: Allowance for expected credit loss								(623)
									8,870

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Ageing schedule as at 31 March, 2024

Sr. no.	Particulars	Unbilled	Current but not due	Outstanding for following periods from due date of payment					Total
				Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
i.	Undisputed trade receivables - considered good	168	192	5,370	76	358	30	-	6,194
ii.	Undisputed trade receivables – which have significant increase in credit risk	-	-	2	-	526	-	-	528
iii.	Undisputed trade receivables – credit impaired	-	-	-	-	-	-	38	38
iv.	Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
v.	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi.	Disputed trade receivables – credit impaired	-	-	-	-	-	-	209	209
	Total	**168**	**192**	**5,372**	**76**	**884**	**30**	**247**	**6,969**
	Less: Allowance for expected credit loss								(667)
									6,302

c. Cash and cash equivalents and other bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Cash and cash equivalents		
Balance with bank		
In current accounts	704	1,195
Cash on hand	-	1
	704	**1,196**
(ii) Bank balances, other than cash and cash equivalents		
Bank balances in unclaimed dividend account	71	65
Bank deposits with original maturity of more than three months and less than twelve months	34	1,452
	105	**1,517**

Notes:

(i) Refer note 32 for information on credit risk and market risk.

(ii) There are no repatriation restrictions with regards to cash and cash equivalents and other bank balances.

(iii) There are no significant cash and cash equivalents which will not be available for use by the Company.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

d. Other financial assets

Particulars	As at	
	March 31, 2025	March 31, 2024
Unsecured, considered good		
Advances to employees	44	30
Interest accrued on bank deposits	2	-
Margin money deposit*	2	2
Guarantee commission receivable	518	353
Security deposits	24	1
Receivable for reimbursement of expenses	203	239
Derivative		
Foreign exchange forward contracts	-	508
	793	**1,133**

*Margin money is towards bid bonds and performance guarantee.

Notes:

(i) Refer note 32 for information on credit risk and market risk.

(ii) There are no repatriation restrictions with regards to margin money deposits.

7 Contract assets

Particulars	As at	
	March 31, 2025	March 31, 2024
Unsecured		
Contract assets, considered good (undisputed)	54	-
Contract assets which have significant increase in credit risk	-	-
Contract assets credit impaired (undisputed)	-	-
Total	**54**	**-**
Less: Allowance for doubtful contract assets	0	-
Total contract assets	**54**	**-**
Dues from directors or other officers of the company	-	-
Dues from firms or private companies in which director is a partner or director or member	-	-

Notes:

(i) Refer note 19 for reconciliation of changes in contract assets.

(ii) Refer note 32 for information on credit risk and market risk.

(iii) Refer note 11(a) and 13 for information on assets provided as collateral or security for borrowings or finance facilities availed by the Company.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

8 Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	506	381
Balance with government authorities	1,463	688
Advances to suppliers	1,570	982
Interest receivable on income tax refunds	185	185
	3,724	**2,236**
Dues from directors or other officers of the Company	-	-
Dues from firms or private companies in which director is a partner or a director or a member	-	-

9 Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised:		
40,000,000 (March 31, 2024: 40,000,000) equity shares of ₹ 5 each	2,000	2,000
2,000,000 (March 31, 2024: 2,000,000) preference shares of ₹ 100 each	2,000	2,000
	4,000	**4,000**
Issued, subscribed and fully paid up:		
30,939,894 (March 31, 2024: 30,844,311) equity shares of ₹ 5 each fully paid	1,547	1,542
	1,547	**1,542**

(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the year are as given below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares (absolute)	Amount	No. of shares (absolute)	Amount
Equity shares				
Balance as at the beginning of the year	3,08,44,311	1,542	3,05,24,827	1,526
Add: On account of exercise of employee stock option plans	95,583	5	1,59,542	8
Add: Issue of share pursuant to acquisition of non controlling interest in Mastek Enterprise Solutions Private Limited (Refer note 39(a))	-	-	1,59,942	8
Balance as at the end of the year	**3,09,39,894**	**1,547**	**3,08,44,311**	**1,542**

(b) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a face value of ₹ 5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of fully paid up equity shares held by the shareholders.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

(c) Details of shares held by promoters in the Company

Shares held by promoters	As at March 31, 2025		As at March 31, 2024		% change during the year*
	No. of shares (absolute)	% of holding	No. of shares (absolute)	% of holding	
Ashank Desai	33,93,489	10.97%	33,84,167	10.97%	0.28%
Ketan Mehta	22,14,100	7.16%	22,44,100	7.28%	(1.34%)
Girija Ram	17,53,280	5.67%	17,53,280	5.68%	0.00%
Radhakrishnan Sundar	13,40,800	4.33%	13,40,800	4.35%	0.00%

Shares held by promoters	As at March 31, 2025		As at March 31, 2024		% change during the year*
	No. of shares (absolute)	% of holding	No. of shares (absolute)	% of holding	
Ashank Desai	33,84,167	10.97%	33,84,167	11.09%	0.00%
Ketan Mehta	22,44,100	7.28%	22,74,100	7.45%	(1.32%)
Girija Ram	17,53,280	5.68%	17,53,280	5.74%	0.00%
Radhakrishnan Sundar	13,40,800	4.35%	13,40,800	4.39%	0.00%

* Change during the year is determined based on number of shares acquired/ sold during the year. The % of holding has undergone change mainly due to additional shares issued over the period.

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares (absolute)	% of holding	No. of shares (absolute)	% of holding
Ashank Desai	33,93,489	10.97%	33,84,167	10.97%
Smallcap World Fund, Inc.	-	0.00%	24,48,446	7.94%
Ketan Mehta	22,14,100	7.16%	22,44,100	7.28%
Girija Ram	17,53,280	5.67%	17,53,280	5.68%
Umang Nahata	16,99,218	5.49%	16,99,218	5.51%

Note: As per records of the Company, including its register of shareholders/ members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(e) Shares reserved for issue under options

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number (in absolute)	Amount	Number (in absolute)	Amount
Shares to be issued under the employee stock option plans (Refer note 34)	3,10,811	153	3,99,867	213

Year of conversion of convertible securities

Particulars	Year of conversion	Number of events of conversion during the year
Programme VI	2026-27	1
Programme VII	2025-26	1
	2026-27	2
	2027-28	4
	2028-29	3
	2029-30	1
	2030-31	3
	2031-32	1
	2032-33	2
	2033-34	2
	2034-35	1

Includes both vested as well as unvested options and year of conversion represents last date of exercise under ESOP schemes. However, vested options can be exercised on or before the last exercise date for each tranche.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

(f) Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Particulars	As at	
	March 31, 2025	March 31, 2024
Number of shares issued for acquisition (Refer note 39(a))	49,70,743	49,70,743

(g) Aggregate number of bonus shares issued or buy back of shares during the period of five years immediately preceding the reporting date

The Company has neither issued bonus shares nor there has been any buy back of shares during five years immediately preceding March 31, 2025.

(h) Company do not have a holding company or ultimate holding company. Accordingly, disclosure related to shares held by holding company or ultimate holding company or subsidiary/ associate of such companies is not applicable.

10 Other equity

	Particulars	As at	
		March 31, 2025	March 31, 2024
a)	**Capital redemption reserve**	1,539	1,539
	Non-distributable reserve into which amounts are transferred following the redemption or purchase of a Company's own shares.		
b)	**Securities premium**	44,582	43,947
	Amount received (on issue of shares) in excess of the face value has been classified as securities premium.		
c)	**Share options outstanding account**	1,795	1,564
	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 upon exercise of stock options by employees. In case of forfeiture, corresponding balance is transferred to general reserve.		
d)	**General reserve**	94	58
	This represents appropriation of profit by the Company		
e)	**Retained earnings**	41,878	35,686
	Retained earnings comprises of the prior year's undistributed earning after taxes increased/ (decreased) by undistributed profits for the year		
f)	**Other item of OCI**	(174)	608
	Other items of OCI consist of FVOCI financial assets and financial liabilities and remeasurement of defined benefit assets and liabilities.		
		89,714	**83,402**

Distributions made and proposed

The Board of Directors of the Company at its meeting held on January 16, 2025 had declared an interim dividend of 140% (₹ 7 per equity share of par value of ₹ 5 each). This has resulted in cash outflow of ₹ 2,161 lakhs. Further, the Board of Directors of the Company at its meeting held on April 18, 2025 have recommended a final dividend of 320% (₹ 16 per equity share of par value of ₹ 5 each), which is subject to approval by the shareholders of the Company at ensuing Annual General Meeting. The maximum (estimated) cash outflow will be ₹ 4,950 lakhs. Proposed dividend on equity shares is not recognised as a liability as at March 31, 2025. Dividend declared by the Company is based on profit available for distribution.

For previous year

The Board of Directors of the Company at its meeting held on January 18, 2024 had declared an interim dividend of 140% (₹ 7 per equity share of par value of ₹ 5 each). This has resulted in cash outflow of ₹ 2,147 lakhs. Further, the Board of Directors of the Company at its meeting held on April 26, 2024 have recommended a final dividend of 240% (₹ 12 per equity share of par value of ₹ 5 each), which was approved by the shareholders of the Company at its Annual General Meeting held on September 30, 2024. This resulted in cash outflow of ₹ 3,704 lakhs. Proposed dividend on equity shares was not recognised as a liability as at March 31, 2024. Dividend declared by the Company is based on profit available for distribution.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

11 Financial liabilities - Non current

a. Borrowings

Particulars	As at	
	March 31, 2025	March 31, 2024
Secured		
Term loan from bank [Refer notes (i) and (vi) below]	-	3,938
Vehicle loans from bank [Refer note (ii) below]	218	319
	218	**4,257**

Notes:

(i) Term loan was secured by first charge on immovable property situated at Mahindra World City, Chengalpet, Chennai.

(ii) Vehicle loans are secured by hypothecation of assets (vehicles) purchased thereagainst.
Repayment terms: Monthly payment of equated monthly instalments beginning from the month subsequent to taking the loan along with interest at 7.40% - 9.70% p.a. (March 31, 2024: 7.10% - 9.35% p.a.). Vehicle loans are repayable in 1 to 60 instalments from March 31, 2025 (March 31, 2024: 1 to 60 instalments).

(iii) Refer note 32 for liquidity risk.

(iv) There was no default in repayment of borrowings and interest thereon during current and previous year.

(v) Borrowings were applied for the purpose for which they were availed.

(vi) Details of repayment terms:

Period of maturity with reference to balance sheet date	Number of instalments outstanding as at balance sheet date	Rate of interest	March 31, 2025	March 31, 2024
Term loan from bank	NA (previous year: 8 half yearly instaments)	3 months T-Bill + 2.7% p.a, i.e., 9.76% p.a.	-	4,500.00

Cash flows arising from financing activities

Particulars	Lease liabilities	Borrowings
As at April 1, 2023	**405**	**271**
Proceeds from long term borrowings	-	4,790
Repayments of long term borrowings	-	(103)
Payment of lease liabilities including interest	(165)	-
Non cash movement	249	-
As at March 31, 2024	**489**	**4,958**
Proceeds from long term borrowings	-	93
Repayments of long term borrowings	-	(4,707)
Payment of lease liabilities	(164)	-
Non cash movement	116	(30)
As at March 31, 2025	**441**	**314**

b. Lease liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Lease liabilities (Refer note 35)	360	429
	360	**429**

Note:

Refer note 32 for liquidity risk.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

c. Other financial liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Security and other deposits	3	3
Guarantee liability payable	897	838
	900	**841**

Note:

Refer note 32 for liquidity risk.

12 Provisions

Particulars	As at	
	March 31, 2025	March 31, 2024
Provision for employee benefits		
Provision for gratuity (Refer note 26(a))	2,715	1,940
	2,715	**1,940**

13 Borrowings

Particulars	As at	
	March 31, 2025	March 31, 2024
Secured		
Current maturities of term loan from bank [Refer notes 11(b)(i) and 11(b)(vi)]	-	592
Current maturities of vehicle loans from bank [Refer note 11(b)(ii)]	96	109
	96	**701**

Notes:

(i) The Company has certain working capital facility from banks against which the security has been created on trade receivables and contract assets. However, no amount is drawn or outstanding against the same as at March 31, 2025 (March 31, 2024 - ₹ Nil).

(ii) Refer note 32 for liquidity risk.

14 Lease liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Lease liabilities (Refer note 35)	81	60
	81	**60**

Note:

Refer note 32 for liquidity risk.

15 Trade payables

Particulars	As at	
	March 31, 2025	March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (Refer footnotes 2 and 3)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,233	2,491
	2,233	**2,491**

Notes:

(i) Trade payables are non-interest bearing and are generally settled in 30 to 60 days.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

(ii) The Company did not have dues to micro enterprises and small enterprises registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') as at beginning and end of the year. Also, all the payment to MSME during the current and previous year was made within the statutory deadline under MSMED Act and there was no overdue amount at any point during the current and previous year.

(iii) Above disclosure on MSME is based on the information available with the Company regarding the status of registration of such vendors under the said act, as per the intimation received from them on requests made by the Company.

(iv) Refer note 32 for liquidity risk.

Ageing Schedule as at March 31, 2025

Sr. No	Particulars	Unbilled dues	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
i.	Total outstanding dues of MSME	-	-	-	-	-	-
ii.	Total outstanding dues of creditors other than MSME	1,303	921	8	-	1	2,233
iii.	Disputed dues of MSME	-	-	-	-	-	-
iv.	Disputed dues of creditors other than MSME	-	-	-	-	-	-
	Total	**1,303**	**921**	**8**	**-**	**1**	**2,233**

Ageing Schedule as at March 31, 2024

Sr. No	Particulars	Unbilled dues	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
i.	Total outstanding dues of MSME	-	-	-	-	-	-
ii.	Total outstanding dues of creditors other than MSME	1,811	355	323	-	2	2,491
iii.	Disputed dues of MSME	-	-	-	-	-	-
iv.	Disputed dues of creditors other than MSME	-	-	-	-	-	-
	Total	**1,811**	**355**	**323**	**-**	**2**	**2,491**

16 Other financial liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Unclaimed dividends (Refer footnote (i))	71	65
Security and other deposits	2	2
Capital creditors	629	527
Other payables		
Employee benefits payable (refer note 28)	2,864	3,107
Foreign exchange forward contract	485	-
Guarantee liability payable	457	433
	4,508	**4,134**

Notes:

(i) There is no amount due to be transferred to Investor Education and Protection Fund under section 125 of the Act as at March 31, 2025. (March 31, 2024 - ₹ Nil)

(ii) Refer note 32 for liquidity risk.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

17 Other current liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Statutory dues	1,232	810
	1,232	**810**

18 Provisions

	As at	
	March 31, 2025	March 31, 2024
Provision for employee benefits		
Provision for gratuity (refer note 26)	-	82
Provision for compensated absences*	1,494	1,198
Other provision		
Provision for cost overrun on contracts**	109	57
	1,603	**1,337**

*Movement in provision for compensated absences

Particulars	March 31, 2025	March 31, 2024
Carrying amount at the beginning of the year	1,198	1,144
Additional provision made during the year	489	193
Amount used during the year	(193)	(139)
Closing provision at the end of the year	**1,494**	**1,198**

The provision for compensated absences is presented as current since the Company does not have an unconditional right to defer settlement for this obligation. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

**Movement in provision for cost overrun on contracts

Particulars	March 31, 2025	March 31, 2024
Carrying amount at the beginning of the year	57	107
Additional / (Unused) amount provided/(reversed) during the year	52	(50)
Balance as at end of the year	**109**	**57**

It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above, pending occurrence of the default event or resolution of respective proceedings. Also, the Company does not expect any reimbursements in respect of the above liability.

19 Revenue from operations

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Sale of services		
Information technology services	48,629	43,424
	48,629	**43,424**

The table below presents disaggregated revenues from contracts with customers by geographical location of customers. Company believes this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

(i) Revenue by geography

	For the year ended	
	March 31, 2025	March 31, 2024
United Kingdom	33,660	31,808
North America	12,721	7,429
AMEA*	2,248	4,187
	48,629	**43,424**

*AMEA includes Middle east region, South-east Asia, India, Singapore and Australia

(ii) Revenue by type of customers

	For the year ended	
	March 31, 2025	March 31, 2024
External customers	1,614	2,310
Related parties (refer note 28)	47,015	41,114
	48,629	**43,424**

(iii) Timing of revenue recognition

	For the year ended	
	March 31, 2025	March 31, 2024
Transferred at a point in time	467	6,755
Transferred over a period of time	48,162	36,669
	48,629	**43,424**

Notes:

(a) The above figures have been extracted from MIS generated report, to compute Time & Material and Fix Bid Revenue.

(b) Company does not have any significant obligations for returns and refunds.

(c) Contracts do not have a significant financing component and contracts do not have element of variable consideration.

(iv) Remaining performance obligation

As of March 31, 2025 the aggregate amount of transaction price allocated to remaining performance obligations, was ₹ 16 lakhs (March 31, 2024: ₹ 139 lakhs) of which approximately 100% (March 31, 2024: 100%) is expected to be recognised as revenues within one year.

(v) Changes in contract assets

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance at the beginning of the year	-	-
Invoices raised that were included in the contract assets balance at the beginning of the year	-	-
Increase due to revenue recognised during the year	54	-
Balance at the end of the year	**54**	**-**

(vi) Changes in contract liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance at the beginning of the year	139	251
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	(34)	(199)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	7	87
Balance at the end of the year	**112**	**139**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

(vii) Reconciliation between the contract price and revenue from contracts with customers

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Contract price	48,656	43,536
Adjustment for:		
Contract liabilities (net)	(27)	(112)
Revenue from contracts with customers	48,629	43,424

(viii) Performance obligation

(a) **Fixed price contracts:** Revenue is recognised in accordance with the methods prescribed for measuring progress i.e. 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.

(b) **Time and material contracts:** Revenues relating to time and material contracts are recognised as the related services are rendered.

(c) **IT support and maintenance:** Contracts related to maintenance and support services are either fixed price or time and material. In these contracts, the performance obligations are satisfied, and revenues are recognised, over time as the services are provided. Revenue from maintenance contracts is recognised ratably over the period of the contract because the Company transfers the control evenly by providing standard services.

20 Other income

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Interest income		
-On bank deposits	23	39
-On income tax refunds	97	-
-On guarantee given (Refer note 28)	159	193
-On others	9	10
Profit on sale of current investments (net)	160	25
Investment at FVTPL - net change in fair value	42	74
Rental income (Refer note 35)	7	7
Profit on sale of property, plant and equipment (net)	19	51
Net gain on foreign currency transactions and translation#	129	602
Dividend income from Mastek UK Limited, subsidiary (Refer note 28)	5,885	5,612
Guarantee commission (Refer note 28)	696	499
Other non-operating income*	109	113
	7,335	**7,225**

#Includes ₹ 191 lakhs on account of Cash flow hedges - ineffective portion of changes in fair value (March 31, 2024: ₹ 494 lakhs)

*Other non-operating income includes cross charge income from subsidiaries and scrap sale

21 Employee benefits expenses

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Salaries and wages (Refer note 28)	30,780	27,686
Contribution to provident fund and other funds (Refer note 26(c))	1,666	1,358
Employee stock compensation expenses (Equity settled)	187	119
Staff welfare expense	897	647
	33,530	**29,810**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

22 Finance costs

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Interest on borrowings	345	49
Interest expense on lease liabilities (Refer note 35(ii))	49	58
Others	-	2
	394	**109**

23 Depreciation and amortisation expenses

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Depreciation/ amortisation on property, plant and equipment (Refer note 3(a)(i))	786	834
Depreciation on right-of-use assets (Refer note 3(b) and 35(ii))	95	86
Depreciation on investment properties (Refer note 3(e))	-	-
Amortisation on other intangible assets (Refer note 3(a)(ii))	493	430
	1,374	**1,350**

24 Other expenses

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Recruitment and training expenses	393	309
Travelling and conveyance	655	631
Communication charges	93	124
Electricity	160	159
Consultancy and sub-contracting charges	1,402	750
Auditor's remuneration (Refer footnote (i))	89	80
Repairs		
Buildings	441	289
Others	1,465	966
Insurance	366	519
Printing and stationery	8	13
Purchase of software license	31	58
Legal and professional fees	882	1,700
Rent (Refer note 35)	54	58
Advertisement and publicity	84	131
Allowance for expected credit loss (net)	(44)	114
Bad debt written off	28	-
Hire charges	47	46
Donation (Refer note 40)	13	105
Corporate social responsibility expenditure (Refer note 40)	216	161
Subscription charges	227	328
Miscellaneous expenses	120	133
	6,730	**6,674**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Note:

(i) Auditor's remuneration (Excluding GST)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
As auditor:		
Statutory audit and limited review fees (including consolidation)	65	65
In other capacity:		
Other services (certification fees) and reimbursement of expenses	24	15
	89	**80**

25 Earnings Per Share ('EPS')

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
The components of basic and diluted earnings per share are as follows:		
(a) Profit attributable to equity shareholders of the parent entity (basic)	12,058	12,021
(b) Weighted average number (in absolute) of equity shares (basic)		
Opening balance	3,08,44,311	3,05,24,827
Effect of share options exercised	24,286	96,103
Effect of share issued on conversion of CCPS	-	17,917
Weighted average number of equity shares for the year	3,08,68,597	3,06,38,847
(c) Basic earnings per share (in ₹)	**39.06**	**39.23**
(d) Profit attributable to equity shareholders of the parent entity (diluted)	12,058	12,021
(e) Weighted average number (in absolute) of equity shares (diluted)		
Weighted average number of equity shares (basic)	3,08,68,597	3,06,38,847
Effect of share options on issue	2,89,043	2,38,437
Weighted average number of equity shares for the year	3,11,57,640	3,08,77,284
(f) Diluted earnings per share (in ₹)	**38.70**	**38.93**
(g) Nominal value of each share (in ₹)	5.00	5.00

Note: The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

26 Employee benefit plans

(a) Amount recognised in the standalone statement of profit and loss in respect of gratuity cost (defined benefit plan - partially funded) is as follows:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Gratuity cost		
Service cost	486	337
Net interest cost	134	74
Net gratuity cost	**620**	**411**
Net actuarial (loss)/ gain recognised in OCI	(100)	(16)
Amount shown as liability in the standalone balance sheet		
Non current	2,715	1,529
Current	-	-
Total	**2,715**	**1,529**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Amount recognised in the standalone statement of profit and loss in respect of gratuity cost (defined benefit plan - unfunded) is as follows:

Particulars	March 31, 2025	March 31, 2024
Gratuity cost		
Service cost	-	69
Net interest cost	-	21
Net gratuity cost	**-**	**90**
Actuarial (loss)/gain recognised in OCI	-	(108)
Amount shown as liability in the standalone balance sheet		
Non current	-	411
Current	-	82
Total	**-**	**493**

(a) For defined benefit plan -partially funded

Demographic assumptions used:	For the year ended	
	March 31, 2025	March 31, 2024
Discount rate (in %)	6.65%	7.40%
Salary escalation (in %)	10.00%	10.00%
Retirement age (in years)	58-60 Years	60 Years
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Average future service (in years)	5.94 Years	5.78 Years
Attrition rate (in %)		
Age (Years)		
21-30	21%	21%
31-40	15%	15%
41-50	17%	17%
51-59	10%	10%

The weighted average duration of the defined benefit obligation as at March 31, 2025 is 6.21 years (March 31, 2024: 6.05 years).

(b) For defined benefit plan - unfunded

Demographic assumptions used:	For the year ended	
	March 31, 2025	March 31, 2024
Discount rate (in %)	-	7.25%
Salary escalation (in %)	-	10.00%
Retirement age (in years)	-	58 Years
Mortality rate	-	Indian Assured Lives Mortality (2012-14)
Age (Years)		
21-30	-	20%
31-40	-	20%
41-50	-	20%
51-59	-	20%

The weighted average duration of the defined benefit obligation as at March 31,2024 5.10 years.

Summary of Material Accounting Policy and Other Explanatory Information

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(All amounts in ₹ lakhs, unless otherwise specified)

These assumptions were developed by the management with the assistance of independent actuarial appraiser. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience. 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.

(a) The following table sets out the status of gratuity plan - partially funded

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Obligation at the beginning of the year	2,850	2,475
Current service cost	486	337
Liability assumed*	493	-
Interest cost	222	170
Actuarial loss - due to change in financial assumption	134	34
Actuarial loss / (gain) - due to change in experience	6	(35)
Benefits paid	(218)	(131)
Obligation at the end of the year	**3,973**	**2,850**
Change in plan assets (maintained by LIC)		
Plan assets at the beginning of the year, at fair value	1,321	1,373
Employer contribution	28	-
Interest income on plan assets	88	96
Remeasurement on plan assets less interest on plan assets	39	(17)
Benefits paid	(218)	(131)
Plan assets at the end of the year, at fair value	**1,258**	**1,321**

* On account of business combination

(b) The following table sets out the status of gratuity plan - unfunded

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Obligation at the beginning of the year	-	318
Current service cost	-	69
Interest cost	-	21
Actuarial loss/(gain) - due to change in financial assumption	-	2
Actuarial loss / (gain) due to change in experience	-	105
Benefits paid	-	(22)
Obligation at the end of the year	**-**	**493**
Change in plan assets (maintained by LIC)		
Plan assets at the beginning of the year, at fair value	-	-
Employer contribution	-	22
Benefits paid	-	(22)
Plan assets at the end of the year, at fair value	**-**	**-**

(a) 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 - partially funded, are as follows:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Experience adjustment on plan liabilities - gain/ (loss)	(6)	35
Finacial adjustment on plan liabilities - (loss)	(134)	(34)
Experience adjustment on plan assets - gain / (loss)	39	(17)

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

(b) 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 - unfunded, are as follows:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Experience adjustment on plan liabilities - (loss) / gain	-	(107)
Experience adjustment on plan assets - (loss) / gain	-	-

Sensitivity analysis

(a) **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 - partially funded, by the amounts shown below:**

Particulars	As at			
	March 31, 2025		March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps)	(120)	127	(82)	88
Salary growth (50 bps)	118	(114)	91	(82)

(b) **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 - unfunded, by the amounts shown below:**

Particulars	As at			
	March 31, 2025		March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount Rate (100 bps)	-	-	(25)	26
Salary Growth (100 bps)	-	-	22	(23)

The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of another since some of the assumptions may be co-related. The possible change on account of change in attrition rate is not material.

(a) **Maturity profile of defined benefit obligation - partially funded:**

Particulars	As at	
	March 31, 2025	March 31, 2024
1 year	502	398
2 year	509	348
3 year	527	360
4 year	467	386
5 year	442	320
6 year	475	303
7 year	389	347
8 year	371	262
9 year	367	266
10 years and beyond	2,435	1,815

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

(b) **Maturity profile of defined benefit obligation - unfunded:**

Particulars	As at	
	March 31, 2025	March 31, 2024
1 year	-	87
2 year	-	82
3 year	-	73
4 year	-	68
5 year	-	61
6 year	-	53
7 year	-	47
8 year	-	44
9 year	-	36
10 years and beyond	-	217

Risk:

Factor	Impact
Discount rate	Reduction in discount rate in subsequent valuations can increase the obligation.
Salary escalation	Actual salary increases will increase the obligation. Increase in salary increase rate assumption in future valuations will also increase the obligation.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the obligation.

Plan is governed by the Payment of Gratuity Act, 1972 ('Gratuity Act'). Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of death/retirement/termination age.

Notes:

i) The Company has setup an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan. Expected contribution to the fund in FY 2025-26 is ₹ 502 lakhs (FY 2024-25: ₹ 200 lakhs).

ii) Plan assets are investment in unquoted insurer managed funds (100%) for current and previous year.

(b) The obligation for compensated absence is recognised basis Company's leave policy. Company follow calendar year for leave accumulation. Maximum of 18 days can be accrued during a year and maximum cap on accumulation is 45 days. Leaves in excess of maximum cap can be encashed during the tenure or on separation from the Company. Net charge to the standalone statement of profit and loss the year ended March 31, 2025 is ₹ 489 lakhs (March 31, 2024: ₹ 193 lakhs).

(a) Funded

Demographic assumptions used:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Discount rate (in %)	6.65%	7.20%
Salary escalation (in %)	10.00%	10.00%

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

(b) Unfunded

Demographic assumptions used:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Discount rate	-	7.25%
Salary escalation	-	10.00%

(c) The Company contributed ₹ 1,046 lakhs for the year ended March 31, 2025 (March 31, 2024: ₹ 857 lakhs) for the defined contribution plan towards legal obligations, which includes contribution towards provided fund, employee state insurance commission and labour welfare fund. Also, the obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

27 Income taxes

a) Income tax expense/ (credit) (excluding Meta Soft Tech Systems Private Limited) in the standalone statement of profit and loss consists of:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Current tax	1,975	1,306
Deferred tax*	(118)	2,861
Income tax relating to earlier years **	21	(3,801)
Income tax expense recognised in the profit or loss	**1,878**	**366**
Deferred tax (credit)/ expense recognised in OCI		
Defined benefit obligation	(25)	(26)
Loss on change in fair value of forward contracts designated as cash flow hedges	(240)	(294)
	(265)	**(320)**
Out of above deferred tax expense,		
the amount of deferred tax expense relating to the origination and reversal of temporary differences	(382)	(470)
the amount of deferred tax expense/ (income) relating to changes in tax rates	-	198
the amount of deferred tax expense/ (income) relating to derecognition of previously recognised deductible temporary differences	(1)	2,813

*During the year ended March 31, 2024, the management of the Company has decided to opt for new tax rate regime as per Section 115BAA of the Income-tax Act, 1961, effective FY 2022-23. As per provisions of Section 115BAA, the Company on shifting to new tax regime will be taxed at a lower rate and would not be required to pay Minimum Alternate Tax (MAT) and, as a consequence, no longer claim MAT credits. Accordingly, deferred tax adjustments during the year ended March 31, 2024, primarily include reversal of deferred tax asset (towards MAT credit) amounting to ₹ 2,840 lakhs and remeasurement of other opening deferred tax balances, based on the new tax rate.

**The Company had filed for a Bilateral Advance Pricing Arrangement ('BAPA') in the financial year 2015-16, under which the Company had recognised a provision in its books of account based on the most likely outcome expected as per the BAPA. Since no agreement could be reached between the respective competent tax authorities, the said application has been closed by them during the year ended March 31, 2024. Basis the analysis done by management of the Company, the additional tax provision up to March 31, 2023, amounting to ₹ 2,755 lakhs, being no longer required, has been reversed during the year and included under 'income tax relating to earlier years'.

During the year ended March 31, 2024, the management of the Company has decided to opt for new tax rate regime as per Section 115BAA of the Income-tax Act, 1961, effective FY 2022-23. Accordingly, adjustment (reversal) was also required to the provision recognised for the year ended March 31, 2023, at the higher tax rate (prior to the adoption of new tax regime), which have been included under 'income tax relating to earlier years'.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

b) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Profit before tax	13,936	11,668
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	3,507	2,937
Tax effect of:		
Amount which are not (taxable)/ deductible in calculating taxable income		
Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961 (net)	44	27
Corporate social responsibility expenditure	58	65
Allowance for expected credit loss (net)	(11)	29
Provision for cost overruns	13	(13)
Disallowance under section 43B	132	124
Profit on sale of property, plant and equipment (net)	(5)	(13)
ESOP expense	(250)	(401)
Others (net)	(32)	(36)
Dividend income u/s 80M	(1,481)	(1,413)
Deferred tax (credit) / charge	(383)	2,541
Income tax relating to earlier years	21	(3,801)
Total income tax expense recognised in the standalone statement of profit and loss	**1,613**	**46**

c) Income tax (credit) / expense of Meta Soft Tech Systems Private Limited in the standalone statement of profit and loss consists of:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Current tax	-	461
Deferred tax	-	(142)
Income tax expense recognised in the standalone statement of profit or loss	**-**	**319**
Deferred tax expense recognised in OCI		
Defined benefit obligation	-	(30)
Out of above deferred tax expense,		
the amount of deferred tax expense/ (income) relating to the origination and reversal of temporary differences	-	112

d) The reconciliation between the provision of income tax of Meta Soft Tech Systems Private Limited 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, 2025	March 31, 2024
Profit before tax	-	1,038
Enacted income tax rate in India (Metasoft)	-	25.17%
Computed expected tax expense	-	261
Effect of:		
Others	-	58
Deferred tax charge/ (credit) (including impact of change in tax rate in current year)	-	(30)
Total income tax expense recognised in the standalone statement of profit and loss	**-**	**289**

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as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

e) The movement in deferred income tax assets and (liabilities) for the year ended March 31, 2025 is as follows:

Particulars	Carrying value as at April 01, 2024	(Charge)/Credit through profit or loss	(Charge)/Credit through OCI	Carrying value as at March 31, 2025
Property, plant and equipment and other intangible assets	343	36	-	379
Allowance for expected credit loss	168	(11)	-	157
Provision for employee benefits	934	101	25	1,060
Net change in fair value of investment	19	-	-	19
Cash flow hedge	(87)	-	240	153
Others	104	(8)	-	96
Total	**1,481**	**118**	**265**	**1,864**

Particulars	Carrying value as at April 01, 2023	(Charge)/Credit through profit or loss	(Charge)/Credit through OCI	Carrying value as at March 31, 2024
Property, plant and equipment and other intangible assets	375	(32)	-	343
Allowance for expected credit loss	160	8	-	168
Provision for employee benefits	721	157	56	934
Net change in fair value of investment	23	(4)	-	19
Cash flow hedge	(381)	-	294	(87)
MAT credit entitlement	2,840	(2,840)	-	-
Others	112	(8)	-	104
Total	**3,850**	**(2,719)**	**350**	**1,481**

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has legally enforceable right to set off the said balances and Company's intent is to settle on a net basis as to realise asset and liabilities simultaneously, and deferred tax assets and deferred tax liabilities relate to the income tax levied by same tax authorities.

28 Related party disclosures as per Ind AS 24

Relationships have been disclosed where transactions have taken place and relationships involving control:

Name of related party	Nature of relationship	Country of Incorporation
Mastek (UK) Limited	Subsidiary	United Kingdom
Mastek Enterprise Solution Private Limited	Subsidiary	India
Mastek Inc.	Step-down subsidiary	United States of America
Trans American Information Systems Inc.	Step-down subsidiary	United States of America
Mastek Digital Inc.	Step-down subsidiary	Canada
Metasoftech Solutions LLC	Step-down subsidiary	United States of America
BizAnalytica LLC	Step-down subsidiary	United States of America
Mastek Arabia FZ LLC	Step-down subsidiary	United Arab Emirates
Evolutionary Systems Consultancy LLC	Step-down subsidiary	United Arab Emirates
Mastek Arabia Systems Egypt LLC	Step-down subsidiary	Egypt
Evosys Kuwait WLL	Step-down subsidiary	Kuwait
"Mastek Information Technology Company LLC (formerly known as Evolutionary Systems Saudi LLC)"	Step-down subsidiary	Kingdom of Saudi Arabia
Mastek Systems Bahrain WLL	Step-down subsidiary	Bahrain

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Name of related party	Nature of relationship	Country of Incorporation
Mastek Systems Company Limited	Step-down Subsidiary	United Kingdom
Evolutionary Systems Corp.	Step-down Subsidiary	United States of America
Evolutionary Systems Canada Limited	Step-down Subsidiary	Canada
Newbury Cloud, Inc.	Step-down Subsidiary	United States of America
Mastek Systems Pty Ltd	Step-down Subsidiary	Australia
Mastek Systems (Singapore) Pte. Ltd.	Step-down Subsidiary	Singapore
Mastek Systems (Malaysia) Sdn Bhd	Step-down Subsidiary	Malaysia
Evolutionary Systems Qatar WLL	Step-down Subsidiary	Qatar
Mastek Systems B.V.	Step-down Subsidiary	Netherlands
Key Management Personnel ('KMP'):	Umang Nahata, Whole-Time Director & CEO (w.e.f. August 10, 2024)	
	Hiral Chandrana, Global Chief Executive Officer (Upto September 3, 2024)	
	Arun Agarwal, Global Chief Financial Officer (Upto January 29, 2025) (Refer note 58)	
	Dinesh Kalani, Sr. Vice President - Group Company Secretary & Compliance Officer	
	Ashank Desai, Non Executive Director and Chairman	
	Ketan Mehta, Non Executive Director	
	Rajeev Grover, Non Executive Director	
	Suresh Vaswani, Non Executive Director	
	Marilyn Jones, Non Executive Director	
	Priti Rao, Non-Executive Director (upto May 1, 2023)	
Enterprise where KMP has control:	Mastek Foundation	

Transactions with above related parties during the year were:-

Name of related party	Nature of transactions	For the year ended March 31, 2025	March 31, 2024
Mastek (UK) Limited	Information Technology Services	33,126	31,236
	Dividend received from subsidiary	5,885	5,612
	Reimbursable / Other expenses recoverable	708	573
	Guarantee commission	280	115
Mastek, Inc.	Information Technology Services	246	180
	Guarantee commission	480	548
	Reimbursable / other expenses recoverable	-	242
	Reimbursable / other expenses Payable	59	15
	Guarantee given against Loan availed by subsidiary	27,356	13,913
Trans American Information Systems, Inc.	Information Technology Services	1,129	1,105
	Reimbursable / other expenses recoverable	79	69
Mastek Digital Inc.	Information Technology Services	6	-
	Reimbursable / other expenses recoverable	10	8
Mastek Enterprise Solutions Private Limited	Information Technology Services (excluding GST)	409	455
	Reimbursable / other expenses recoverable (excluding GST)	47	87
	Reimbursable / other expenses Payable (excluding GST)	24	-
	Guarantee commission	30	29
	Consideration paid on behalf of subsidiary	-	11,580

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(All amounts in ₹ lakhs, unless otherwise specified)

Name of related party	Nature of transactions	For the year ended	
		March 31, 2025	March 31, 2024
Mastek Arabia FZ LLC	Information Technology Services	45	69
	Reimbursable / other expenses recoverable	35	1
	Reimbursable / other expenses Payable	-	70
Evolutionary Systems Consultancy LLC	Information Technology Services	101	59
	Reimbursable / other expenses recoverable	8	25
	Reimbursable / other expenses Payable	2	-
Mastek Systems (Malaysia) SDN BHD	Information Technology Services	3	67
	Reimbursable / other expenses recoverable	10	2
Mastek Systems (Singapore) Pte. Limited	Information Technology Services	307	390
	Reimbursable / other expenses Payable	10	13
Evolutionary Systems Corp.	Information Technology Services	342	-
	Reimbursable / other expenses recoverable	77	70
Mastek Systems Company Limited	Information Technology Services	77	69
	Reimbursable / other expenses recoverable	49	52
Mastek Systems Pty Ltd (formerly known as Evolutionary Systems Pty Ltd)	Information Technology Services	48	16
	Reimbursable / other expenses recoverable	30	22
Mastek Systems B.V.	Information Technology Services	130	1
	Reimbursable / other expenses recoverable	12	13
Evolutionary Systems Qatar WLL	Reimbursable / other expenses recoverable	-	0
Mastek Information Technology Company LLC (formerly known as Evolutionary Systems Saudi LLC)	Information Technology Services	45	-
	Reimbursable / other expenses recoverable	29	18
Mastek Systems Bahrain WLL	Information Technology Services	2	2
Metasoftech Solutions LLC	Information Technology Services	9,160	6,120
	Reimbursable / other expenses recoverable	96	60
BizAnalytica LLC	Information Technology Services	1,839	1,345
	Reimbursable / other expenses recoverable	21	-
Mastek Foundation	Contribution towards CSR activities and donations	229	259

Notes:

1. Transactions up to the date of cessation/ from the date of establishment of related party relationship have been considered for disclosure.

2. Foreign currency transactions are reported in INR using exchange rate at the transaction date.

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(All amounts in ₹ lakhs, unless otherwise specified)

Balances outstanding are as follows:

Name of related party	Nature of transactions	For the year ended	
		March 31, 2025	March 31, 2024
Mastek (UK) Limited	Trade receivables	2,544	1,099
	Other receivables	32	32
	Guarantee commission receivable	69	12
	Guarantee commission liability (at fair value)	54	117
	Guarantee outstanding against loan availed by subsidiary*	-	5,482
Mastek, Inc.	Trade receivables	110	187
	Other receivables	-	46
	Trade Payables	105	34
	Guarantee commission receivable	241	296
	Guarantee commission liability (at fair value)	1,271	1,102
	Guarantee outstanding against loan availed by subsidiary*	54,944	37,903
Trans American Information Systems, Inc.	Other receivables	17	4
	Trade receivables	486	627
Mastek Digital Inc.	Other receivables	4	3
	Trade receivables	4	-
Mastek Enterprise Solutions Private Limited	Trade receivables	132	204
	Other receivables	76	82
	Trade Payables	-	1
	Guarantee commission receivable	94	59
	Guarantee commission liability (at fair value)	30	52
	Consideration paid on behalf of subsidiary	-	74,837
Mastek Arabia FZ LLC	Trade receivables	29	-
	Other receivables	5	-
	Other payables	103	104
Evolutionary Systems Consultancy LLC	Trade receivables	25	36
	Other payables	8	-
	Other receivables	-	4
Mastek Systems (Malaysia) SDN BHD	Trade receivables	54	55
	Other payables	10	10
	Other receivables	10	-
Mastek Systems (Singapore) Pte. Limited	Trade receivables	255	316
	Other payables	16	15
Evolutionary Systems Corp.	Other receivables	22	9
	Trade receivables	192	-
Mastek Systems Company Limited	Other receivables	-	24
	Other payables	0	-
	Trade receivables	13	70
Mastek Systems Pty Ltd (formerly known as Evolutionary Systems Pty Ltd)	Other receivables	5	8
	Trade receivables	27	16
Mastek Systems B.V.	Other receivables	-	6
	Other payables	1	-
	Trade receivables	34	1

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(All amounts in ₹ lakhs, unless otherwise specified)

Name of related party	Nature of transactions	For the year ended	
		March 31, 2025	March 31, 2024
Mastek Information Technology Company LLC (formerly known as Evolutionary Systems Saudi LLC)	Trade receivables	39	-
	Other receivables	5	13
Mastek Systems Bahrain WLL	Other receivables	0	2
Metasoftech Solutions LLC	Other receivables	16	3
	Trade receivables	3,704	1,602
BizAnalytica LLC	Trade receivables	693	1,348
	Other receivables	11	-

Notes:

1. Foreign currency balances (other than advances) are reinstated in INR using year end exchange rate.
2. Equity and equity like investments (as at balance sheet date) are not considered under 'Balances outstanding (as at year-end)' as these are not considered 'outstanding' exposures.
3. All the amounts due to/ from related parties (as at year-end) are unsecured.
4. All the amounts due to/ from related parties (as at year-end), other than advances, will be cash-settled. Goods or services will be received/ provided against the advance given/ taken, if any.
5. For security provided by Mastek Limited for the loans availed by subsidiary companies, refer footnote (ii) to Note 3.

*The guarantees have been given for loans availed by the respective subsidiaries. Also, the disclosure is of guarantee equivalent to amount of loan availed (for transactions during the year) which includes loan availed against unutilised guarantees of previous years and loan outstanding (balance outstanding as at reporting date). The amounts disclosed does not include unutilised guarantees. Refer note 37 for guarantees outstanding of contingent nature.

^ This also includes foreign exchange adjustment/ fair value adjustment.

^^ Consideration paid on behalf of subsidiary is pursuant to acquisition (Refer note 39(a)).

KMP compensation:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
(i) Short term employee benefits	499	433
(ii) Post employment benefits	-	-
(iii) Other long-term benefits*	18	17
(iv) Termination benefits	-	-
(v) Share based payments **	51	-
Total	**568**	**450**
Payable as at year end	93	76

* The KMP's are covered under the gratuity policy and compensated absences policy along with other eligible employee of the Company. Proportionate amount of gratuity and compensated absences expenses and provision for gratuity and compensated absences, which are determined actuarially are not mentioned in the aforementioned disclosure as these are computed for the Company as a whole.

** Represents the perquisite component, i.e., the difference between exercise price and fair market value of the option.

Notes:

1. Company has paid the remuneration to its directors during the year in accordance with the provision of and limits laid down under section 197 read with Schedule V to the Act.
2. There are no commitments with any related party during the year or as at year end.
3. All the related party transactions are made on terms equivalent to those that prevail in an arm's length transaction, for which prior approval of Audit Committee was obtained during the years ended March 31, 2025 and March 31, 2024.

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(All amounts in ₹ lakhs, unless otherwise specified)

29 Segment reporting

The Company has opted to present information relating to its segments in its consolidated financial statements which are included in the same annual report. In accordance with Ind AS 108 - 'Operating Segments', no disclosures related to segment are therefore presented in these standalone financial statements.

30 Financial instrument

The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 is as follows:

Particulars	Carrying value		Fair value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial assets (other than investment in subsidiaries)				
Amortised cost				
Trade receivables	8,870	6,302	8,870	6,302
Cash and cash equivalents	704	1,196	704	1,196
Other bank balances	71	65	71	65
Other financial assets	1,534	1,412	1,534	1,412
Security deposits	109	97	109	97
Investment in bank and margin deposits	38	1,454	38	1,454
Investment in bonds	-	53	-	53
FVTPL				
Investment in mutual funds	3,642	1,824	3,642	1,824
FVOCI				
Derivative assets	565	842	565	842
Total assets	**15,533**	**13,245**	**15,533**	**13,245**
Financial liabilities				
Amortised cost				
Borrowings	314	4,958	314	4,958
Lease liabilities	441	489	441	489
Trade payables	2,233	2,491	2,233	2,491
Other financial liabilities	4,923	4,975	4,923	4,975
FVOCI				
Derivative liabilities	485	-	485	-
Total liabilities	**8,396**	**12,913**	**8,396**	**12,913**

31 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).

There have been no transfers amongst the level of hierarchy during the current and previous year.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The fair values of the financial assets and liabilities are 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 are used to estimate the fair values.

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(All amounts in ₹ lakhs, unless otherwise specified)

1. Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables, other current financial assets/ liabilities and short term borrowings approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments are evaluated by the Company based on parameters such as individual credit worthiness of the counter-party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. The fair values for finance lease contracts and financial guarantee contract were calculated based on cash flows discounted using market interest rate on the date of initial recognition and fair values for deposits were calculated based on cash flows discounted using market interest rate on the date of initial recognition and subsequently on each reporting date. The lease liability is initially recognised at the present value of the future lease payments and is discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates and subsequently measured at amortised cost. Investment in mutual funds are designated at FVTPL and mark to market gain/ loss is recorded in statement of profit and loss on each reporting date.

4. Fair value of long term borrowings approximate their carrying amounts due to the fact that no upfront fees is paid as compensation to secure the borrowing and the interest rate is equal to the market interest rate.

   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, 2025 and March 31, 2024

Particulars	Date of valuation	Total	Fair value measuring using		
			Level 1	Level 2	Level 3
Financial assets measuring at fair value					
Derivative assets (FVOCI)					
Foreign exchange forward contract	March 31, 2025	565	-	565	-
FVTPL financial assets					
Investment in mutual funds	March 31, 2025	3,642	3,642	-	-
Financial liabilities measuring at fair value					
Derivative liabilities (FVOCI)					
Foreign exchange forward contract	March 31, 2025	485	-	485	-

Particulars	Date of valuation	Total	Fair value measuring using		
			Level 1	Level 2	Level 3
Financial assets measuring at fair value					
Derivative assets (FVOCI)					
Foreign exchange forward contract	March 31, 2024	842	-	842	-
FVTPL financial assets					
Investment in mutual funds	March 31, 2024	1,824	1,824	-	-

31.1 Valuation techniques and significant unobservable inputs (Level 2 and Level 3 instruments)

Instrument	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements	Range	
Foreign exchange forward contract	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies	Not applicable	Not applicable	Not applicable	Not applicable

Summary of Material Accounting Policy and Other Explanatory Information

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32 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity 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 Company's management oversees the management of these risk and formulates the policies which are reviewed and approved by the Board of Directors and Audit Committee. Such risks are summarised below:

(i) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices. The primary market risk to the Company is currency risk and other price risk. The Company does not have any borrowings with floating interest rate, thus interest rate risk is not applicable.

(ii) Currency risk

The Company's exposure to risk of change in foreign currency exchange rates arising from foreign currency transactions, is primarily with respect to the currencies which are not fixed. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The counter party of these derivative instruments are primarily banks. These derivative financial instruments are valued based on inputs that is directly or indirectly observable in the marketplace.

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.

These derivative financial instruments are forward contracts and are qualified for cash flow hedge accounting when the instrument is designated as hedge. Company has designated major portion of derivative instruments as cash flow hedges to mitigate the foreign exchange exposure of highly probable future forecasted sales.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Designated derivative instrument	As at	
	March 31, 2025	March 31, 2024
Forward contracts (Amount in GBP lakhs)	283	180
Number of contracts (in absolute)	312	296
Fair value in ₹ lakhs ((liability)/asset)	(607)	348

Forward contracts covers part of the exposure during the period April 2025 - June 2028

Designated derivative instrument	As at	
	March 31, 2025	March 31, 2024
Forward contracts (Amount in USD lakhs)	251	186
Number of contracts (in absolute)	7	4
Fair value in ₹ lakhs (asset)	686	494

Forward contracts covers part of the exposure during the period August 2025 - July 2027

Mark-to-Market gains / (losses)	As at	
	March 31, 2025	March 31, 2024
Opening balance of Mark-to-market gains receivable on outstanding derivative contracts	842	1,307
Released from hedging reserve account to profit or loss	(328)	(540)
Changes in the value of derivative instrument recognised in OCI	(625)	(419)
Ineffective portion of changes in fair value	191	494
Closing balance of Mark-to-market gains receivable on outstanding derivative contracts	**80**	**842**
Disclosed under:		
Other financial assets - Current	-	508
Other financial assets - Non current	565	334
Other financial liabilities - Non current(Refer note 16)	(485)	-
	80	**842**

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(All amounts in ₹ lakhs, unless otherwise specified)

Accounting for cash flow hedge

The objective of hedge accounting is to represent, in the Company's standalone financial statements, the effect of the Company's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Company makes use of derivative financial instruments for hedging the risk arising on account of highly probable future forecasted sales.

The Company has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective in offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

For derivative financial instruments designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The hedge ratio is 1:1.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The foreign exchange forward contracts are denominated in the same currency as the highly probable forecasted sales. Further, the entity has included the foreign currency basis spread and takes the forward rates in hedging relationship.

Hedge effectiveness is assessed through the application of dollar offset method and designation of forward contract as the hedging instrument. Further to determine hedge effectiveness, Company creates the hypothetical forward contract rate as on the date of reporting and takes mark-to-market rate of forward contract rate in order to determine hedge ineffectiveness. Hedge effectiveness is calculated using the following formula: Change in fair value of hedging instrument / change in fair value of hedged item. Effective portion of cash flow hedge is taken to cashflow hedge reserve, which is a separate portion within equity i.e. OCI and ineffective portion is immediately charged to the standalone statement of profit and loss. Balances in cashflow hedge reserve are transferred to the standalone statement of profit and loss in the period, when sales occur and cash flows actually effects the profit or loss.

The table below enumerates the Company's hedging strategy, typical composition of the Company's hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship:

Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
Cash flow hedge of foreign currency risk	Highly probable forecasted sales	Foreign currency denominated in proceeds from highly probable forecasted sales is converted into functional currency using a forward contract. Functional currency of the Company is INR.	Foreign exchange forward contracts	Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and specified date in the future. These are customised contracts transacted in the over–the–counter market.	Cash flow hedge

The tables below provide details of the financial contracts that have been designated as cash flow hedge for the periods presented:

Foreign exchange forward contracts

Reporting date	Nominal amount (in FC million)	Derivative assets	Derivative liabilities	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
March 31, 2025	GBP 25 million USD 28 million	565	(485)	(625)	191	Other income	(328)	Revenue from operations
March 31, 2024	GBP 18 million USD 19 million	842	-	(419)	494	Other income	(540)	Revenue from operations

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(All amounts in ₹ lakhs, unless otherwise specified)

Non-derivative financial instruments

The following table presents foreign currency risk from non-derivative financial instrument as of March 31, 2025 and March 31, 2024

Currency	As at March 31, 2025					
	Amount in respective foreign currencies (in lakhs)			Amount (₹ in lakhs)		
	Financial assets	Financial liabilities	Net assets / (liabilities)	Financial assets	Financial liabilities	Net assets / (liabilities)
USD	72	(5)	67	6,136	(405)	5,731
JPY	184	-	184	104	-	104
AED	2	(4)	(2)	57	(110)	(53)
AUD	1	-	1	32	-	32
SAR	2	(0)	2	44	(0)	44
EUR	0	-	0	33	-	33
GBP	0	(0)	(0)	-	(39)	(39)
SGD	-	(0)	(0)	-	(16)	(16)
MYR	0	(1)	(1)	-	(10)	(10)
CAD	0	-	0	8	-	8
BHD	0	-	0	0	-	0
Total (in INR)				**6,414**	**(580)**	**5,834**

Currency	As at March 31, 2024					
	Amount in respective foreign currencies (in lakhs)			Amount (₹ in lakhs)		
	Financial assets	Financial liabilities	Net assets / (liabilities)	Financial assets	Financial liabilities	Net assets / (liabilities)
USD	42	(5)	37	3,504	(378)	3,126
MYR	2	-	2	36	-	36
AUD	0	-	0	25	-	25
SAR	1	-	1	13	-	13
EUR	0	-	0	7	-	7
CAD	0	-	0	3	-	3
BHD	0	-	0	2	-	2
GBP	0	(1)	(0)	25	-	25
AED	-	-	-	-	1	1
SGD	-	-	-	-	-	-
Total (in INR)				**3,615**	**(377)**	**3,238**

The Company had outstanding corporate guarantee (in GBP and USD) on behalf of its subsidiaries, Mastek (UK) Limited and Mastek Inc., equivalent to ₹ 54,944 lakhs (March 31, 2024: ₹ 43,385 lakhs). It is contingent in nature and Company does not expect any liability against the same in foreseeable future.

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Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in significant foreign currencies with all other variables held constant. The below impact on the Company's standalone profit or loss before tax and equity is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities as at standalone balance sheet date:

Particulars	Impact on equity		Impact on profit or loss	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
USD sensitivity				
Increase by 1%	(57)	(31)	57	31
Decrease by 1%	57	31	(57)	(31)
Other currencies sensitivity				
Increase by 1%	(1)	(1)	1	1
Decrease by 1%	1	1	(1)	(1)

(iii) Price risk

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds.

Particulars	As at	
	March 31, 2025	March 31, 2024
Investments in mutual funds	3,642	1,824
Investments in bonds	-	53

Particulars	Impact on profit or loss	
	March 31, 2025	March 31, 2024
Price change by:		
100 basis points increase	36	19
100 basis points decrease	(36)	(19)

(iv) 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 from cash and cash equivalents, bank balances, other financial assets as well as credit exposures to customers including outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly.

The expected credit loss rates are based on the payment profiles of sales over a period of of time and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Company recognises lifetime expected losses for all trade receivables that do not constitute a financing component.

Outstanding customer receivables are regularly monitored.

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.

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The following table gives details in respect of revenues generated from top customer and top 5 customers:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Revenue from top customer	68%	72%
Revenue from top 5 customers	95%	93%

Amongst the top customers, significant revenue is earned from related entities/ group companies and management do not foresee any concentration risk or credit risk.

The following table gives details in respect of geography-wise trade receivables (gross):

Particulars	As at		In %	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
United Kingdom	2,607	1,195	27%	17%
North America	5,446	4,064	57%	58%
AMEA	1,440	1,711	15%	25%

Major revenue is earned from related entities/ group companies and management do not foresee any concentration risk or credit risk.

Other financial assets

The Company periodically monitors the recoverability and credit risks of its other financial assets. The Company evaluates 12 months expected credit losses for all the financial assets for which credit risk has not increased significantly. In case credit risk has increased significantly, the Company considers life time expected credit losses for the purpose of impairment provisioning

The Company has considered financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad or doubtful receivables and ageing of receivables related to cash and cash equivalents, bank balances, bank and margin deposits, security deposits and other financial assets. In most of the cases, risk is considered low since the counterparties are reputed organisations with no history of default to the Company and no unfavourable forward looking macro economic factors. Wherever applicable, expected credit loss allowance is recorded.

Expected credit loss for trade receivables

As at March 31, 2025	0 - 60 Days	61-90 days	91-180 days	181-365 days	365 -730 days	Credit impaired
Gross trade receivables	6,482	1,168	900	21	(31)	953
Less: Related party receivables	(6,297)	(1,168)	(900)	(21)	31	(330)
Net trade receivables	**185**	**0**	**-**	**-**	**-**	**623**
Expected loss rates	0.00%	0.25%	2.50%	25.00%	75.00%	100.00%
Expected credit loss	**-**	**0**	**-**	**-**	**-**	**623**

Expected credit loss for trade receivables

As at March 31, 2024	0 - 60 Days	61-90 days	91-180 days	181-365 days	365 -730 days	Credit impaired
Gross trade receivables	5,658	74	-	76	884	302
Less: Related party receivables	(5,254)	(72)	-	(76)	(358)	(30)
Net trade receivables	**404**	**2**	**-**	**-**	**526**	**272**
Expected loss rates	0.00%	0.25%	2.50%	25.00%	75.00%	100.00%
Expected credit loss	**-**	**0**	**-**	**-**	**395**	**272**

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Expected credit loss for Contract assets

As at March 31, 2025	0 - 60 Days	61-90 days	91-180 days	181-365 days	365 -730 days	Credit impaired
Gross contract assets	33	5	16	-	-	-
Net contract assets	**33**	**5**	**16**	**-**	**-**	**-**
Expected loss rates	0.00%	0.00%	0.25%	10.00%	50.00%	100.00%
Expected credit loss	**-**	**-**	**0.04**	**-**	**-**	**-**

The following table summarises the change in the loss allowance measured using expected credit loss model on trade receivables:

Particulars	March 31, 2025	March 31, 2024
At the beginning of the year	667	553
Provision made during the year	-	158
Provision reversed during the year	(44)	(44)
At the end of the year	623	667
Impairment loss on trade receivables arising from contracts with customers (net)	(44)	114

The Company does not require collateral in respect of trade receivables. Also, there are no such receivables for which no loss allowance is recognised because of collateral.

In respect of financial guarantees provided by the Company to banks, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

(v) 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 and settlement management. In addition, processes and policies related to such risks are overseen by senior management of the Company. The Company's management monitors the net liquidation position through rolling forecast on the basis of expected cash flows.

Also, the probability that guarantee given by the Company on behalf of its subsidiaries, Mastek (UK) Limited ('Mastek UK') and Mastek Inc., for their respective borrowings, will be invoked, is remote. Mastek UK has history of timely repayment and financial strength to repay the loans. Similarly, Mastek Inc. has history of timely repayment and support from its holding company, Mastek UK, if required. Acquisition of Metasofttech Solutions LLC ('MetaSoft USA') by Mastek Inc. during the year ended March 31, 2023 and BizAnalytica LLC ('Biz USA') during the year ended March 31, 2024 have further positive impact on the operations in the region. Accordingly, such guarantees are not expected to impact the liquidity risk profile of the Company.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2025 and March 31, 2024:

March 31, 2025

Particulars	On demand	Less than one year	One to five years	More than five years	Total
Borrowings	-	96	218	-	314
Trade payables	-	2,233	-	-	2,233
Lease liabilities	-	123	412	99	634
Other financial liabilities	-	4,508	900	-	5,408

March 31, 2024

Particulars	On demand	Less than one year	One to five years	More than five years	Total
Borrowings	-	701	4,257	-	4,958
Trade payables	-	2,491	-	-	2,491
Lease liabilities	-	106	475	145	726
Other financial liabilities	-	4,134	841	-	4,975

The Company has ₹ 5,600 lakhs (March 31, 2024: ₹ 5,600 lakhs) credit line facility that is unsecured and can be drawn down to meet short-term financing needs. Interest would be payable at a rate mutually agreed with banks at the time of drawdown.

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33 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 maximise shareholder value. The capital structure is as follows:

Particulars	As at	
	March 31, 2025	March 31, 2024
Total equity	91,261	84,944
Less: Effective portion of cash flow hedge	451	(262)
(i) Adjusted equity	91,712	84,682
Current borrowing	96	701
Non current borrowing	218	4,257
(ii) Total loans and borrowings	**314**	**4,958**
(iii) Cash and cash equivalent	704	1,196
Total capital (i+ii)	**92,026**	**89,640**
Total adjusted capital (i+ii-iii)	**91,322**	**88,444**
Net debt (ii-iii)	(390)	3,762
Adjusted equity as a % of total capital	99.66%	94.47%
Debt to total capital (in %)	0.34%	5.53%
Net debt to total adjusted capital (in %)	(0.43%)	4.25%

The Company is predominantly equity financed which is evident from capital structure table.

34 Employee Stock Based Compensation

i) Plan VI

The Company introduced a new scheme in financial year 2010 for granting 2,000,000 stock options to the employees, each option representing one equity share of the Company. The vesting period of stock options will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended			
	March 31, 2025		March 31, 2024	
	No. of share options	Weighted average exercise price	No. of share options	Weighted average exercise price
Outstanding options at beginning of the year	14,967	153	39,919	147
Granted during the year	-	-	-	-
Exercised during the year	(5,364)	91	(14,770)	125
Lapsed/ Cancelled/ Forefeited during the year	(4,145)	188	(10,182)	170
Outstanding options at end of the year	**5,458**	**188**	**14,967**	**153**
Options exercisable, end of the year	5,458	188	14,967	153
Range of exercise price for options outstanding		₹ 188		₹ 49.2 - 188

The weighted average share price on the date of exercise for share options exercised during the year ended March 31, 2025 is ₹ 2,697 (March 31, 2024: ₹ 2,187).

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ii) Plan VII

The Company introduced a new scheme in financial year 2013 for granting 2,500,000 stock options to its employees and employees of its subsidiaries, each option giving a right to apply for one equity share of the Company on its vesting. The vesting period of stock option will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended			
	March 31, 2025		March 31, 2024	
	No. of share options	Weighted average exercise price	No. of share options	Weighted average exercise price
Outstanding options at beginning of the year	384,900	49	469,964	55
Granted during the year	85,220	5	105,570	5
Exercised during the year	(90,219)	30	(144,722)	26
Lapsed/ Cancelled/ Forefeited during the year	(74,548)	40	(45,912)	78
Outstanding options at end of the year	**305,353**	**47**	**384,900**	**49**
Options exercisable, end of the year	**172,556**	**79**	**245,514**	**74**
Range of exercise price for options outstanding		₹ 5 - 350		₹ 5 - 350

The weighted average share price on the date of exercise for share options exercised during the year ended March 31, 2025 is ₹ 2,428 (March 31, 2024: ₹ 1,977).

Note: The Company does not have a past practice of cash settlement for these ESOPs. The Company accounts for the ESOPs as an equity-settled plan.

The following tables summarise information about the options outstanding under various programs as at March 31, 2025 and March 31, 2024, respectively:

Particulars	As at March 31, 2025		
	No. of share options	Weighted average remaining contractual life in years	Weighted average exercise price
Programme VI	5,458	1.3	188
Programme VII	305,353	6.4	47

Particulars	As at March 31, 2025		
	No. of share options	Weighted average remaining contractual life in years	Weighted average exercise price
Programme VI	14,967	2.0	153
Programme VII	384,900	6.6	49

The weighted average fair value of each unit under the plan, granted during the year ended March 31, 2025 was ₹ 2,721 (March 31,2024 - ₹ 1,877) using the Black-Scholes model with the following assumptions:

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Particulars	March 31, 2025	March 31, 2024
Weighted average grant date share price (in ₹)	2,832	1,988
Weighted average exercise price (in ₹)	5	5
Dividend yield (in %)	0.67%	0.96%
Expected life (in year)	4.5-6.5 Years	4.51-6.51 Years
Risk free interest rate (in %)	6.77%	7.06%
Volatility (in %)	48.23%	48.04%

Volatility: Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the period. The measure of volatility is used in Black Scholes option pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. Company considered the daily historical volatility of the Company's stock price on NSE over the expected life of each vest.

Risk free rate: The risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on zero coupon yield curve for government securities.

Expected life of the options: Expected life of the options is the period for which the Company expects the options to be live. The minimum life of stock options is the minimum period before which the options can't be exercised and the maximum life of the option is the maximum period after which the options can't be exercised. The Company has calculated expected life as the average of the minimum and the maximum life of the options.

Dividend yield: Expected dividend yield has been calculated as a total of interim and final dividend declared in last year preceding date of grant.

35 Leases

Company as lessee

i) The Company's leased assets primarily consist of leases for office premises. Leases of office premises have remaining lease term between 1 to 41 years (March 31, 2024 - 4 to 42 years). There are several lease agreements with extension and termination options, for which management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonable certain to exercise extension option and not to exercise termination option, the Company has opted to include such extended term and ignore termination option in determination of lease term. Further, Company is not exposed to any variable lease payments or residual value guarantee.

ii) The following are the amounts recognised in standalone statement of profit and loss:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Depreciation of ROU assets	95	86
Interest expense on lease liabilities	49	58
Expense relating to leases of low-value assets, excluding short-term leasess of low-value assets	54	58
Total cash outflow for leases (including interest)	164	165
Addition to ROU assets	19	189

iii) Amounts recognised in standalone balance sheet

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Carrying amount of ROU assets		
- Buildings	336	412
Lease liabilities		
Non-current	360	429
Current	81	60

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

iv) The effective interest rate for lease liabilities as at March 31, 2025 is 11% (March 31, 2024 - 11%).

v) The details regarding the contractual maturities of lease liabilities as at reporting date on an undiscounted basis

Particulars	As at	
	March 31, 2025	March 31, 2024
Within 3 months	31	27
3-6 months	30	26
6-12 months	62	53
1-3 years	316	364
3-5 years	96	111
More than 5 years	99	145

There are several lease agreements with extension and termination options, for which management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonable certain to exercise extension option and not to exercise termination option, the Company has opted to include such extended term and ignore termination option in determination of lease term.

Company as a lessor

i) Company has leased out its investment property. The lease is classified as operating lease from a lessor perspective as Company has not transferred substantially all of the risks and rewards incidental to the ownership of the asset.

ii) Rental income recognised during the year

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Rental income	7	7

iii) The details regarding the undiscounted lease payments to be received after the reporting date

Particulars	As at	
	March 31, 2025	March 31, 2024
Less than 1 year	8	7
1-2 years	8	8
2-3 years	8	8
3-4 years	-	8
4-5 years	-	-
More than 5 years	-	-

Notes:

1. The Company has not earned gain or incurred loss from sale and lease back transaction.
2. There are no significant restrictions or covenants imposed on leases.

36 Capital commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2025 is ₹ 66 lakhs (March 31, 2024: ₹ 204 lakhs).

For lease commitments, refer note 35.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

37 Contingent liabilities

	Particulars	As at March 31, 2025	As at March 31, 2024
[1]	Guarantees excluding financial guarantees (to the extent of amount outstanding) * #	54,944	43,385
[2]	Other money for which the Company is contingently liable		
	In respect of disputed demands for matters under appeal with sales tax authorities **	939	939
	In respect of disputed demands for matters under appeal with income tax authorities ** ^	562	562

*Highest amount outstanding during the year was ₹ 75,698 lakhs (March 31, 2024 ₹ 47,944 lakhs). The above amount excludes ₹ 29,336 lakhs for loan availed that was not drawn as at March 31, 2025.

#Gross guarantee given by the Company is as under:

Name of party	Foreign currency ('FC')	March 31, 2025		March 31, 2024	
		FC in absolute	₹ in lakhs	FC in absolute	₹ in lakhs
Mastek (UK) Limited	GBP	26,500,000	29,336	14,062,500	14,707
Mastek, Inc.	USD	82,520,000	70,534	55,900,000	46,597
Mastek Enterprise Solutions Private Limited	INR	NA	4,700	NA	4,700
Mastek Arabia FZ LLC	USD	3,000,000	2,564	3,000,000	2,501

** Amount outstanding as at balance sheet date represents gross demand raised by the tax authorities excluding amount paid under protest as it is not charged to the standalone statement of profit and loss by the Company

^ Further in relation to AY 2011-12, there was an addition on account of transfer pricing matter which the Honorable ITAT has remanded back to the file of the Transfer Pricing Officer for fresh adjudication. Since the matter has been remanded back, the outcome of the same cannot be ascertained at the moment.

The Company is also involved in various other litigations under income tax act with various appellate authorities on account of transfer pricing litigations, deductions u/s 10A, u/s 10AA, u/s 80HHE, u/s 40(a)(i), claim of foreign tax credit, other allowance/ disallowance u/s 37 of the Income-tax Act, 1961. These matters are pending before various income tax appellate authorities and the management and its tax advisors expect that its tax position will likely be upheld, and will not have a material adverse effect on the Company's financial position and result of operations. For these cases, the possibility of an outflow of resources embodying economic resources is remote according to the management and hence the same is not disclosed as a contingent liability."

Notes:

1. Company is contesting all of the above demands mentioned in (2) above and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the standalone financial statements for the aforesaid demands. The management believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the Company's financial position and results of operations and hence no provision has been made in this regard.

2. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

3. The amounts disclosed above represent the best possible estimates arrived at on the basis of available information and do not include any penalty payable.

4. The Company does not expect any reimbursements in respect of the above contingent liabilities.

5. Based on the judgement by the Honourable Supreme Court dated February 28, 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Company with respect to timing and the components of its compensation structure. In absence of further clarification, the Company has been advised to await further developments in this matter to reasonably assess the implications on its standalone financial statements, if any.

6. The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Summary of Material Accounting Policy and Other Explanatory Information
as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

38 Disclosure under section 186(4) of the Act

Name of party	Nature of transaction	March 31, 2025	March 31, 2024
Mastek (UK) Limited	Guarantee given (Amount outstanding as at year-end) ^	-	5,482
Mastek, Inc.	Guarantee given (Amount outstanding as at year-end) ^	54,944	37,903
Mastek Enterprise Solutions Private Limited	Guarantee given (Amount outstanding as at year-end) ^^	4,700	4,700

^ The guarantee is given for the loan availed by the subsidiary companies.

^^ This guarantee is given by the Company to bank for the hedging facility used by the subsidiary company. This is not considered as an exposure and hence it is not disclosed under related party disclosure, nor it is contingent in nature.

39 Note on acquisition

a) During the year ended March 31, 2020, Mastek acquired control of the business of Evolutionary Systems Private Limited ('ESPL') and its subsidiary companies (together referred to as 'Evosys'). The acquisition was as follows:

(i) Mastek (UK) Limited, a wholly-owned subsidiary of Mastek Limited, entered into a Business Transfer Agreement ('BTA') on February 8, 2020 to acquire the business of Evosys Arabia FZ LLC and Share Transfer Agreements (STA) to acquire Middle East Companies ('MENA Acquisition') by paying a cash consideration (net of cash and cash equivalents) of $ 64.9 million i.e. ₹ 48,204 lakhs. The closing of such transaction occurred on March 17, 2020, which is considered to be the date of transfer of control or the date of acquisition, as per Ind AS 103, and necessary effects have been recognised in the standalone financial statements of the respective entities, alongwith standalone and consolidated financial statements of the Company and its subsidiaries. While the acquisition has been effected and full consideration has been paid, procedures to complete the legal processes like registering sale of shares in one of the geography was delayed due to the pandemic condition, which has been completed as at March 31, 2022.

(ii) With respect to a business undertaking of ESPL (including investments in certain subsidiaries of ESPL), the parties (Mastek group and Evosys group) entered into a Demerger Co-operation Agreement ('DCA') and Shareholders Agreement on February 8, 2020. The manner of discharge of the non-cash consideration and the acquisition of legal ownership, was decided to be achieved through a demerger scheme filed before the National Company Law Tribunal ('NCLT') ('the Scheme'), or, as per DCA, the parties were to complete this transaction with the same economic effect, by an alternate arrangement, within the period specified in the DCA. The DCA gave Mastek Enterprise Solutions Private Limited (formerly known as Trans American Information Systems Private Limited) ('MESPL') a wholly owned subsidiary of Mastek, the right to appoint majority of the board of directors in ESPL and its subsidiaries and also provided for the relevant activities of ESPL and its subsidiaries to be decided by a majority vote of such board of directors, thereby resulting in transfer of control of business of ESPL and its subsidiaries to Mastek Group. The date of acquisition of business undertaking for the purposes of Ind AS 103 is the date of transfer of control to the Group, i.e. February 8, 2020. Discharge of consideration for demerger is through issue of 4,235,294 equity shares of Mastek Limited (face value ₹ 5 each) and balance through 15,000 Compulsorily Convertible Preference Shares ('CCPS') of ₹ 10 each of MESPL, subsequently split into 150,000 CCPS of ₹ 1 each, which carry a put option to be discharged at agreed EBITDA multiples, based on actual EBIDTA of 3 years commencing from financial year ending March 31, 2021 including adjustment for closing cash. Pending completion of legal acquisition, this transaction had only been considered for disclosure in the standalone financial statements for the years ended March 31, 2020 and 2021 and all periods ending June 30, 2021.

On September 14, 2021, the above transaction was approved by the NCLT, pursuant to the Scheme of De-merger ('the Scheme'), for the demerger of Evolutionary Systems Private Limited (ESPL or demerged entity), into MESPL, with the effective date of February 1, 2020 (Appointed Date). Consequently, the effect of the de-merger has been considered in the previous year's financial statement in accordance with Ind AS 103 – 'Business Combinations'. Accordingly, the year ended March 31, 2021 have been restated, to give effect to the business combination.

On December 17, 2021, a board meeting was held where the Board approved the buy out of first tranche of CCPS i.e. 1/3rd of the total outstanding CCPS (of MESPL) basis the agreed valuations in line with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended). Accordingly, 254,755 equity shares of Mastek Limited (face value ₹ 5 each) were issued on February 10, 2022, for said buy- out of first tranche of 50,000 CCPS of MESPL.

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(All amounts in ₹ lakhs, unless otherwise specified)

On December 11, 2022, a board meeting was held where the Board approved the buy out of second tranche of 50,000 CCPS of MESPL basis the agreed valuations in line with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended). Accordingly, 320,752 equity shares of Mastek Limited (face value of ₹ 5 each) were issued on January 17, 2023, for said buy-out of second tranche of 50,000 CCPS of MESPL.

On December 13, 2023, a board meeting was held where the Board approved the buy out of third tranche of 50,000 CCPS of MESPL basis the agreed valuations in line with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended). Accordingly, 159,942 equity shares of Mastek Limited (face value of ₹ 5 each) are issued on February 19, 2024, for said buy-out of third and final tranche of 50,000 CCPS of MESPL, resulting into completion of buy-out of non-controlling interest.

(iii) Total purchase consideration discharged by the Company on behalf of MESPL pursuant to scheme of demerger

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
150,000 (March 31, 2024 - 150,000) equity shares of ₹ 1 each, fully paid up (on account of buyout of CCPS)	-	47,849
Deemed equity in MESPL {(4,235,294 (March 31, 2024 - 4,235,294) equity shares of ₹ 5 each, fully paid up (share issued against the part discharge of consideration for acquisition) and fair valuation of put option liability as at date of transaction consummation}	-	26,988
Total	**-**	**74,837**

b) Acquisition of entity - MST

During the year ended March 31, 2023, Mastek had acquired control of the business of Meta Soft Tech Systems Private Limited ('MST India'). Mastek Limited, entered into a Share purchase agreement ('SPA') on July 18, 2022 to acquire the business of MST India by paying a cash consideration (net of cash and cash equivalents) of $ 2.2 million i.e. ₹ 1,846 lakhs. The closing of such transaction occurred on August 02, 2022, which was considered to be the date of transfer of control or the date of acquisition, as per Ind AS 103, and necessary effects was recognised in the standalone financial statements of the respective entities and consolidated financial statements of the Group.

MST India offers customer relationship management (CRM) and marketing automation consulting services. It offers salesforce, licensing solution, MuleSoft integrations, CPQ for salesforce, and Vlocity products. The Company offers digital transformation, managed services, and marketing automation solutions. It serves education, healthcare, manufacturing, non-profit, and public sector industries. it is a trusted partner to several Fortune 1000 and large enterprise clients. The acquisition would enable the Company in CRM business.

Purchase consideration

As part of the MST India acquisition, the purchase consideration was discharged in cash:

Particulars	MST India
Purchase consideration	2,723
Less: Adjustment for cash^	(877)
	1,846

^ Purchase consideration is net of cash and cash equivalents acquired

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

The purchase price allocation to the identified assets and liabilities assumed at the acquisition date are:

Particulars	MST India
Property, plant and equipment	325
Trade receivables*	588
Financial assets*	949
Other assets*	525
Trade payables	(5)
Financial liabilities	(863)
Other liabilities	(931)
Current tax liabilities	(315)
Deferred tax assets**	195
Fair value of identifiable net assets	**468**
Less: Purchase consideration	(1,846)
Goodwill	**(1,378)**
Contingent liability	-
Goodwill expected to be deductible for tax purpose	-

Goodwill is primarily related to growth expectations, expected future profitability, the substantial skill and expertise of MST India workforce and expected synergies.

*Represents fair value of receivables and gross contractual amounts receivable. All amounts are expected to be collected.

**Excludes the amount pertaining to OCI of ₹ 8 lakhs.

Impairment of goodwill

It is not feasible to determine cash inflows generated by Meta Soft India that are largely independent of other assets or group of assets. Thus, Meta Soft India, for the purpose of impairment testing is included in US Cash Generating Unit (CGU).

The recoverable amount has been determined for CGU using value in use. The estimated value-in-use is based on the present value of the future cash flows using a growth rate of 2% p.a, annual growth rate for periods subsequent to the forecast period of 5 years and average discount rate of 11.5% p.a respectively. The growth rate used is in line with the long-term average growth rate for the industry in which Company operates. An analysis of the sensitivity of the computation to a change in key parameters (growth rate and discount rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below it is carrying amount.

c) Acquisition - Biz India

During the year ended March 31, 2024, the Company had signed a definitive agreement for purchase of identified assets of BizAnalytica LLP ('Biz India') for a consideration of approximately ₹ 1,050 lakhs (equivalent to $ 1.28 million). The acquisition was completed on August 01, 2023 which was considered to be the date of acquisition, as per Ind AS 103. Biz India is an off-shore service provider and is primarily engaged in data cloud, analytics and modernization related services.

Purchase consideration

As part of the acquisition, the purchase consideration was discharged in cash:

Particulars	Biz India
Purchase consideration	1,050

Summary of Material Accounting Policy and Other Explanatory Information

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(All amounts in ₹ lakhs, unless otherwise specified)

The purchase price allocation to the identified assets assumed at the acquisition date are:

Particulars	Biz India
Property, plant and equipment	18
Fair value of identifiable assets	**18**
Less: Purchase consideration	(1,050)
Goodwill	**(1,032)**
Contingent liability	-
Goodwill expected to be deductible for tax purpose	-

Goodwill is primarily related to growth expectations and expected future profitability of Biz USA business (acquired by the Group) to which Biz India provides back end support and the substantial skill and expertise of Biz India workforce.

Impairment of goodwill

It is not feasible to determine cash inflows generated by Biz India that are largely independent of other assets or group of assets. Thus, Biz India, for the purpose of impairment testing is included in US Cash Generating Unit (CGU)
The recoverable amount has been determined for CGU using value in use. The estimated value-in-use is based on the present value of the future cash flows using a growth rate of 2% p.a, annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 11.5% p.a respectively. The growth rate used is in line with the long-term average growth rate for the industry in which company operates. An analysis of the sensitivity of the computation to a change in key parameters (growth rate and discount rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below it is carrying amount.

The Company has performed sensitivity analysis and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of a CGU to exceed its recoverable amount.

d) Merger of MST

Pursuant to the Scheme of amalgamation (the 'Scheme'), Meta Soft Tech Systems Private Limited (hereinafter referred to as 'Transferor Company'), had merged with Mastek Limited ('Transferee Company'), as approved by the Hon'ble National Company Law Tribunal ('NCLT'), Ahmedabad on May 17, 2024 with August 01, 2022 as the appointed date. Both Transferor Company and Transferee Company had filed the approved scheme with ROC, Ahmedabad on May 31, 2024, which had been considered as effective date as per the Scheme. The assets, liabilities and reserves of the Transferor Company are transferred to and vested in the Transferee Company. The said transfer had been considered as a 'common control business combination' as per Appendix C to Ind AS 103 "Business Combinations" and had been accounted for from August 01, 2022 i.e., the appointed date which is also the date of obtaining the control. Hence, the figures for the previous year are not comparable. The impact of the aforementioned accounting is summarized below:

Standalone Profit and Loss

Particulars	For the year ended March 31, 2024		
	Before merger	Adjustment	After merger
Revenue			
(a) Revenue from operations	37,267	6,157	43,424
(b) Other income	7,210	15	7,225
Total income (I)	**44,477**	**6,172**	**50,649**
Expenses			
(a) Employee benefits expenses	25,446	4,364	29,810
(b) Finance costs	68	41	109
(c) Depreciation and amortisation expenses	1,181	169	1,350
(d) Other expenses	6,114	560	6,674
Total expenses (II)	**32,809**	**5,134**	**37,943**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	For the year ended March 31, 2024		
	Before merger	Adjustment	After merger
Profit before taxes (I-II)	11,668	1,038	12,706
Tax expense / (credit)			
- Current tax	1,306	461	1,767
- Deferred tax	2,861	(142)	2,719
- Current Tax adjustments relating to earlier years	(3,801)	-	(3,801)
Total tax expense (net) (III)	**366**	**319**	**685**
Profit for the period / year (I-II-III) (A)	11,302	719	12,021
Other Comprehensive Income - loss (net of taxes) (B)	(654)	(79)	(733)
Total comprehensive income for the year (A+B)	**10,648**	**640**	**11,288**
Earnings per share (of face value ₹ 5 each) (Not annualised, except for year end):			
(a) Basic - ₹	36.90		39.23
(b) Diluted - ₹	36.63		38.93

Standalone Balance Sheet

Particulars	For the year ended March 31, 2024		
	Before merger	Adjustment	After merger
ASSETS			
Non-current assets			
Property, plant and equipment	3,363	113	3,476
Right-of-use assets	172	240	412
Capital work-in-progress	91	0	91
Investment properties	-	-	-
Goodwill	1,032	1,378	2,410
Other intangible assets	306	42	348
Financial assets			
Investment in subsidiaries	78,963	(2,723)	76,240
Investments - others	53	(53)	-
Other financial assets	1,179	41	1,220
Deferred tax assets (net)	1,118	363	1,481
Income tax assets (net)	2,008	14	2,022
Other non-current assets	123	(1)	122
Total non-current assets	**88,408**	**(586)**	**87,822**
Current assets			
Financial assets			
Investments	1,824	53	1,877
Trade receivables	4,800	1,502	6,302
Cash and cash equivalents	763	433	1,196
Bank balances other than cash and cash equivalents	105	1,412	1,517
Other financial assets	1,133	-	1,133
Other current assets	2,019	217	2,236
Total current assets	**10,644**	**3,617**	**14,261**
TOTAL ASSETS	**99,052**	**3,031**	**102,083**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Standalone Balance Sheet

Particulars	For the year ended March 31, 2024		
	Before merger	Adjustment	After merger
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1,542	-	1,542
Other equity	82,310	1,092	83,402
Total equity	**83,852**	**1,092**	**84,944**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	4,257	-	4,257
Lease liabilities	160	269	429
Other financial liabilities	841	-	841
Provisions	1,529	411	1,940
Total Non- current liabilities	**6,787**	**680**	**7,467**
Current liabilities			
Financial liabilities			
Borrowings	702	(1)	701
Lease liabilities	29	31	60
Trade payables			
(a) Total outstanding dues of micro and small enterprises	-	-	-
(b) Total outstanding dues of creditors other than micro and small enterprises	2,318	173	2,491
Other financial liabilities	3,461	673	4,134
Contract liabilities	138	1	139
Other current liabilities	731	79	810
Provisions	1,034	303	1,337
Current tax liabilities (net)	-	-	-
Total current liabilities	**8,413**	**1,259**	**9,672**
Total liabilities	**15,200**	**1,939**	**17,139**
TOTAL EQUITY AND LIABILITIES	**99,052**	**3,031**	**102,083**

40 Expenditure on corporate social responsibilities ('CSR')

As per section 135 of the Act, and rules therein, the Company is required to spend at least 2% of its average net profits for three immediately preceding financial years towards CSR activities. The Company has CSR committee as per the Act. The funds are utilised on the activities which are specified in Schedule VII of the Act. Details of CSR expenditure are as follows:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
(a) Gross amount required to be spent pursuant to section 135(5) of the Act	216	161
(b) Amount of expenditure incurred on		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above		
- Paid in cash	229	259
- Yet to be paid in cash	-	-
(c) Shortfall at the end of the year	-	-
(d) Total of previous years' shortfall	-	-
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities	**For financial year March 31, 2025 and March 31, 2024:** The aforementioned amount has been contributed to the trust 'Mastek foundation' which is controlled by the Company. Mastek foundation is primarily engaged in programmes related to promoting health care including preventive health care, promoting education and ensuring environmental sustainability.	

Note: The Company's spend towards CSR does not involve any long term projects and accordingly, disclosure requirements relating to ongoing projects is not applicable as at reporting dates.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

41 Disclosure of ratios

Sr. No.	Ratio	Formula for Computation	Measure (in times / percentage)	March 31, 2025	March 31, 2024	Variation in %
(a)	Current ratio	Current asset / Current liabilities	Times	1.81	1.47	23%
(b)	Debt-equity ratio	Debt / Average net worth	Times	0.00	0.06	(94%)
(c)	Debt service coverage ratio	Earnings available for debt service / Debt service	Times	24.21	15.49	56%
(d)	Return on equity ratio	Net profit for the year / Average net worth	Percentage	13.69%	15.06%	(9%)
(e)	Inventory turnover ratio	Cost of goods sold / Average inventory	Times	NA	NA	NA
(f)	Trade receivable turnover ratio	Revenue from operations / Average net trade receivables	Times	6.41	7.36	(13%)
(g)	Trade payable turnover ratio	Other Expenses / Average trade payables	Times	2.85	2.68	6%
(h)	Net capital turnover ratio	Revenue from operations / working capital (current assets - current liability)	Times	6.06	9.46	(36%)
(i)	Net profit ratio	Net profit for the year / Revenue from operations	Percentage	24.80%	27.68%	(10%)
(j)	Return on capital employed	EBIT / Capital employed	Percentage	15.72%	14.31%	10%
(k)	Return on investment	Profit before tax / Average total assets	Percentage	13.44%	13.53%	(1%)

Notes:

(i) Debt = Non-current borrowings + Current borrowings

(ii) Net worth = Paid-up share capital + Reserves created out of profit - Accumulated losses

(iii) Earnings available for debt service= Net profit for the year + Non operating expenses like depreciation and amortisation + Interest expense

(iv) Debt service = Interest expense + Lease payment within next 12 months + Principal repayment of borrowings within next 12 months

(v) EBIT = Earnings before exceptional items, interest and tax

(vi) Capital employed = Tangible net worth + Total debt + Deferred tax liabilities

(vii) Tangible net worth = Total equity - Other intangible assets

Reason for variance of more than 25% as compared to the previous year:

Debt-equity ratio	Reduction is due to term loan repayment by the Company during the year
Debt service coverage ratio	Increase is due to term loan repayment by the Company during the year
Net capital turnover ratio	Increase in revenue is 12% as compared to increase in working capital by 75%. Hence, the ratio has reduced.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

42 Utilisation of borrowed funds and share premium (for the years ended March 31, 2025 and March 31, 2024)

(i) The Company has not advanced or loaned or invested funds to any person or any entity, including foreign entities (Intermediaries) with the understanding that the intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Company (Ultimate Beneficiaries); or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii) The Company has not received any fund from any person or any entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

43 The Company does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Act or section 560 of Companies Act, 1956.

44 The Company has not granted any loan or advance in the nature of loan, during the current and previous year, to promoters, directors, KMPs or other related parties, either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment. Also, no such loan or advance in nature of loan is outstanding as at March 31, 2025 and March 31, 2024.

45 The Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder as at March 31, 2025 and March 31, 2024. Further, no proceedings have been initiated or pending against the Company for holding any benami property under the said act and rules mentioned above for the years ended March 31, 2025 and March 31, 2024.

46 The Company does not have any charge or satisfaction which is yet to be registered with ROC beyond the statutory period as at March 31, 2025 and March 31, 2024.

47 The Company has not traded or invested in Crypto currency or Virtual currency during the current and previous year.

48 The Company does not has any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provision of the Income-tax Act,1961).

49 The Company has not revalued its PPE, ROU assets and other intangible assets during the current and previous year.

50 The Company has not been declared wilful defaulter by any bank or financial institution or any other lender for the years ended March 31, 2025 and March 31, 2024.

51 The Company has complied with the number of layers prescribed under section 2(87) of the Act for the years ended March 31, 2025 and March 31, 2024.

52 The Company has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act apart from those disclosed in note 39 for the year ended March 31, 2025 and March 31, 2024.

53 The Company has not given any loan or advance in the nature of loan to its subsidiary or other entity during the year ended March 31, 2025 and March 31, 2024.

Therefore, disclosure under Regulation 53(1)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

54 As per the transfer pricing rules, the Company has examined international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustments with regard to the transactions involved.

55 MCA has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the accounting software SAP ECC6 used for maintenance of books of account.

56 There are no subsequent events which warrants adjustment or disclosure in the standalone financial statements.

57 The standalone financial statements as at and for the year ended March 31, 2025 were approved by the Board of Directors on April 18, 2025.

58 The Company is under process of appointing a Chief Financial Officer (CFO) under the provision of section 203 of the Companies Act, 2013 ('Act'). The previous CFO has resigned on January 29, 2025 and therefore, these standalone financial statements could not be signed by the CFO as required under section 134 of the Act.

59 Previous year figures have been regrouped, reclassified and rearranged wherever necessary, to conform to this year's presentation, and these are not material to the standalone financial statements.

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai, India
Date: April 18, 2025

For and on behalf of the Board of Directors of **Mastek Limited**

Umang Nahata
Whole-Time Director & CEO
DIN: 00323145
Place: Mumbai, India

Ashank Desai
Chairman
DIN: 00017767
Place: Mumbai, India

Dinesh Kalani
Sr. Vice President - Group Company Secretary & Compliance Officer
Place: Mumbai, India
Date: April 18, 2025

Independent Auditor's Report

To the Members of Mastek Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Mastek Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in 'Annexure – I', which comprise the Consolidated Balance Sheet as at 31 march 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 march 2025, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter section below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
Revenue from contract with customers Refer notes 2(e)(xiv) and 16 to the accompanying consolidated financial statements. Revenue is recognised basis the terms of each contract with customers wherein certain commercial arrangements involve complexity and significant judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation and the appropriateness of basis used to measure revenue recognised over the time period in selecting the accounting basis in each case. The revenue of the Group also includes fixed price contracts where revenue is recognised in accordance with the percentage of completion method determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. Revenue from maintenance contracts is recognised over the period of time.	Our audit procedures relating to revenue recognition included, but were not limited to the following: ▪ Evaluated the design and tested operating effectiveness of internal financial controls relating to the revenue recognition of the Group; ▪ Selected samples from all streams of contracts and performed detailed analysis on recognition of revenue as per the requirement of Ind AS 115, "Revenue from Contracts with Customers" which involved testing of inputs to examine the revenue recognised including estimates used; ▪ Compared the efforts or costs incurred with management's estimate of efforts or costs to identify variations, if any;

Key audit matters	How our audit addressed the key audit matters
We identified revenue of the Group as a key audit matter in the audit of consolidated financial statements of current year as it involves inherent subjectivity relating to consideration of progress of the contract, efforts input till date and efforts required to complete the remaining contract performance obligation, and ability to deliver contracts within planned timelines. Changes in estimates as contract progresses can result in material adjustments to revenue recorded by the Group.	▪ Reviewed management's internal budgeting approvals process, on a sample basis, for cost to be incurred on a project and for any changes in initial budgeted costs; and ▪ Evaluated appropriateness and adequacy of disclosures made in the consolidated financial statements with respect to revenue in accordance with the requirements of applicable financial reporting framework.
Impairment assessment of goodwill Refer notes 2(e)(ix) and 3(c) to the accompanying consolidated financial statements. The management has performed an annual impairment test of goodwill as required under Ind AS 36, Impairment of Assets ('Ind AS 36'), by determining the recoverable value of the cash generating units ('CGUs') to which the goodwill is allocated, using discounted cash flow method with the help of external valuation experts. As at 31 march 2025, the Group's assets include goodwill aggregating to ₹ 1,62,506 lakhs pertaining to UK, US and AMEA CGUs. During the current year, the Group has revised the mechanism and approach of how goodwill is monitored for internal management purposes, aligning it to the similar approach followed for review of financial performance of segments by the chief operating decision maker of the Group as further explained in Note 3(c). Accordingly, goodwill which was initially allocated on the basis of various business CGUs has now been re-allocated to geography-based CGUs in the current year using relative value approach for such re-allocation as prescribed under Ind AS 36. The determination of the recoverable value of CGUs requires Group's management to make certain key estimates and assumptions including forecast of future cash flows, long-term growth rates, profitability levels and discount rates. Changes in these assumptions could lead to an impairment to the carrying value of the goodwill. Considering goodwill balance is significant to the consolidated financial statements, re-allocation of goodwill to CGUs during the year and significant management judgement and estimates as stated above, impairment assessment of goodwill is considered as a key audit matter for the current year audit.	Our audit procedures in relation to impairment assessment of goodwill included, but were not limited to the following: ▪ Obtained an understanding of management's process for impairment assessment of goodwill, including understanding the change in internal monitoring during the current year leading to re-allocation of goodwill to geographical CGUs. ▪ Evaluated design and tested operative effectiveness of the key internal financial controls over the impairment review process including the review and approval of forecasts and review of valuation model; ▪ Discussed with the management and obtained corroborative evidence with respect to revision of monitoring mechanism of goodwill. Further, verified management's assertion that re-allocation did not have any financial impact on impairment assessment on the date of such re-allocation. ▪ Obtained management's external valuation expert's report on fair value of erstwhile Evosys CGU on the re-allocation date for reallocation of goodwill to geographical CGU basis relative value approach. Further, obtained the valuation reports for determining recoverable amount of CGUs on the reporting date. We also assessed the competence, capability, and objectivity of the management's expert; ▪ Assessed the reasonability of the assumptions used by the management for cash flow forecasts and verified the historical trend of business to evaluate the past performance for consistency; ▪ Traced the projections used by the management to approved business plans; ▪ Involved auditor's valuation experts to assist us in assessing the valuation assumptions used and methodology considered by the management's expert to calculate the recoverable amount of CGUs and the mathematical accuracy of these calculations; ▪ Performed the sensitivity analysis on the key assumptions to evaluate the possible variation on the current recoverable amount to ascertain the sufficiency of headroom available; and ▪ Evaluated the appropriateness and adequacy of disclosures given in the consolidated financial statements, including disclosure of significant assumptions and judgements used by the Group management, in accordance with applicable financial reporting framework.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance of the Holding Company.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group, covered under the Act 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; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group, are responsible for assessing the ability of the respective entities included in the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the respective entities included in the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors of the companies included in the Group, are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Holding Company;
    - Conclude on the appropriateness of Holding Company's Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
    - Obtain sufficient appropriate audit evidence regarding the financial information/financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors and for such entities which we have ourselves carried out audit procedures. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance of the Holding Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance of the Holding Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. We did not audit the financial information of one subsidiary, whose financial information reflects total assets of ₹ 27,040 lakhs as at 31 march 2025, total revenues of ₹ 30,658 lakhs and net cash outflows (net) amounting to ₹ 1,334 lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial information has been audited by other auditors whose report has been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Holding Company and its one subsidiary, incorporated in India, whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us, of company included in the consolidated financial statements and covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective Order reports of such company.

    Further, following are the companies included in the consolidated financial statements for the year ended 31 march 2025 and covered under that Act that are audited by us for which the respective reports under section 143(11) of the Act of such companies have not yet been issued by us.

S No	Name	CIN	Subsidiary/ Associate/ Joint Venture
1	Mastek Enterprise Solutions Private Limited	U51505GJ1999PTC112745	Subsidiary

18. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) Except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) The consolidated financial statements 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 Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company and its one subsidiary and taken on record by the Board of Directors of the respective companies, covered under the Act, none of the directors of the respective companies, are disqualified as on 31 march 2025 from being appointed as a director in terms of section 164(2) of the Act;

    f) The reservation relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, and its subsidiary, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

    h) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

        ii. The Holding Company, its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 march 2025;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 march 2025; Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company covered under the Act, during the year ended 31 march 2025;

iv. a. The respective managements of the Holding Company and its subsidiary, incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in note 36(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary, incorporate in India to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary, incorporated in India ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary, incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 36(ii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Holding Company during the year ended 31 march 2025 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Holding Company during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 10.2 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 march 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

The subsidiary company, incorporated under the Act, have not declared or paid any dividend during the year ended 31 march 2025.

vi. As stated in note 49 to the consolidated financial statements and based on our examination which included test checks and that performed by us on the Holding Company and its subsidiary, in respect of financial year commencing on 1 April 2024, have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trails have been preserved by the Holding Company and above referred subsidiary as per the statutory requirements for record retention.

Nature of exception noted	Details of exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operating throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software SAP ECC6 to log any direct data changes, used for maintenance of all accounting records by the Holding Company and one subsidiary.
Instances of accounting software maintained by a third party where we are unable to comment on the audit trail feature at database level	The accounting software used by the Holding Company and one subsidiary for maintenance of vendor invoice booking, purchase requisition and goods receipt note records is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organization), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Adi P Sethna
Partner
Membership No.: 108840
UDIN: 25108840BMNTVS6160

Place: Mumbai
Date: 18 April 2025

Annexure – I

List of entities included in the consolidated financial statements (in addition to the Holding Company)

1. Mastek Enterprise Solutions Private Limited
2. Mastek (UK) Limited
3. Mastek Inc.
4. Trans American Information Systems Inc.
5. Mastek Digital Inc.
6. Mastek Arabia FZ LLC
7. Evolutionary Systems Qatar WLL
8. Mastek Systems (Singapore) Pte Limited
9. Mastek Systems Pty Limited
10. Evolutionary Systems Corp.
11. Mastek Systems Company Limited
12. Mastek Systems (Malaysia) SDN BHD
13. Mastek Systems B.V.
14. Mastek Information Technology Company (formerly known as Evolutionary Systems Saudi LLC)
15. Evosys Kuwait WLL
16. Mastek Systems Bahrain WLL
17. Evolutionary Systems Consultancy LLC
18. Mastek Arabia Systems Egypt LLC
19. Newbury Cloud Inc.
20. Evolutionary Systems Canada Limited
21. Metasoftech Solutions LLC
22. BizAnalytica LLC (w.e.f. 01 August 2023)

Annexure – II

To the Independent Auditor's Report of even date to the members of Mastek Limited on the consolidated financial statements for the year ended 31 March 2025

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Mastek Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 march 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors/ management of the Holding Company and its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'IFC Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the IFC Guidance Note issued by the ICAI. Those Standards and the IFC 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 with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 march 2025, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the IFC Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Adi P Sethna
Partner
Membership No.: 108840
UDIN: 25108840BMNTVS6160

Place: Mumbai
Date: 18 April 2025

Consolidated Balance Sheet

As at March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)(i)	5,768	5,924
Right-of-use assets	3(b)	2,455	2,890
Capital work-in-progress	3(d)	181	94
Intangible assets under development	3(e)	17	-
Investment properties	3(f)	-	-
Goodwill	3(c)	1,62,506	1,70,724
Other intangible assets	3(a)(ii)	11,062	15,455
Financial assets			
Investments	4(a)	1,737	1,655
Other financial assets	4(b)	2,052	3,564
Deferred tax assets (net)	25(c)	15,463	10,760
Income tax assets (net)		2,207	2,900
Other non-current assets	5	155	150
Total non-current assets		**2,03,603**	**2,14,116**
Current assets			
Financial assets			
Investments	6(a)	16,066	7,726
Trade receivables	6(b)	73,761	56,131
Cash and cash equivalents	6(c)(i)	46,076	38,112
Bank balances, other than cash and cash equivalents	6(c)(ii)	71	149
Other financial assets	6(d)	1,594	1,948
Contract assets	7	23,145	35,284
Other current assets	8	21,872	15,047
Total current assets		**1,82,585**	**1,54,397**
Total Assets		**3,86,188**	**3,68,513**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9	1,547	1,542
Other equity	10	2,44,687	2,07,199
Equity attributable to owners of the holding company		**2,46,234**	**2,08,741**
Non controlling interest	10.1	-	-
Total Equity		**2,46,234**	**2,08,741**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11(a)	37,923	31,330
Lease liabilities	11(b)	1,639	2,155
Other financial liabilities	11(c)	32	9,881
Provisions	12	5,176	4,008
Deferred tax liabilities (net)	25(c)	1,339	3,354
Total non-current liabilities		**46,109**	**50,728**
Current liabilities			
Financial liabilities			
Borrowings	13(a)	17,594	17,325
Lease liabilities	13(b)	1,157	1,086
Trade payables	13(c)		
total outstanding dues of micro enterprises and small enterprises; and		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		25,599	22,041
Other financial liabilities	13(d)	18,050	45,896
Contract liabilities		10,918	7,349
Other current liabilities	14	12,540	9,143
Provisions	15	3,950	3,219
Current tax liabilities (net)		4,037	2,985
Total current liabilities		**93,845**	**1,09,044**
Total Liabilities		**1,39,954**	**1,59,772**
Total Equity and Liabilities		**3,86,188**	**3,68,513**

The accompanying notes form an integral part of the consolidated financial statements.
As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai, India
Date: April 18, 2025

For and on behalf of the Board of Directors of **Mastek Limited**

Umang Nahata
Whole-Time Director & CEO
DIN: 00323145
Place: Mumbai, India

Ashank Desai
Chairman
DIN: 00017767
Place: Mumbai, India

Dinesh Kalani
Sr. Vice President - Group Company Secretary & Compliance Officer
Place: Mumbai, India
Date: April 18, 2025

Consolidated Statement of Profit and Loss

For the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
INCOME			
Revenue from operations	16	3,45,523	3,05,479
Other income	17	2,228	1,601
Total Income (1)		**3,47,751**	**3,07,080**
EXPENSES			
Employee benefits expenses	18	1,85,903	1,67,091
Finance costs	19	4,206	4,447
Depreciation and amortisation expenses	20	7,512	8,991
Other expenses	21	1,04,975	87,521
Total expenses (2)		**3,02,596**	**2,68,050**
Profit before exceptional items and tax (3) = (1) - (2)		**45,155**	**39,030**
Exceptional items- (loss) / gain (net) (4)	22	761	(411)
Profit before tax (5) = (3) + (4)		**45,916**	**38,619**
Tax expense / (credit)	25(a)		
Current tax		14,470	12,404
Deferred tax		(6,216)	855
Current tax adjustments relating to earlier years		69	(5,737)
Total tax expense (net) (6)		**8,323**	**7,522**
Net profit for the year (7) = (5) - (6)		**37,593**	**31,097**
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss:			
Defined benefit plan actuarial (loss)/ gain		(227)	(200)
Income tax relating to above item		39	93
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translating financial statements of foreign operations		5,716	2,344
Effective portion of (losses) on hedging instruments in cash flow		(826)	(197)
Effective portion of (losses) on hedging instruments in cash flow hedges reclassified to profit and loss		(198)	(477)
Gain / (Loss) on change in fair value of financial instruments (net)		86	417
Income tax relating to above items		236	100
OCI for the year, net of taxes (8)		**4,826**	**2,080**
Total Comprehensive Income ('TCI') for the year, net of taxes (7+8)		**42,419**	**33,177**
Profit for the year attributable to			
Owners of the Holding Company		37,593	30,029
Non-controlling interests		-	1,068
Profit after tax for the year		**37,593**	**31,097**
Other comprehensive income (OCI), net of taxes attributable to			
Owners of the Holding Company		4,826	1,977
Non-controlling interests		-	103
Total other comprehensive income for the year, net of taxes		**4,826**	**2,080**
Total Comprehensive income for the year attributable to			
Owners of the Holding Company		42,419	32,006
Non-controlling interests		-	1,171
Total comprehensive income for the year, net of taxes		**42,419**	**33,177**
Earnings per share (in ₹)	23		
(Equity shares of face value ₹ 5 each)			
Basic - (₹)		**121.78**	**98.01**
Diluted - (₹)		**120.65**	**97.25**

The accompanying notes form an integral part of the consolidated financial statements.
As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of **Mastek Limited**

Adi P. Sethna
Partner
Membership No.: 108840

Umang Nahata
Whole-Time Director & CEO
DIN: 00323145
Place: Mumbai, India

Ashank Desai
Chairman
DIN: 00017767
Place: Mumbai, India

Dinesh Kalani
Sr. Vice President - Group Company Secretary & Compliance Officer
Place: Mumbai, India
Date: April 18, 2025

Place: Mumbai, India
Date: April 18, 2025

Consolidated Statement Of Cash Flows

For the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Cash flows from operating activities		
Profit before taxes	45,916	38,619
Adjustments for:		
Interest income	(680)	(248)
Employee stock compensation expenses	877	895
Finance costs	4,206	4,447
Depreciation and amortisation	7,512	8,991
Net loss/(gain) on foreign currency translation	285	(231)
Exceptional Items (Refer note 22)	(761)	411
Allowance for expected credit loss and bad debts written off	2,059	2,949
Profit on sale of property plant and equipment (net)	(25)	(43)
Profit on sale of current investments	(496)	(345)
Investment at FVTPL - net change in fair value	(281)	(43)
Cash flow hedges-ineffective portion of changes in fair value	(193)	(493)
Rental income including maintenance charges	(362)	(340)
Operating profit before working capital changes	**58,057**	**54,569**
Changes in Working capital; net of effect from acquisitions		
Increase in trade receivables	(1,237)	(835)
Increase in advances and other assets	(5,921)	(3,903)
Increase in trade payables, other liabilities and provisions	820	2,900
Cash generated from operating activities before taxes	**51,719**	**52,731**
Income taxes paid, net of refunds	(12,205)	(10,694)
Net cash generated from operating activities (A)	**39,514**	**42,037**
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment and investment property	130	196
Purchase of property, plant and equipment, capital work-in-progress and intangible assets	(2,013)	(3,145)
Interest received	680	61
Rental income including maintenance charges	362	340
Purchase consideration paid for other non current assets and slump purchase of assets	-	(1,050)
Purchase consideration paid for acquisition of/further investment in subsidiary, net of cash and cash equivalents	(20,547)	(19,449)
Purchase of short term investments	(46,132)	(34,573)
Liquidation of /(Investment in) long term bank deposits	1,413	(836)
(Investment in) / liquidation of short term bank deposits	-	(36)
Proceeds from sale of short term investments	38,697	32,843
Tax proceeds from sale of short term investments	(125)	-
Net cash used in investing activities (B)	**(27,535)**	**(25,649)**

Consolidated Statement Of Cash Flows

For the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Cash flows from financing activities		
Proceeds from issue of shares under the employee stock option schemes	32	37
Proceeds from long term borrowings	44,350	18,413
Repayments of long term borrowings	(38,525)	(8,082)
Payment of principal portion of lease liabilities	(1,464)	(1,224)
Movement in unclaimed dividend bank accounts	(6)	(14)
Dividends paid	(5,860)	(5,810)
Interest paid on finance lease	(215)	(223)
Other finance charges	(221)	(32)
Interest paid on loan	(3,776)	(2,882)
Net cash (used in) / generated from financing activities (C)	**(5,685)**	**183**
Effect of changes in exchange rates for cash and cash equivalents	1,670	494
Net increase in cash and cash equivalents during the year	7,964	17,065
Cash and cash equivalents at the beginning of the year	38,112	20,764
Cash and cash equivalents transferred pursuant to acquisition of subsidiary (refer note 34(b) and 34(c))	-	283
Cash and cash equivalents at the end of the year (refer note 6 (c)(i))	**46,076**	**38,112**

The above consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows" specified under section 133 of the Companies Act, 2013 (the 'Act').

Refer note 11 for cashflow changes in liabilities arising from financing activities.

The accompanying notes form integral part of the consolidated financial statements.

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai, India
Date: April 18, 2025

For and on behalf of the Board of Directors of **Mastek Limited**

Umang Nahata
Whole-Time Director & CEO
DIN: 00323145
Place: Mumbai, India

Ashank Desai
Chairman
DIN: 00017767
Place: Mumbai, India

Dinesh Kalani
Sr. Vice President - Group Company Secretary & Compliance Officer
Place: Mumbai, India
Date: April 18, 2025

Consolidated Statement of Changes in Equity

For the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

(a) Equity share capital (Refer note 9)

Particulars	Amount
Balance as at April 1, 2024	**1,542**
Add: Shares issued on exercise of stock options	5
Balance as at March 31, 2025	**1,547**
Balance as at April 1, 2023	1,526
Add: Shares issued on exercise of stock options	8
Add: Issue of share pursuant to acquisition of non controlling interest in Mastek Enterprise Solutions Private Limited (Formerly known as Trans American Information Systems Private Limited) (Refer note 34(a))	8
Balance as at March 31, 2024	**1,542**

(b) Other Equity (Refer note 10)

Particulars	Reserve and Surplus						OCI							
	Capital reserve	Capital redemption reserve	Securities premium	Share options outstanding account	General reserve	Retained earnings	Remeasurement of defined benefit plans	Effective portion of cash flow hedge	Fair value of non current investment in mutual funds	Fair value of non current investment in share warrants	Exchange differences on translating the financial statements of a Foreign operation	Put Options written on non-controlling interest (Refer note 34(a))	Non-Controlling Interest (Refer note 34(a))	Total other equity
Balance as at April 1, 2024	21	1,539	43,949	2,210	420	1,49,952	492	225	-	295	8,096	-	-	2,07,199
TCI for the year ended March 31, 2025														
Profit for the year	-	-	-	-	-	37,593	-	-	-	-	-	-	-	37,593
OCI (net of taxes)	-	-	-	-	-	-	(188)	(767)	-	65	5,716	-	-	4,826
TCI for the year	**-**	**-**	**-**	**-**	**-**	**37,593**	**(188)**	**(767)**	**-**	**65**	**5,716**	**-**	**-**	**42,419**
Transactions with owners of the Company														
(i) Contributions and distributions														
Issue of equity share on exercise of employee share option	-	-	28	-	-	-	-	-	-	-	-	-	-	28
Equity settled share based payment	-	-	-	907	-	-	-	-	-	-	-	-	-	907
Transferred to securities premium on share options exercised	-	-	605	(605)	-	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(5,866)	-	-	-	-	-	-	-	(5,866)
ESOP adjustments*	-	-	-	(37)	37	-	-	-	-	-	-	-	-	-
Total Transactions with owners of the Company	**-**	**-**	**633**	**265**	**37**	**(5,866)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4,931)**
Balance as at March 31, 2025	**21**	**1,539**	**44,582**	**2,475**	**457**	**1,81,679**	**304**	**(542)**	**-**	**360**	**13,812**	**-**	**-**	**2,44,687**
Balance as at April 1, 2023	21	1,539	39,450	1,524	384	1,71,196	573	713	-	-	5,845	(54,430)	9,110	1,75,925
TCI for the year ended March 31, 2024														
Profit for the year	-	-	-	-	-	30,029	-	-	-	-	-	-	1,068	31,097
OCI (net of taxes)	-	-	-	-	-	-	(81)	(488)	-	295	2,251	-	103	2,080
TCI for the year	**-**	**-**	**-**	**-**	**-**	**30,029**	**(81)**	**(488)**	**-**	**295**	**2,251**	**-**	**1,171**	**33,177**

Consolidated Statement of Changes in Equity

For the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	Reserve and Surplus							OCI						
	Capital reserve	Capital redemption reserve	Securities premium	Share options outstanding account	General reserve	Retained earnings	Remeasurement of defined benefit plans	Effective portion of cash flow hedge	Fair value of non current investment in mutual funds	Fair value of non current investment in share warrants	Exchange differences on translating the financial statements of a Foreign operation	Put Options written on non-controlling interest (Refer note 34(a))	Non-Controlling Interest (Refer note 34(a))	Total other equity
Transactions with owners of the Company														
(i) Contributions and distributions														
Issue of equity share on exercise of employee share option	-	-	47	-	-	-	-	-	-	-	-	-	-	47
Equity settled share based payment	-	-	-	890	-	-	-	-	-	-	-	-	-	890
Transferred to securities premium on share options exercised	-		648	(648)	-	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(5,824)	-	-	-	-	-	-	-	(5,824)
ESOP adjustments*	-	-	-	(36)	36	-	-	-	-	-	-	-	-	-
Excess tax benefits from exercise of share-based options	-	-	-	480	-	-	-	-	-	-	-	-	-	480
Total contributions and distributions	**-**	**-**	**695**	**686**	**36**	**(5,824)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4,407)**
(ii) Changes in ownership interests														
Issue of share pursuant to acquisition of non controlling interest in Mastek Enterprise Solutions Private Limited (Formerly known as Trans American Information Systems Private Limited) (Refer note 34(a))	-	-	3,804	-	-	-	-	-	-	-	-	-	-	3,804
Acquisition of proportionate non-controlling interests (Refer note 34(a))	-	-	-	-	-	10,281	-	-	-	-	-	-	(10,281)	-
Put options written on Non-Controlling Interest (Refer note 34(a))	-	-	-	-	-	(55,730)	-	-	-	-	-	54,430	-	(1,300)
Total Changes in ownership interests	**-**	**-**	**3,804**	**-**	**-**	**(45,449)**	**-**	**-**	**-**	**-**	**-**	**54,430**	**(10,281)**	**2,504**
Total Transactions with owners of the Company	**-**	**-**	**4,499**	**686**	**36**	**(51,273)**	**-**	**-**	**-**	**-**	**-**	**54,430**	**(10,281)**	**(1,903)**
Balance as at March 31, 2024	**21**	**1,539**	**43,949**	**2,210**	**420**	**1,49,952**	**492**	**225**	**-**	**295**	**8,096**	**-**	**-**	**2,07,199**

*ESOP adjustment reflects vested stock options lapsed during the year.

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai, India
Date: April 18, 2025

For and on behalf of the Board of Directors of **Mastek Limited**

Umang Nahata
Whole-Time Director & CEO
DIN: 00323145
Place: Mumbai, India

Ashank Desai
Chairman
DIN: 00017767
Place: Mumbai, India

Dinesh Kalani
Sr. Vice President - Group Company Secretary & Compliance Officer
Place: Mumbai, India
Date: April 18, 2025

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

1 Company overview

Mastek Limited (the 'Company'/ 'Holding Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Holding Company's registered office is located at 804/805, President House, Opp. C N Vidyalaya, Near Ambawadi Circle, Ahmedabad - 380 006, Gujarat, India. The Company and its subsidiaries (collectively referred herein under as ""the Group"") are providers of vertically-focused enterprise technology solutions.

The portfolio of Group's offering includes business and technology services comprising of Application Development, Application Maintenance, Business Intelligence and Data Warehousing, Testing & Assurance, Digital Commerce, Agile Consulting and Legacy Modernisation, Oracle Cloud, Oracle ERP Cloud, product-as-a-service solutions and machine learning. The Group carries out its operations in United Kingdom, North America and AMEA (Middle east region, South-east Asia, India, Singapore and Australia) and has its offshore software development centres in India at Mumbai, Gurugram, Noida, Pune, Chennai, Mahape and Ahmedabad.

2 Basis of preparation and presentation

a. General information and statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with Companies (Indian Accounting Standards) Rules, 2015 (as amended), and the presentation and disclosure requirement of Division II of Schedule III to the Act and the guidelines issued by the Securities and Exchange Board of India ('SEBI') to the extent applicable. The accounting policies for the years ended March 31, 2025 and March 31, 2024 are consistent.

The revision to consolidated financial statements is permitted by Company's Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

These consolidated financial statements of the Group ('financial statements') as at and for the year ended March 31, 2025 were approved and authorised by the Company's board of directors on April 18, 2025. All amounts included in the consolidated financial statements are reported in Indian rupees (in lakhs) except share and per share data, unless otherwise stated and "0" denotes amounts less than fifty thousand rupees.

b. Basis of Preparation

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following 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 instrument;

iii. Share based payment transactions; and

iv. Defined benefit and other long-term employee benefits.

All the assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle which does not exceed 12 months.

c. Use of estimate 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:

Timing of satisfaction of performance obligations-
The Group applies the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs expected to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date. This ensures that the consolidated financial statements reflect the expected outcome of the contract, taking into account all available information at the reporting date.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

For fixed price contracts, the Group satisfies performance obligations over time as efforts or costs are expended, provided that certain criteria are met. This is because the Group's efforts or costs expended represent progress towards completion and there is a direct relationship between input and productivity. Therefore, revenue is recognized as the Group performs work or incurs costs, reflecting the proportion of completion achieved.

Transaction price and amount allocated to performance obligations - The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring agreed services to a customer.

The transaction price is allocated to each performance obligation based on its standalone selling price if it is distinct, or alternatively, an estimation method is used to allocate the transaction price to performance obligations in the contract. This allocation is based on the relative standalone selling prices of each distinct performance obligation. Any uncertainty or variability in the transaction price is estimated and included in the allocation of the transaction price to each performance obligation.

(ii) Income taxes:

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) Deferred tax:

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(iv) Business combination:

Business combinations are accounted for using Ind AS 103. 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 and their estimated useful life. These valuations are conducted by independent valuation experts.

(v) Defined benefit plans and compensated absences:

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(vi) Property, plant and equipment:

The change in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The estimated useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Depreciation of PPE is calculated on straight-line basis over the useful life estimated by the management either based on technical evaluation or those prescribed under schedule II to the Act.

(vii) Intangible assets:

The charge in respect of periodic amortisation is derived after determining an estimate of the expected useful life and the expected residual value at the end of its useful life. Amortisation of intangible assets is calculated on straight-line basis over the useful life estimated by the management which reflects the manner in which the economic benefit is expected to be generated.

(viii) Impairment testing:

Goodwill and Intangible assets recognized on business combination are tested for impairment at least annually or when events occur or changes in circumstances indicate that the recoverable amount of the asset or the cash generating unit (CGU) to which these pertain is less than the carrying value. The

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recoverable amount of the asset or the CGU is higher of value-in-use and fair value less cost of disposal. The calculation of value in use of a CGU involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

(ix) Expected credit losses on financial assets:

On application of Ind AS 109 "Financial instruments" ('Ind AS 109'), the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

(x) Research and development credit:

Research and development credit, in accordance with Ind AS 20 are recognised only to the extent there is reasonable assurance that the related conditions will be met and amounts will be received.

Government grant relating to income are deferred and recognised in the consolidated statement of profit and loss over the period necessary to match them with costs that they are intended to compensate and presented within the other income/ credit to related expenses.

(xi) Provisions:

Provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can me made. Provisions (excluding defined benefit obligation and compensated absences) are discounted to its present value only where the effect is material and are determined based on best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

(xii) Share-based payments:

At the grant date, fair value of options granted to employees is recognized as employee expense, with corresponding increase in equity, over the period that the employee become unconditionally entitled to the option. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "share option outstanding account". The amount recognized as an expense is adjusted to reflect the impact of the revision in estimates based on number of options that are expected to vest, in the consolidated statement of profit and loss with a corresponding adjustment to equity.

(xiii) Leases:

Ind AS 116 "Leases" ('Ind AS 116') requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

(xiv) Evaluation of indicators for impairment of assets:

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal and external factors. An asset is treated as impaired when the carrying value exceeds its recoverable value. The recoverable amount is the higher of the fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk specific to the assets. An impairment loss is charged to the consolidated statement of profit and loss in the year in which an

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assets is identified as impaired. After impairment, depreciation or amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(xv) Contingent liabilities:

Contingent liability is possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Initially, Group makes an assessment of whether a transaction is to be disclosed as contingent liability or to be recorded as provision. Also at each balance sheet date, basis the management judgement, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

(xvi) Restructuring provision:

Severance liabilities as a result of reduction in work force are recognised when they are determined to be probable and estimable and create a constructive obligation about the execution of plan. On an ongoing basis, management assesses the profitability of a business and possibly may decide to restructure the operations of such businesses. Significant assumptions are used in determining the amount of the estimated liability for restructuring.

(xvii)Fair value measurements:

Management applies valuation techniques to determine fair value of financial assets and liabilities (where active market quotes are not available). This involves developing estimates and assumptions around volatility and dividend yield etc. which may affect the value of financial assets and liabilities.

d. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group (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 and extent of control is considered based on participative/ beneficial rights.

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 acquisition method of accounting is used to account for business combination by the Group.

The consolidated financial statements are prepared using uniform accounting policy for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, have been made in the consolidated financial statements.

Non-controlling interests, if any, in the results and equity of subsidiary companies are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet. The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

e. Summary of material accounting policy information

(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 Group.

(ii) Foreign currency transactions and balances

Foreign currency transactions of the Group are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities are translated at each reporting date based on the rate prevailing on such date. Gains and losses resulting from the settlement of foreign currency monetary items and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit and loss. Non-monetary assets and liabilities are continued to be carried at rates of initial recognition.

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For the purposes of presenting the consolidated financial statements assets and liabilities of Group's foreign operations with functional currency different from the Group are translated into Group'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. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

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

A. Initial recognition and measurement

The Group recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets (except trade receivables) and financial liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular purchase and sale of financial assets are recognised on the trade date. Further, trade receivables are measured at transaction price on initial recognition.

B. Subsequent measurement

1. Non-derivative financial instruments

a. Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and 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. Financial assets are subsequently measured at amortised cost using the effective interest rate method less impairment losses, if any.

b. Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

A financial asset is subsequently measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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.

c. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d. Financial Liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

2. Derivative instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

These derivative instruments are designated as cash flow hedge.

The hedge accounting is discontinued when the hedging instruments expires or is sold, terminated or no longer qualifies for hedge accounting and the cumulative gain or loss on the hedging instruments recognized in hedging reserve till the price hedge was effective remain in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flows hedging reserve is transferred to profit or loss upon the occurrence of related forecasted transactions.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised 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 recognised in the consolidated statement of profit and loss.

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The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C. **Derecognition of financial instruments**

The Group derecognises a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

D. **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

(iv) Current versus non-current classification

1. An asset is considered as current when it is:
   a. Expected to be realised or intended to be sold or consumed in the normal operating cycle, or
   b. Held primarily for the purpose of trading, or
   c. Expected to be realised within twelve months after the reporting period, or
   d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
2. All other assets are classified as non-current.
3. Liability is considered as current when it is:
   a. Expected to be settled in the normal operating cycle, or
   b. Held primarily for the purpose of trading, or
   c. Due to be settled within twelve months after the reporting period, or
   d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
4. All other liabilities are classified as non-current.
5. Deferred tax assets and liabilities are classified as non-current assets and liabilities.
6. All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as a period not exceeding twelve months for the purpose of current and non-current classification of assets and liabilities.

(v) Property, Plant and Equipment (PPE) (including capital work in progress)

PPE are stated at historical cost, less accumulated depreciation and impairment losses, if any. Historical costs include expenditure directly attributable to acquisition which are capitalised until the PPE are ready for use, as intended by management, including non-refundable taxes. Any trade discount and rebates are deducted in arriving at the purchase price.

The cost of PPE acquired in a business combination is recorded at fair value on the date of acquisition. The fair value is taken as per the report of independent valuer. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

An item of PPE initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposals of assets are measured as the difference between the net disposal proceeds and the carrying value of the asset on the date of disposal and are recognised in the consolidated statement of profit and loss, in the period of disposal.

The Group depreciates PPE over their estimated useful lives using the straight-line method. The estimated useful lives of PPE for the current and comparative periods are as follows:

Category	Estimated useful life
Building	25-30 years
Computers	2-5 years
Plant and equipment	2-5 years
Furniture and fixtures	5 years
Office equipment	5 years
Vehicles	5 years
Leasehold improvement	Lower of life of the asset or the primary period of lease
Leasehold land	Lease Term ranging from 95-99 years

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In case of certain PPE, the Group uses useful life different from those specified in Schedule II to the Act which is duly supported by technical evaluation. The management believe that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date. Depreciation on addition to PPE or on disposal of PPE is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

Gains and losses on disposals are determined by comparing proceeds with carrying value. These are included in consolidated financial statements.

Capital work-in-progress includes PPE under construction and not ready for intended use as on the balance sheet date.

(vi) Intangible assets

Intangible assets acquired separately are initially recognised at cost of acquisition which includes purchase price including import duties and nonrefundable taxes, if any and further includes directly attributable cost of preparing the asset for its intended use. Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset on the date of disposal and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

Amortisation on addition to intangible assets or on disposal of intangible assets is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

The estimated useful lives of the amortisable intangible assets for the current and comparative periods are as follows:

Category	Useful life
Computer Software	1-5 years
Customer Contracts	1-3 years
Customer Relationships	7-15 years

Refer (ix) below for goodwill

(vii) Investment Property

Property that is held either for long term rental yield or for capital appreciation or both, but not for sale in ordinary course of the business, use in the production or supply of goods or services or for administrative purposes is classified as investment property. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment loss, if any. Depreciation is provided in the same manner as PPE.

Any gain or loss on disposal of an investment property is recognised in consolidated statement of profit and loss.

(viii) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

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At the date of commencement of the lease, the Group recognises a right of use asset ('ROU') and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for low value asset. For these short-term leases and leases for low-value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

a. **Right of use assets**

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit ('CGU') to which the asset belongs.

b. **Lease liabilities**

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment on whether it will exercise an extension or a termination option.

As a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Contingent rents are recognised as revenue in the period in which they are earned.

(ix) Business combination

Business combinations are accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group.

For convenience, an acquisition date may be considered to be at the beginning or end of a month, in which the control is acquired rather than the actual acquisition date, unless events between the 'convenience' date and the actual acquisition date result in material changes in the amounts recognised. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Contingent consideration is remeasured at fair value at each reporting date and any changes in the fair value are recognised in the consolidated statement of profit and loss.

The interest of non-controlling shareholders is initially measured at fair value as on the acquisition date. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Put option: The Group has written a put option over the equity instrument of it's subsidiary acquired, where the holders (non-controlling interests) of that instrument have the right to put their instrument back to the Group at their fair value on specified dates. The amount that may become payable at each reporting date under the option on exercise is recognised at

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present value as a written put option financial liability with a corresponding charge directly to equity.

Acquisition costs that the Group incurs in connection with a business combination are expensed as incurred.

Goodwill: Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is measured at cost less accumulated impairment losses. Goodwill is allocated to the cash-generating units (CGU) expected to benefit from the synergies of the combination for the purpose of impairment testing. 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.

Goodwill is tested for impairment annually or earlier, if events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purpose of impairment testing, goodwill is allocated to a Cash generating unit (CGU) representing the lowest level within the group at which goodwill is monitored for internal management purposes, and which is not higher than the group operating segment. Goodwill is tested for impairment at least annually or whenever there is an indication that goodwill may be impaired. For goodwill impairment testing, the carrying amount of CGU's (including allocated goodwill) is compared with its recoverable amount by the Group. The recoverable amount of a CGU is the higher of its fair value less cost to sell or its value in use. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro rata on the basis of the carrying amount of such assets in CGU.

(x) Impairment of assets

a. Non financial assets

Intangible assets, ROU assets and PPE are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the consolidated statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

b. Financial assets

The Group assesses at each date of balance sheet whether a financial assets or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all trade receivables and contract assets that do not constitute a financing component. In determining the allowances for doubtful trade receivables and contract assets, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables and contract assets based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime credit losses if the credit risk on the financial assets has increased significantly since initial recognition.

When determining whether the credit risk of a financial assets has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial assets and contract assets has increased significantly if it is more than 90 days past due (inclusive of additional 60 days over and above 30 days rebuttable presumption, where the delay could be due to

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administrative oversight which is considered normal in the industry and/ or geographies where Group is operating).

(xi) Employee Benefits

A. Long Term Employee Benefits

(a) Defined contribution plan

The Group has defined contribution plans for post employment benefits in the form of provident fund, employees' state insurance, labour welfare fund and superannuation fund in India which are administered through Government of India and/ or Life Insurance Corporation of India ('LIC'). Under the defined contribution plans, the Group has no further obligation beyond making the contributions. Such contributions are charged to the consolidated statement of profit and loss as incurred.

(b) Defined benefit plan

The Group has defined benefit plans for post employment benefits in the form of gratuity for its employees in India. The gratuity scheme of the Group is administered through LIC. Liability/asset for defined benefit plans is recognised on the basis of actuarial valuations, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary which is the net of the present value of defined obligation and the fair value of plan assets. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method.

Actuarial gains or losses are recognised in OCI. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised 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 discount rate used is with reference to the market yields on government bonds for a term approximating with the term of the related obligation. The actual return on the plan assets above or below the discount rate is recognised 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) Other long-term employee benefits

The employees of the Group are also entitled for other long-term benefit in the form of compensated absences as per the policy of the Group. Employees are entitled to accumulate leave balance up to the upper limit as per the Group's policies which can be carried forward perpetually. Leave encashment for employees gets triggered on an annual basis, if the accumulated leave balance exceeds the upper limit of leave. Further, at the time of retirement or death while in employment or on termination of employment, leave encashment vests equivalent to salary payable for number of days of accumulated leave balance. Liability for such benefits is provided on the basis of actuarial valuations, as at the balance sheet date, carried out by an independent actuary using the projected unit credit method. Actuarial gains and loss are recognised in the consolidated statement of profit and loss during the period in which they arise.

B. Short-term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services. These benefits include salary and performance incentives etc.

C. Termination benefits

Termination benefits including those in the nature of voluntary retirement benefits or those arising from restructuring, are recognised in the consolidated statement of profit and loss when the Group has a present obligation as a result of past event, when a reliable estimate can be made of the amount of the obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations.

(xii) Share based payment

The Group determines the compensation cost based on the fair value method using Black-Scholes-Merton formula, in accordance with Ind AS 102 ""Share-based Payment"" ('Ind AS 102'). The Group grants options to its employees which will be vested in a graded manner and are to be exercised within a specified period. The compensation cost is amortised on graded basis over the vesting period. The share based payment expense

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is determined based on the Group's estimate of equity instrument that will eventually vest.

The amounts recognised in "Share options outstanding account" are transferred to share capital and securities premium upon exercise of stock options by employees. Where employee stock options lapse after vesting, an amount equivalent to the cumulative cost for the lapsed option is transferred from "Share options outstanding account" to "General reserve".

(xiii) Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Group has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain.

Contingent asset is not recognised in the consolidated financial statement. However, it is recognised only when an inflow of economic benefits is probable.

(xiv) Revenue recognition

When a performance obligation is satisfied, the Group recognises as revenue the amount of the transaction price (which excludes estimates of variable consideration) that is allocated to that performance obligation. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

The Group derives revenue primarily from Information Technology services which includes IT Outsourcing services, support and maintenance services. The Group recognises revenue over time, over the period of the contract, on transfer of control of deliverables (solutions and services) to its customers in an amount reflecting the consideration to which the Group expects to be entitled. To recognise revenues, Group applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied.

Group accounts for a contract when it has approval and commitment from all parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Fixed Price contracts related to application development, consulting and other services are single performance obligation or a stand-ready performance obligation, which in either case is comprised of a series of distinct services that are substantially the same and have the same pattern of transfer to the customer (i.e. distinct days or months of service). Revenue is recognised in accordance with the method prescribed for measuring progress i.e. 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. The estimates are evaluated at every reporting period and the revisions on account of changes in estimates are recognized prospectively in the period in which the changes are effected. Revenues relating to time and material contracts are recognised as the related services are rendered.

Multiple element arrangements

In contracts with multiple performance obligations, Group accounts for individual performance obligations separately if they are distinct and allocate the transaction price to each performance obligation based on its relative standalone selling price out of total consideration of the contract. Standalone selling price is determined utilising observable prices to the extent available. If the standalone selling price for a performance obligation is not directly observable, Group uses expected cost plus margin approach.

IT support and maintenance

Contracts related to maintenance and support services are either fixed price or time and material. In these contracts, the performance obligations are satisfied, and revenues are recognised, over time as the services are provided. Revenue from maintenance contracts is recognised ratably over the period of

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the contract because the Group transfers the control evenly by providing standard services. The term of the maintenance contract is usually one year. Renewals of maintenance contracts create new performance obligations that are satisfied over the term with the revenues recognised ratably over the term.

Any modification or change in existing performance obligations is assessed whether the services is added to the existing contracts or not. The distinct services are accounted for as a new contract and services which are not distinct are accounted for on a cumulative catch-up basis.

Cost to fulfil the contracts

Recurring operating costs for contracts with customers are recognised as incurred. Revenue recognition excludes any government taxes but includes reimbursement of out of pocket expenses. Provision of onerous contract are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the future obligations under the contract. The provision is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Incremental costs of obtaining a contract

The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. For certain contracts, Group does incur insignificant incremental costs to obtain the contract. Group applies practical expedient by recognising such cost as expense, when incurred, in the consolidated statement of profit and loss instead of creating an asset as the amortisation period of the asset that the Group otherwise would have recognised is one year or less.

Significant financing component

Group considers all relevant facts and circumstances in assessing whether a contract contains a financing component and whether that financing component is significant to the contract, including both the conditions:

(a) the difference, if any, between the amount of promised consideration and the cash selling price of the promised goods or services; and

(b) the combined effect of both the following conditions:

i) the expected length of time between when the entity transfers the promised goods or services to the customer and when the customer pays for those goods or services; and

ii) the prevailing interest rates in the relevant market.

Provision of onerous contract are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the future obligation under the contract. The provision is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Other operating revenue: It includes revenue arising from Group's ancillary revenue-generating activities. Revenue from these activities are recorded only when Group is reasonably certain of such income.

Trade receivables, contract assets and contract liabilities

Trade Receivable is primarily comprised of billed and unbilled receivables (i.e. only the passage of time is required before payment is due) for which the Group has an unconditional right to consideration, net of an allowance for expected credit loss. A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are presented separately in the consolidated financial statements and primarily relate to unbilled amounts on fixed-price contracts utilising the cost to cost method i.e. percentage of completion method (POCM) of revenue recognition. Contract liabilities consist of advance payments and billings in excess of revenues recognised.

The difference between opening and closing balance of the contract assets and liabilities results from the timing differences between the performances obligation and customer payment.

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(xv) Income tax

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws. Deferred tax is recognised on timing differences between the accounting base and the taxable base for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

Deferred tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in consolidated 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 recognised 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 recognised for all taxable temporary differences.

Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

(xvi) Other Income

Other income comprises interest income on bank deposits, research and development credits, dividend income and gains / (losses) on disposal of investments except investments fair value through OCI, property plant and equipment, investment property etc. Interest income is recognised using the effective interest method. Dividend income is recognized when the right to receive payment is established.

(xvii) Finance / Borrowing costs

Finance costs comprises interest cost on borrowings, losses arising on re-measurement of financial assets at FVTPL, losses on translation or settlement of foreign currency borrowings and changes in fair value and losses on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the consolidated statement of profit and loss using the effective interest method.

(xviii) Government grants

Grants/ assistance from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Grants related to income (revenue in nature) are presented as part of the profit or loss as deduction while reporting the related expense.

(xix) Cash and cash equivalent

Cash and cash equivalents include cash in hand, demand deposits with banks and other short term highly liquid investments with original maturities of three months or less, excluding bank overdraft.

(xx) Restructuring provision

On an ongoing basis, management assesses the profitability of a business and possibly may decide to restructure the operations of such businesses.

Severance liabilities as a result of reduction in work force are recognised when they are determined to be probable and estimable and create a constructive obligation about the execution of plan. Other liabilities for costs associated with restructuring activity are recognised when the liability is incurred, instead of upon commitment of plan.

Significant assumptions are used in determining the amount of the estimated liability for restructuring. If the assumptions regarding early termination and the timing prove to be inaccurate, Group may be required to record additional losses, or conversely, a future gain.

(xxi) Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 "Revenue from Contracts with Customers" ('Ind AS 115').

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(xxii) Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to assist users in understanding the financial performance achieved and in making projections of future financial performance, the nature and amount of such material items are disclosed separately as exceptional items.

(xxiii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedge is recognised in other comprehensive income and accumulated under cash flow hedge reserve. The Group classifies its forward contract that hedge foreign currency risk associated as cash flow hedge and measures them at fair value. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit and loss and is included in the 'other expense / other income' line item. Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion (as described above) are reclassified to the consolidated statement of profit and loss in the periods when the hedged item affects the consolidated statement of profit and loss, in the same line as the recognised hedged item. When the hedging instrument expires or is sold or terminated or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss at that time remains in equity until the forecast transaction occurs and when the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity are immediately reclassified to consolidated statement of profit and loss within other income.

(xxiv) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules, as issued from time to time. During the year ended March 31, 2025, the MCA notified Ind AS 117 – Insurance Contracts and amendments to Ind AS 116 – Leases, specifically relating to sale and leaseback transactions. These changes are applicable from April 1, 2024. The Group has assessed that there is no significant impact on its financial statements.

f. Details of investments in subsidiary companies in accordance with Ind AS 27

Name of subsidiary	Principal place of business and country of incorporation	% ownership interest held as at March 31, 2025	% ownership interest held as at March 31, 2024
Mastek Enterprise Solutions Private Limited	India	100%	100%
Mastek (UK) Limited	UK	100%	100%
Mastek Inc.	USA	100%	100%
Trans American Information Systems Inc.	USA	100%	100%
Mastek Digital, Inc.	Canada	100%	100%
Mastek Arabia FZ LLC	UAE	100%	100%
Evolutionary Systems Consultancy LLC*	UAE	49%	49%
Mastek Systems Pty Ltd	Australia	100%	100%
Mastek Systems Bahrain WLL	Bahrain	100%	100%
Mastek Arabia Systems Egypt LLC	Egypt	100%	100%
Evosys Kuwait WLL*	Kuwait	49%	49%
Mastek Systems (Malaysia) SDH BHD	Malaysia	100%	100%
Newbury Cloud, Inc.	USA	100%	100%
Mastek Systems B.V.	Netherlands	100%	100%
Evolutionary Systems Qatar WLL*	Qatar	49%	49%
Mastek Information Technology Company LLC (formerly known as Evolutionary Systems Saudi LLC)	Saudi Arabia	100%	100%
Mastek Systems (Singapore) Pte. Limited	Singapore	100%	100%
Mastek Systems Company Limited	UK	100%	100%
Evolutionary Systems Corp.	USA	100%	100%
Evolutionary Systems Canada Limited	Canada	100%	100%
Metasoftech Solutions LLC	USA	100%	100%
BizAnalytica LLC	USA	100%	100%

*Represents legal ownership as per the local laws of respective country. However, Holding Company through its subsidiaries, is holding 100% of the beneficial interest in these entities.

For principal business of the group refer note 1.

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3 (a) (i) Property, plant and equipment ('PPE')

Particulars	Gross carrying value (at cost)					Accumulated depreciation/amortisation						Net carrying value	
	As at April 1, 2024	Other Additions	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2025	As at April 1, 2024	For the year	Impairment	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
a. Own assets:													
Buildings	5,381	191	-	-	5,572	2,857	186	-	-	-	3,043	2,529	2,524
Computers	6,501	832	106	(198)	7,241	5,573	787	-	82	(196)	6,246	995	928
Plant and equipment	1,878	131	9	(1)	2,017	1,460	128	-	6	(1)	1,593	424	418
Furniture and fixtures	4,219	160	20	(109)	4,290	3,920	115	-	16	(109)	3,942	348	299
Vehicles	941	147	1	(294)	795	464	130	-	1	(190)	405	390	477
Office equipment	1,615	140	8	(39)	1,724	1,238	114	-	5	(39)	1,318	406	377
Total (A)	**20,535**	**1,601**	**144**	**(641)**	**21,639**	**15,512**	**1,460**	**-**	**110**	**(535)**	**16,547**	**5,092**	**5,023**
b. Leased assets:													
Leasehold land	386	-	-	-	386	327	4	-	-	-	331	55	59
Leasehold improvements	1,541	9	15	(13)	1,552	710	223	-	9	-	942	610	831
Vehicles	81	-	-	-	81	70	-	-	-	-	70	11	11
Total (B)	**2,008**	**9**	**15**	**(13)**	**2,019**	**1,107**	**227**	**-**	**9**	**-**	**1,343**	**676**	**901**
Total (A + B)	**22,543**	**1,610**	**159**	**(654)**	**23,658**	**16,619**	**1,687**	**-**	**119**	**(535)**	**17,890**	**5,768**	**5,924**

3 (a) (ii) Other intangible assets

Particulars	Gross carrying value (at cost)					Accumulated amortisation						Net carrying value	
	As at April 1, 2024	Other Additions	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2025	As at April 1, 2024	For the year	Impairment	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Computer softwares	3,678	1,295	(2)	(864)	4,107	2,747	1,239	-	(7)	(861)	3,118	989	931
Customer contracts	5,046	-	91	-	5,137	4,655	298	-	85	-	5,038	99	391
Customer relationships	22,829	-	450	-	23,279	8,696	3,082	1,344	183	-	13,305	9,974	14,133
Total	**31,553**	**1,295**	**539**	**(864)**	**32,523**	**16,098**	**4,619**	**1,344**	**261**	**(861)**	**21,461**	**11,062**	**15,455**

* Customer relationsips having carrying amount of ₹ 9,974 lakhs (March 31, 2024: ₹ 14,133 lakhs) have remaining amortisation period of 2-5 years (March 31, 2024: 3-6 years).

3 (b) Right-of-use assets

Particulars	Gross carrying value (at cost)					Accumulated amortisation						Net carrying value	
	As at April 1, 2024	Other Additions	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2025	As at April 1, 2024	For the year	Impairment	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Building	6,517	783	177	(365)	7,112	3,627	1,206	-	126	(302)	4,657	2,455	2,890
Total	**6,517**	**783**	**177**	**(365)**	**7,112**	**3,627**	**1,206**	**-**	**126**	**(302)**	**4,657**	**2,455**	**2,890**

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3 (a) (i) Property, plant and equipment ('PPE')

Particulars	Gross carrying value (at cost)						Accumulated depreciation/amortisation					Net carrying value	
	As at April 1, 2023	Acquired through business combination (Refer note 34(c))	Other Additions	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2024	As at April 1, 2023	For the year	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
a. Own assets:													
Buildings	5,381	-	-	-	-	5,381	2,672	185	-	-	2,857	2,524	2,709
Computers	7,067	23	367	39	(995)	6,501	5,484	958	31	(900)	5,573	928	1,583
Plant and equipment	2,460	-	286	4	(872)	1,878	2,226	103	3	(872)	1,460	418	234
Furniture and fixtures	5,020	-	223	9	(1,033)	4,219	4,785	159	8	(1,032)	3,920	299	235
Vehicles	877	-	343	1	(280)	941	553	133	1	(223)	464	477	324
Office equipment	2,220	-	315	3	(923)	1,615	2,024	133	2	(921)	1,238	377	196
Total (A)	**23,025**	**23**	**1,534**	**56**	**(4,103)**	**20,535**	**17,744**	**1,671**	**45**	**(3,948)**	15,512	5,023	**5,281**
b. Leased assets:													
Leasehold land	386	-	-	-	-	386	323	4	-	-	327	59	63
Leasehold improvements	1,083	-	452	6	-	1,541	506	199	5	-	710	831	577
Vehicles	81	-	-	-	-	81	70	-	-	-	70	11	11
Total (B)	**1,550**	**-**	**452**	**6**	**-**	**2,008**	**899**	**203**	**5**	**-**	**1,107**	**901**	**651**
Total (A + B)	**24,575**	**23**	**1,986**	**62**	**(4,103)**	**22,543**	**18,643**	**1,874**	**50**	**(3,948)**	**16,619**	**5,924**	**5,932**

3 (a) (ii) Other intangible assets

Particulars	Gross carrying value (at cost)						Accumulated amortisation					Net carrying value	
	As at April 1, 2023	Acquired through business combination (Refer note 34(c))	Other Additions	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2024	As at April 1, 2023	For the year	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Computer softwares	1,737	-	1,929	12	-	3,678	1,664	1,073	10	-	2,747	931	73
Customer contracts	4,402	580	-	64	-	5,046	2,982	1,626	47	-	4,655	391	1,420
Customer relationships	19,169	3,397	-	263	-	22,829	5,285	3,343	68	-	8,696	14,133	13,884
Total	**25,308**	**3,977**	**1,929**	**339**	**-**	**31,553**	**9,931**	**6,042**	**125**	**-**	**16,098**	**15,455**	**15,377**

3 (b) Right-of-use assets

Particulars	Gross carrying value (at cost)						Accumulated amortisation					Net carrying value	
	As at April 1, 2023	Acquired through business combination (Refer note 34(c))	Other Additions	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2024	As at April 1, 2023	For the year	Foreign Exchange Translation Adjustments	Disposal	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Building	5,951	-	1,013	106	(553)	6,517	2,993	1,075	89	(530)	3,627	2,890	2,958
Total	**5,951**	**-**	**1,013**	**106**	**(553)**	**6,517**	**2,993**	**1,075**	**89**	**(530)**	**3,627**	**2,890**	**2,958**

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Notes:

(i) Refer note 11 (a) and 13 (a) for information on assets provided as collateral or security for borrowings or finance facilities availed by the Group.

(ii) Refer note 35 of capital commitments.

(iii) Information on PPE maintained as security by the Group.

Class of assets	Net carrying amount		Facilities against which assets are pledged
	March 31, 2025	March 31, 2024	
Buildings (Chennai Property)	720	774	Term loan from bank by Mastek Inc and Mastek (UK) Limited
Buildings (Mahape Property)	307	363	Term loan from bank by Mastek Inc
Vehicles	401	488	Vehicle loans from bank

(iv) All the title deeds of the immovable properties are held in the name of the Group.

(v) All the lease agreements are duly executed in favour of the Group (lessee).

(vi) Refer note 33 for disclosure on leased assets and related lease liabilities.

3 (c) Goodwill

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying value at the beginning	1,70,724	1,49,758
BizAnalytica - Goodwill	-	19,013
Impairment of Taistech - Goodwill	(11,388)	-
Translation differences including Adjustments	3,170	1,953
Carrying value at the end	**1,62,506**	**1,70,724**

The Group has redefined its growth strategy to be geography-based rather than service line-specific. Consequently, Group management now monitors and reviews performance based on geographical outcomes rather than individual service lines. The Chief Operating Decision Maker (CODM) regularly assesses the performance of the Group using geographical outcomes. This involves evaluating key performance indicators (KPIs) such as revenue growth, EBITDA margins, and operational efficiency for each geographical segment.

Accordingly, the Group has reorganized its cash-generating units (CGUs) as presented in the table below. The reorganization of the Evosys business CGU is conducted using a relative value approach. The recoverable amount has been determined using the value in use method, which is based on the present value of future cash flows. This calculation uses a terminal growth rate of 2.00% per annum, an annual growth rate for periods subsequent to the forecast period of 5 years (March 31, 2024: 5 years), and discount rate of 11.50% p.a, 11.00% p.a, and 13.00% p.a for US CGU, UK CGU and AMEA CGU respectively. The growth rate used aligns with the long-term average growth rate for the industry in which the CGU operates.

The reorganization activity has no financial impact.

Geographical Segment	Previous CGU	New CGU	Goodwill Allocation (%)
US	Evosys business (CGU)	US CGU	35.70%
UK	Evosys business (CGU)	UK CGU	51.70%
AMEA	Evosys business (CGU)	AMEA CGU	12.60%
US	MST business (CGU)	US CGU	100.00%
US	BizAnalytica business (CGU)	US CGU	100.00%

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Impairment

i) Goodwill having a carrying value of ₹ 162,506 lakhs (March 31, 2024: ₹ 170,724 Lakhs) includes Goodwill of ₹ 121,145 lakhs allocated to the Mastek US business (CGU), ₹ 33,230 lakhs to the Mastek UK business (CGU), ₹ 8,131 lakhs to the Mastek AMEA business (CGU). The recoverable amount has been determined using value in use. The estimated value-in-use of all the CGU, is based on the present value of the future cash flows using a terminal growth rate of 2.00% p.a for each CGU, annual growth rate for periods subsequent to the forecast period of 5 years (March 31, 2024: 5 years) and discount rate of 11.50% p.a, 11.00% p.a, and 13.00% p.a respectively. The growth rate used is in line with the long-term average growth rate for the industry in which Group operates. An analysis of the sensitivity of the computation to a change in key parameters (Growth rate and discount rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below it is carrying amount.

For previous year

Goodwill having a carrying value of ₹ 170,724 lakhs, includes Goodwill of ₹ 11,642 lakhs on Taistech US Group which has been allocated to the Mastek US business (CGU), ₹ 63,416 lakhs which has been allocated to the Evosys business (CGU), ₹ 76,653 lakhs which has been allocated to the MST business (CGU) and ₹ 19,013 lakhs which has been allocated to the BizAnalytica business (CGU). The recoverable amount has been determined using value in use. The estimated value-in-use of all the CGU, is based on the present value of the future cash flows using a growth rate of 2.50% p.a, 5.00% p.a, 2.00% p.a and 2.00% p.a respectively, annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 17.25% p.a, 16.25% p.a, 17.00% p.a and 22.00% p.a respectively. The growth rate used is in line with the long-term average growth rate for the industry in which Group operates. An analysis of the sensitivity of the computation to a change in key parameters (Growth rate and discount rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below it is carrying amount.

Assumption	Approach used to determine value
Sales volume	Annual average growth rate over the five-year forecast period; based on past performance and management's expectation of market development.
Sales price	Average annual growth rate over the five-year forecasted period; based on current industry trends and including long-term inflation forecasts for each territory.
Budgeted gross margin	Based on past performance and management's expectation for the future.
Other operating cost	Management forecasts these costs based on the current structure of the business, adjusted for inflationary increases but not reflecting any future restructurings or cost saving measures.
Annual capital expenditure	This is based on the expected growth of business and planned refurbishment expenditure.

ii) Management has identified that a reasonably possible change in weighted average cost of capital (WACC) could cause the carrying amount to exceed the recoverable amount for Mastek US and Mastek AMEA.

Particulars	As at March 31, 2025	
	US	AMEA
Carrying amount	78,808	16,924
Recoverable amount	1,20,520	33,335
Excess of recoverable amount over carrying amount	41,712	16,411
Change in WACC for recoverable amount to equal carrying amount	2.19%	5.97%

For previous year

Particulars	As at March 31, 2024	
	Taistech US Group	MST Business
Carrying amount	20,935	90,077
Recoverable amount	24,021	1,00,586
Excess of recoverable amount over carrying amount	3,086	10,509
Change in WACC for recoverable amount to equal carrying amount	2.75%	1.50%

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For other CGUs, there are no reasnoably possible change to key assumptions that could cause the carrying amount of a CGU to exceed its recoverable amount.

In the current year the Group's goodwill and intangibles previously generated on Taistech Business (Taistech US CGU prior to re-organization activity referred above) acquired during the year ended March 31, 2017 are written off amounting to ₹ 11,388 Lakhs and ₹ 1,344 lakhs respectively. As considering the updated strategy adopted for its US operations during the current year, the Group believes that the capabilities in the area of digital experience and other service lines from the more recent acquisitions would yield results which are expected to be significantly higher than results with similar efforts, expected from Taistech US. Accordingly, the Group has decided to de-prioritise its focus on Taistech US resulting in the impairment loss.

Non-current assets

3 (d) Capital work-in-progress (CWIP)

Particulars	As at	
	March 31, 2025	March 31, 2024
Projects in progress	181	94
	181	**94**

CWIP includes cost incurred towards leasehold improvement of Mahape, Navi Mumbai building and access control systems at Mahape and SEEPZ.

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance at the beginning of the year	94	666
Add: Addition during the year	99	3
Less: Capitalised during the year	(12)	(575)
Balance at the end of the year	**181**	**94**

CWIP ageing schedule:

As at March 31, 2025

Sr no	Particulars	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	Projects in progress	99	-	-	-	99
ii	Projects temporarily suspended*	-	-	-	82	82
Total		**99**	**-**	**-**	**82**	**181**

As at March 31, 2024

Sr no	Particulars	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	Projects in progress	3	-	9	-	12
ii	Projects temporarily suspended*	-	-	-	82	82
Total		**3**	**-**	**9**	**82**	**94**

*Represents approval cost incurred for obtaining permission for construction of additional area at the Group's Mahape, Navi Mumbai property, which will be utilised on need basis in the future.

There is no capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024.

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(All amounts in ₹ lakhs, unless otherwise specified)

3 (e). Intangible assets under development

Particulars	As at March 31, 2025	As at March 31, 2024
Projects in progress	17	-
	17	**-**

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	-	-
Add: Addition during the year	27	-
Less: Capitalised during the year	(10)	-
Balance at the end of the year	**17**	**-**

Intangible assets under development ageing schedule:

As at March 31, 2025

Sr no	Particulars	Amount in intangible assets under development for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	Projects in progress	17	-	-	-	17
ii	Projects temporarily suspended	-	-	-	-	-
Total		**17**	**-**	**-**	**-**	**17**

As at March 31, 2024

Sr no	Particulars	Amount in intangible assets under development for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	Projects in progress	-	-	-	-	-
ii	Projects temporarily suspended	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

There is no intangible under development, whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024.

3 (f). Investment properties

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Investment property (at cost less accumulated depreciation)		
Gross carrying value		
Balance at the beginning of the year	2	2
Additions	-	-
Disposal	-	-
Balance at the end of the year	**2**	**2**
Accumulated depreciation		
Balance at the beginning of the year	2	2
For the year	-	-
Disposal	-	-
Balance at the end of the year	**2**	**2**
Net carrying value	**-**	**-**

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(All amounts in ₹ lakhs, unless otherwise specified)

Particulars		As at	
		March 31, 2025	March 31, 2024
(B)	**Fair value of investment property by an independent valuer (refer note (i) below)**		
(i)	Fair value of investment property	-	-
(ii)	Valuation method used by the independent valuer	-	-
	The amounts recognised in the consolidated statement of profit and loss account for:		
(i)	rental income from investment property	7	7
(ii)	direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period; and	-	-
(iii)	direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period.	-	-
	Depreciation method used	SLM	SLM
	Useful lives or depreciation rates used	28 years	28 years

Notes:

i) Valuation for Prabhadevi, Mumbai property is not carried out since the rental and carrying value are not significant and the same is not mortgaged as security. This property is let out for generating rental income.

ii) The Group has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

4. Financial assets - Non current

a. Investments

Particulars	As at	
	March 31, 2025	March 31, 2024
Investment in share warrant at FVOCI (unquoted):		
Investment in Volteo Edge, LLC	1,737	1,655
	1,737	**1,655**
Aggregate carrying value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate carrying value of unquoted investments	1,737	1,655
Aggregate amount of impairment in value of investments	-	-

The movement in fair value of investments carried / designated at fair value through OCI is as follows:

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance at the beginning of the year	1,655	1,241
Additions	-	-
Net gain arising on fair value of financial assets carried at FVOCI	82	414
Balance at the end of the year	**1,737**	**1,655**

The Group designated the investments shown below as equity instruments at FVOCI because these equity securities represent investments that the Group intends to hold for the long term for strategic purposes.

During the year, an independent valuation of Volteo Edge was conducted by a globally recognized valuation firm. The valuation reflected an increase in the fair value of Volteo Edge compared to its carrying value. The difference between the carrying value and the fair value of Volteo Edge has been recognised in the consolidated financial statements. This difference is routed through the Fair Value through Other Comprehensive Income (FVOCI) in accordance with Ind AS 109. The Group continues to monitor and assess the fair value of Volteo Edge on a regular basis. Please refer note 29 on fair value measurement in the notes to the consolidated financial statements for further details on the Group's fair value measurement.

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as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

b. Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Advances to employees	1	41
Security deposits	472	360
Margin money deposit*	1,091	1,432
Bank deposits have remaining maturity of more than twelve months	9	1,412
Derivatives		
Foreign exchange forward contracts	479	319
	2,052	**3,564**
Dues from directors or other officers of the Group	-	-
Dues from firms or private companies in which director is a partner or director or member	-	-

*Margin money deposit is towards performance guarantee.

Notes:

(i) There are no repatriation restriction with regards to margin money deposit and bank deposits.

(ii) Refer note 30 for information on credit risk and market risk.

5. Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	7	-
Prepaid expenses	50	54
Security deposits	98	96
	155	**150**
Dues from directors or other officers of the Group	-	-
Dues from firms or private companies in which director is a partner or director or member	-	-

6. Financial assets - current

a. Investments

Particulars	As at March 31, 2025		As at March 31, 2024	
	Units	Amount	Units	Amount
Investment in mutual funds at FVTPL (quoted):				
Aditya Birla Sun Life Liquid Fund - Regular - Growth	94,698	392	3,95,322	1,525
Aditya Birla Sun Life Money Manager Fund-reg	10,10,116	3,667	-	-
ICICI Prudential Liquid Fund - Regular - Growth	1,87,218	712	5,02,352	1,780
ICICI Prudential Money Market Fund - Regular - Growth	8,28,553	3,084	-	-
HDFC Liquid Fund - Regular Plan - Growth	8,003	403	35,863	1,685
HDFC Money Market Fund - Growth	60,987	3,420	-	-
SBI Liquid Fund - Regular Plan - Growth	6,355	255	31,797	1,191
Kotak Liquid - Regular Plan - Growth	-	-	26,683	1,291
Kotak Money Market Fund - Regular Plan - Growth	93,775	4,133	-	-
ICICI Pru Money Market Fund - Regular Plan - Growth	-	-	58,040	201
Total (A)		**16,066**		**7,673**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	As at			
	March 31, 2025		March 31, 2024	
	Units	Amount	Units	Amount
Investment in bonds at amortised cost (unquoted):				
8.50% Bond with State Bank of India		-		53
Total (B)		**-**		**53**
Aggregate amount of quoted investments in mutual funds		16,066		7,673
Aggregate amount of unquoted investments in mutual funds		-		-
Aggregate amount of unquoted investment in bonds at cost		-		53
Aggregate amount of impairment in value of investments		-		-
Grand Total		**16,066**		**7,726**

Refer note 30 for information on market risk

b. Trade receivables

Particulars	As at	
	March 31, 2025	March 31, 2024
Unsecured		
Trade receivables, considered good	66,567	48,973
Trade receivables which have significant increase in credit risk	8,278	8,660
Trade receivables credit impaired	6,080	3,669
Total	**80,925**	**61,302**
Less: Allowance for expected credit loss	(7,164)	(5,171)
	73,761	**56,131**
Dues from directors or other officers of the Group	-	-
Dues from firms or private companies in which director is a partner or a director or a member	-	-
Includes due from related parties (Gross) [refer note 26]	-	-

Notes:

i) Trade receivables are non-interest bearing and are generally settled in 30 to 45 days.

ii) Refer note 30 for information on credit risk and market risk.

iii) Refer note 11(a) and 13(a) for information on assets provided as collateral or security for borrowings or finance facilities availed by the Group.

Summary of Material Accounting Policy and Other Explanatory Information

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(All amounts in ₹ lakhs, unless otherwise specified)

Ageing Schedule as at March 31, 2025

Sr. no.	Particulars	Outstanding for following periods from due date of payment							Total
		Unbilled	Current but not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
i.	Undisputed Trade Receivables - Considered Good	19,969	29,756	16,702	-	-	-	-	**66,427**
ii.	Undisputed Trade Receivables – which have significant increase in credit risk	1,766	-	3,892	1,677	28	-	-	**7,363**
iii.	Undisputed Trade receivable – credit impaired	1,448	-	-	-	1,140	635	496	**3,719**
iv.	Disputed Trade receivables - considered good	-	-	140	-	-	-	-	**140**
v.	Disputed Trade receivables – which have significant increase in credit risk	-	-	668	199	48	-	-	**915**
vi.	Disputed Trade receivables – credit impaired	-	-	-	-	893	751	717	**2,361**
	Total	**23,183**	**29,756**	**21,402**	**1,876**	**2,109**	**1,386**	**1,213**	**80,925**
	Less: Allowance for expected credit loss								**(7,164)**
									73,761

Ageing Schedule as on March 31, 2024

Sr. no.	Particulars	Outstanding for following periods from due date of payment							Total
		Unbilled	Current but not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
i.	Undisputed Trade Receivables - Considered Good	12,426	22,596	13,951	-	-	-	-	**48,973**
ii.	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	5,150	2,566	944	-	-	**8,660**
iii.	Undisputed Trade receivable – credit impaired	-	-	-	-	1,365	1,024	400	**2,789**
iv.	Disputed Trade receivables - considered good	-	-	-	-	-	-	-	**-**
v.	Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
vi.	Disputed Trade receivables – credit impaired	-	-	-	397	-	7	476	**880**
	Total	**12,426**	**22,596**	**19,101**	**2,963**	**2,309**	**1,031**	**876**	**61,302**
	Less: Allowance for expected credit loss								**(5,171)**
									56,131

c. Cash and cash equivalents and other bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
(i). Cash and cash equivalents		
Balance with bank		
In current accounts	18,260	25,629
Deposits with original maturity less than three months	27,798	12,457
Cash on hand	18	26
	46,076	**38,112**

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(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	As at	
	March 31, 2025	March 31, 2024
(ii). Bank balances, other than cash and cash equivalents		
Bank balances in unclaimed dividend account	71	73
Bank deposits with original maturity of more than three months and less than twelve months	-	76
	71	**149**

Notes:

i) Refer note 30 for information on credit risk and market risk.

ii) There are no repatriation restrictions with regards to cash and cash equivalents, and other bank balances.

d. Other financial assets - Current

Particulars	As at	
	March 31, 2025	March 31, 2024
Unsecured, considered good		
Advances to employees	820	260
Security deposits	164	240
Margin money deposit*	2	2
Receivable for reimbursement of expenses	79	38
Bank deposits having remaining maturity of less than twelve months	66	-
Receivables from owners of BizAnalytica Solutions LLC	410	502
Other receivables	53	446
Derivatives		
Foreign exchange forward contracts	-	460
	1,594	**1,948**

*Margin money deposit is towards bid bonds and performance guarantee

Notes:

i) Refer note 30 for information on credit risk and market risk.

ii) There are no repatriation restrictions with regards to margin money deposit.

7. Contract assets

Particulars	As at	
	March 31, 2025	March 31, 2024
Unsecured		
Contract assets, considered good (undisputed)	11,756	35,284
Contract assets which have significant increase in credit risk	13,194	-
Contract assets credit impaired (undisputed)	1,797	2,014
Total	**26,747**	**37,298**
Less: Allowance for doubtful contract assets	(3,602)	(2,014)
Total contract assets	**23,145**	**35,284**
Dues from directors or other officers of the Group	-	-
Dues from firms or private companies in which director is a partner or director or member	-	-

Notes:

(i) Refer note 11(a) and 13(a) for information on assets provided as collateral or security for borrowings or finance facilities availed by the Group.

(ii) Refer note 16 for movement in contract assets.

Summary of Material Accounting Policy and Other Explanatory Information

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(All amounts in ₹ lakhs, unless otherwise specified)

8. Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	1,260	1,200
Balance with government authorities	3,348	2,921
Advances to suppliers	6,134	3,724
Interest receivable on income tax refunds	185	185
Research and development credit	10,945	7,017
	21,872	**15,047**
Dues from directors or other officers of the Group	-	-
Dues from firms or private companies in which director is a partner or director or member	-	-

9. Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised:		
40,000,000 (March 31, 2024: 40,000,000) equity shares of ₹ 5 each	2,000	2,000
2,000,000 (March 31, 2024: 2,000,000) preference shares of ₹ 100 each	2,000	2,000
	4,000	**4,000**
Issued, subscribed and fully paid up:		
30,939,894 (March 31, 2024: 30,844,311) equity shares of ₹ 5 each fully paid	1,547	1,542
	1,547	**1,542**

(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the year are as given below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares (absolute)	Amount	No. of shares (absolute)	Amount
Equity shares				
Balance as at the beginning of the year	3,08,44,311	1,542	3,05,24,827	1,526
Add: On account of exercise of employee stock option plans	95,583	5	1,59,542	8
Add: Issue of share pursuant to acquisition of non controlling interest in Mastek Enterprise Solutions Private Limited (Refer note 34(a))	-	-	1,59,942	8
Balance as at the end of the year	**3,09,39,894**	**1,547**	**3,08,44,311**	**1,542**

(b) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a face value of ₹ 5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of fully paid up equity shares held by the shareholders.

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(All amounts in ₹ lakhs, unless otherwise specified)

(c) Details of shares held by Promoters in the Company

Shares held by promoters	As at March 31, 2025		As at March 31, 2024		% change during the year*
	No. of shares (absolute)	% of holding	No. of shares (absolute)	% of holding	
Ashank Desai	33,93,489	10.97%	33,84,167	10.97%	0.28%
Ketan Mehta	22,14,100	7.16%	22,44,100	7.28%	(1.34%)
Girija Ram	17,53,280	5.67%	17,53,280	5.68%	0.00%
Radhakrishnan Sundar	13,40,800	4.33%	13,40,800	4.35%	0.00%

Shares held by promoters	As at March 31, 2024		As at March 31, 2023		% change during the year*
	No. of shares (absolute)	% of holding	No. of shares (absolute)	% of holding	
Ashank Desai	33,84,167	10.97%	33,84,167	11.09%	0.00%
Ketan Mehta	22,44,100	7.28%	22,74,100	7.45%	(1.32%)
Girija Ram	17,53,280	5.68%	17,53,280	5.74%	0.00%
Radhakrishnan Sundar	13,40,800	4.35%	13,40,800	4.39%	0.00%

* Change during the year is determined based on number of shares acquired/ sold during the year. The % of holding has undergone change mainly due to additional shares issued over the period.

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares (absolute)	% of holding	No. of shares (absolute)	% of holding
Ashank Desai	33,93,489	10.97%	33,84,167	10.97%
Smallcap World Fund, Inc	-	0.00%	24,48,446	7.94%
Ketan Mehta	22,14,100	7.16%	22,44,100	7.28%
Girija Ram	17,53,280	5.67%	17,53,280	5.68%
Umang Tejkaran Nahata	16,99,218	5.49%	16,99,218	5.51%

Note: As per records of the Company, including its register of shareholders/ members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(e) Shares reserved for issue under options

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number (in absolute)	Amount	Number (in absolute)	Amount
Number of shares to be issued under the employee stock option plans (Refer note 32)	3,10,811	153	3,99,867	213

Year of conversion of convertible securities

Particulars	Year of conversion	Number of events of conversion during the year
Programme VI	2026-27	1
Programme VII	2025-26	1
	2026-27	2
	2027-28	4
	2028-29	3
	2029-30	1
	2030-31	3
	2031-32	1
	2032-33	2
	2033-34	2
	2034-35	1

Includes both vested as well as unvested options and year of conversion represents last year of exercise under ESOP scheme. However, vested options can be exercised on or before the last exercise date for each tranche.

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(All amounts in ₹ lakhs, unless otherwise specified)

(f) Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Particulars	As at	
	March 31, 2025	March 31, 2024
Number of shares issued for acquisition (Refer note 34(a))	49,70,743	49,70,743

(g) Aggregate number of bonus shares issued or buy back of shares during the period of five years immediately preceding the reporting date

The Company has neither issued bonus shares nor there has been any buy back of shares during five years immediately preceding March 31, 2025.

(h) Company does not have a holding company or ultimate holding company. Accordingly, disclosure related to shares held by holding company or ultimate holding company or subsidiary/ associate of such companies is not applicable.

9.1 Other Instruments - Step down subsidiary:

0.001% Compulsory Convertible Preference Shares ('CCPS') issued by Mastek Enterprise Solutions Private Limited ('MESPL') (formerly known as Trans American Information Systems Private Limited)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	-	-	50,000	0.50
CCPS bought out during the year	-	-	(50,000)	(0.50)
Balance as at the end of the year (Face Value ₹ 1 each)	**-**	**-**	**-**	**-**

Pursuant to the approved Scheme of Arrangement by NCLT (also refer Note 34(a)), on September 14, 2021, the MESPL Board of Directors allotted 15,000 CCPS of ₹ 10 each fully paid up on November 12, 2021, to the erstwhile shareholders of the acquired entity. Further MESPL, at the request of the CCPS holders, sub-divided the CCPS face value from ₹ 10 to ₹ 1 each, in terms of the approval given by the Equity Shareholders through the Extra-Ordinary General Meeting held on November 12, 2021. This resulted in the increase in number of CCPS to 150,000. Mastek Limited bought out the Third tranche of 50,000 CCPS (refer note 10.1) during the previous year from the CCPS holders (in terms of the Share Holders Agreement dated February 8, 2020 - also refer Note 34(a)) during the year.

10. Other equity

Particulars	As at	
	March 31, 2025	March 31, 2024
a) **Capital reserve**	21	21
Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instrument is transferred to capital reserve		
b) **Capital redemption reserve**	1,539	1,539
Non-distributable reserve into which amounts are transferred following the redemption or purchase of a Company's own shares		
c) **Securities premium**	44,582	43,949
Amount received (on issue of shares) in excess of the face value has been classified as securities premium		
d) **Share options outstanding account (net of taxes)**	2,475	2,210
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 upon exercise of stock options by employees. In case of forfeiture, corresponding balance is transferred to general reserve.		
e) **General reserve**	457	420
This represents appropriation of profit by the company		

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(All amounts in ₹ lakhs, unless otherwise specified)

Particulars		As at	
		March 31, 2025	March 31, 2024
f)	**Retained earnings**	1,81,679	1,49,952
	Retained earnings comprises of the prior year's undistributed earning/(losses) after taxes increased/ (decreased) by undistributed profits/(losses) for the year		
g)	**Foreign currency translation reserve**	13,812	8,096
	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 OCI and accumulated in the foreign currency translation reserve		
h)	**Other items of OCI**	122	1,012
	Other items of OCI consist of FVOCI financial assets and financial liabilities and remeasurement of defined benefit plans		
	Other equity	**2,44,687**	**2,07,199**

10.1 Reconciliation / movement of balances in Non-controlling Interest

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance as at beginning of the year	-	9,110
Acquisition of proportionate preference share*	-	(9,110)
Share in profit for the year	-	1,068
Profit for the year transferred to retained earnings on account of acquisition of non-controlling interest	-	(1,068)
Share in OCI	-	103
OCI transferred on account of acquisition of non-controlling interest	-	(103)
Balance as at end of the year	**-**	**-**

* 50,000 CCPS allotted by MESPL and bought back by Mastek Limited during the previous year. Further, difference between consideration paid to non-controlling shareholders and carrying value of the interest in MESPL has been recognised in retained earnings within equity in previous year.

10.2 Distributions made and proposed

The Board of Directors of the Company at its meeting held on January 16, 2025 had declared an interim dividend of 140% (₹ 7 per equity share of par value of ₹ 5 each). This has resulted in cash outflow of ₹ 2,161 lakhs. Further, the Board of Directors of the Company at its meeting held on April 18, 2025 have recommended a final dividend of 320% (₹ 16 per equity share of par value of ₹ 5 each), which is subject to approval by the shareholders of the Company at ensuing Annual General Meeting. The maximum estimated cash outflow will be ₹ 4,950 lakhs. Proposed dividend on equity shares is not recognised as a liability as at March 31, 2025. Dividend declared by the Company is based on profit available for distribution.

For previous year

The Board of Directors of the Company at its meeting held on January 18, 2024 had declared an interim dividend of 140% (₹ 7 per equity share of par value of ₹ 5 each). This has resulted in cash outflow of ₹ 2,147 lakhs. Further, the Board of Directors of the Company at its meeting held on April 26, 2024 have recommended a final dividend of 240% (₹ 12 per equity share of par value of ₹ 5 each), which was approved by the shareholders of the Company at its Annual General Meeting held on September 30, 2024. This resulted in cash outflow of ₹ 3,704 lakhs. Proposed dividend on equity shares was not recognised as a liability as at March 31, 2024. Dividend declared by the Company is based on profit available for distribution.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

11. Financial liabilities - Non current

a. Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Term loan from Citi bank NA US Loan (Refer note (a) and (b) below)	21,070	27,007
Term loan from Citi bank NA Hongkong Loan (Refer note (c) below)	16,548	-
Term loan from Citi Bank India (Refer note (d) below)	-	3,936
Vehicle loans from bank (Refer note (f) below)	305	387
	37,923	**31,330**

Nature of security	Number of instalments outstanding as at balance sheet date	Rate of interest	Amount
(a) (i) Secured by corporate guarantee of USD 32 million given by the Holding Company (ii) Secured by mortgage of Mahape property: A-7, Sector-I, Mastek Millennium Centre, Millennium Business park 2, TTC Industrial Area, Shil Phata-Mahape Road, Mahape, Navi Mumbai-400710	6 half yearly Instalments	**SOFR + 190 Basis points:** 6.2 % - 7.3 % p.a. as at year end (March 31, 2024: 6.7 % - 7.3 % p.a.)	March 31, 2025: ₹ 21,837 March 31, 2024: ₹ 24,187
(b) (i) Secured by corporate guarantee of USD 23.9 million given by the Holding Company	7 half yearly Instalments	**SOFR + 150 Basis points** 5.8% - 6.9% p.a as at year end (March 31, 2024: 6.3% - 6.9% p.a)	March 31, 2025: ₹ 12,504 March 31, 2024: ₹ 13,945
(c) (i) Secured by mortgage of Chennai property of Mastek Limited (ii) Secured by corporate guarantee of USD 24.2 million given by the Holding Company	10 half yearly Instalments	**SOFR + 170 Basis points** 6.0% - 7.1% p.a as at year end (March 31, 2024: NA)	March 31, 2025: ₹ 20,749 March 31, 2024: Nil
(d) (i) Secured by first charge on immovable property situated at Mahindra World City, Chengalpet, Chennai	Nil	**3 months T-Bill + 2.7% p.a** March 31, 2025: NA (March 31, 2024: 7.62% - 8.04% p.a)	March 31, 2025: Nil March 31, 2024: ₹ 4,500
(e) (i) Secured by floating charges on Receivables of Mastek (UK) Ltd and their proceeds (ii) Secured by mortgage of Chennai property of Mastek Limited (iii) Secured by corporate guarantee of GBP 28 million given by the Holding Company	Nil	**SONIA + 190 basis points** March 31, 2025: NA (March 31, 2024: 6.08% - 7.09% p.a)	March 31, 2025: Nil March 31, 2024: ₹ 5,252

(f) Vehicle loans are secured by hypothecation of assets (vehicles) purchased thereagainst.

Repayment terms: Monthly payment of equated monthly instalments beginning from the month subsequent to taking the loan along with interest at 7.40% - 9.70% p.a. (March 31, 2024: 7.10% - 9.35% p.a.). Vehicle loans are repayable in 1 to 60 instalments from March 31, 2025 (March 31, 2024: 1 to 60 instalments).

(g) Refer note 30 for liquidity risk and market risk.

(h) There was no default in repayment of borrowings and interest thereon during current and previous year.

(i) Borrowings were applied for the purpose for which they were availed.

(j) Cash flow changes in liabilities arising from financing activities are given in the table below.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Cash flows arising from financing activities

Particulars	Lease liabilities	Borrowings
As at April 1, 2023	**3,256**	**37,167**
Proceeds from long term borrowings	-	18,413
Repayments of long term borrowings	-	(8,082)
Payment of lease liabilities including interest	(1,447)	-
Non cash movement: additions to lease liabilities and unwinding of interest	1,261	-
Foreign Exchange Translation Adjustments	171	1,157
As at March 31, 2024	**3,241**	**48,655**
Proceeds from long term borrowings	-	44,350
Repayments of long term borrowings	-	(38,525)
Payment of lease liabilities including interest	(1,679)	-
Non cash movement: additions to lease liabilities and unwinding of interest	959	-
Foreign Exchange Translation Adjustments	275	1,037
As at March 31, 2025	**2,796**	**55,517**

b. Lease liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Lease liabilities (Refer note 33)	1,639	2,155
	1,639	**2,155**

Note:

Refer note 30 for liquidity risk and market risk.

c. Other financial liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Security and other trade deposits	32	31
Contingent Consideration payable (Refer note 34)	-	9,850
	32	**9,881**

Note:

Refer note 30 for liquidity risk and market risk.

12. Provisions

Particulars	As at	
	March 31, 2025	March 31, 2024
Provision for employee benefits		
Provision for gratuity (Refer note 24(a))	4,273	3,234
Provision for other defined benefits (Refer note 24(b))	903	774
	5,176	**4,008**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

13. Financial liabilities - Current

a. Borrowings

Particulars	As at	
	March 31, 2025	March 31, 2024
Secured:		
Current maturities of loan from Citi bank NA US Loan (Refer note 11 (a) and 11 (b), for security)	13,273	11,343
Term loan from Citi bank NA Hongkong Loan (Refer note 11 (c), for security)	4,201	-
Current maturities of loan from Citi bank India (Refer note 11 (d), for security)	-	593
Current maturities of loan from Citi bank NA (Refer note 11 (e), for security)	-	5,265
Current maturities of vehicle loans from bank (Secured) (Refer note 11 (f), for security)	120	124
	17,594	**17,325**

Notes:

(i) The Company has, during the year ended March 31, 2025, availed/renewed certain working capital facility from banks against which the security has been created on trade receivables and contract assets. The Company has not utilised the facility and hence, no amount is outstanding against the same as at March 31, 2025 (March 31, 2024 - ₹ Nil). The said working capital facility remains unutilised/ undrawn, thus the Company is not required to file any quarterly return or statements with such banks.

(ii) Refer note 30 for liquidity risk and market risk.

b. Lease liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Lease liabilities (Refer note 33)	1,157	1,086
	1,157	**1,086**

Note:

Refer note 30 for liquidity risk and market risk.

c. Trade payables

Particulars	As at	
	March 31, 2025	March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (Refer footnotes ii and iii)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,885	6,142
Accrued expenses	19,714	15,899
	25,599	**22,041**

Notes:

(i) Trade payables are non-interest bearing and are generally settled in 30 to 60 days.

(ii) The Group did not have dues to micro enterprises and small enterprises registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') as at beginning and end of the year. Also, all the payment to MSME during the current and previous year was made within the statutory deadline under MSMED Act and there was no overdue amount at any point during the current and previous year.

(iii) Above disclosure on MSME is based on the information available with the Group regarding the status of registration of such vendors under the said act, as per the intimation received from them on requests made by the Group.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Ageing Schedule as at March 31, 2025

Sr. No	Particulars	Outstanding for following periods from due date of payment					Total
		Unbilled dues	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
i.	Total outstanding dues of MSME	-	-	-	-	-	-
ii.	Total outstanding dues of creditors other than MSME	19,714	5,530	10	99	246	**25,599**
iii.	Disputed dues of MSME	-	-	-	-	-	-
iv.	Disputed dues of creditors other than MSME	-	-	-	-	-	-
	Total	**19,714**	**5,530**	**10**	**99**	**246**	**25,599**

Ageing Schedule as at March 31, 2024

Sr. No	Particulars	Outstanding for following periods from due date of payment					Total
		Unbilled dues	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
i.	Total outstanding dues of MSME	-	-	-	-	-	-
ii.	Total outstanding dues of creditors other than MSME	15,899	2,912	817	856	1,557	**22,041**
iii.	Disputed dues of MSME	-	-	-	-	-	-
iv.	Disputed dues of creditors other than MSME	-	-	-	-	-	-
	Total	**15,899**	**2,912**	**817**	**856**	**1,557**	**22,041**

d. Other financial liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Payable on business acquisition (Refer note 29 and 34)	443	2,665
Unclaimed dividends (Refer note (i) below)	71	65
Security and other deposits	2	2
Contingent consideration payable (Refer note 34)	-	28,947
Capital creditors	1,618	607
Other payables		
Employee benefits payable (Refer note 26)	15,385	13,355
Foreign exchange forward contract	531	-
Other than supplier	-	255
	18,050	**45,896**

Notes:

(i) There is no amount due to be transferred to Investor Education and Protection Fund under section 125 of the Act as at March 31, 2025. (March 31, 2024 - ₹ Nil)

(ii) Refer note 30 for liquidity risk and market risk.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

14. Other current liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Advances received from customers	167	235
Statutory dues	12,373	8,908
	12,540	**9,143**

15. Provisions

Particulars	As at	
	March 31, 2025	March 31, 2024
Provision for employee benefits		
Provision for Gratuity (Refer Note 24(a))	49	130
Provision for other defined benefits (Refer Note 24(b))	76	69
Provision for compensated absences*	3,716	2,963
Other Provision		
Provision for cost overrun on contracts**	109	57
	3,950	**3,219**

***Movement in provision for compensated absences**

Particulars	As at	
	March 31, 2025	March 31, 2024
Opening provision at the beginning of the year	2,963	3,034
Created during the year	1,981	340
Paid during the year	(1,281)	(435)
Foreign Exchange Translation Adjustments	53	24
Closing provision at the end of the year	**3,716**	**2,963**

The provision for compensated absences is presented as current since the Group does not have an unconditional right to defer settlement for this obligation. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

****Movement in provision for cost overrun on contracts**

Particulars	As at	
	March 31, 2025	March 31, 2024
Carrying amount at the beginning of the year	57	107
Additional / (Unused) amount provided/(reversed) during the year	52	(50)
Balance as at end of the year	**109**	**57**

It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above, pending occurrence of the default event or resolution of respective proceedings. Also, the Group does not expect any reimbursements in respect of the above liability.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

16. Revenue from operations

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Sale of service		
Information technology services	3,44,782	3,04,924
Other operating revenue*	741	555
	3,45,523	**3,05,479**

*Other operating revenue includes cross charges to clients

The table below presents disaggregated revenues from contracts with customers by customer location and service line for each of the business segments. Group believe this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

(i) Revenue by geography

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
United Kingdom and Europe operations	1,98,052	1,73,949
North America operations	93,285	82,936
AMEA*	54,186	48,594
	3,45,523	**3,05,479**

*AMEA includes Middle east region, South-east Asia, India, Singapore and Australia

(ii) Revenue by service line

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Digital & Application Engineering	1,60,538	1,35,287
Oracle Cloud & Enterprise Apps	1,08,130	94,454
Digital Commerce & Experience	44,960	53,608
Data, Automation and AI	31,895	22,130
	3,45,523	**3,05,479**

(iii) Timing of revenue recognition

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Transferred at a point in time	1,45,220	1,27,697
Transferred over a period of time	2,00,303	1,77,782
	3,45,523	**3,05,479**

Notes:

(i) The above figures have been extracted from MIS generated report, to compute Time & Material and Fix Bid Revenue.

(ii) Group does not have any significant obligations for returns and refunds.

(iii) Contracts do not have a significant financing component and contracts do not have element of variable consideration.

(iv) Remaining performance obligation

As of March 31, 2025, the aggregate amount of transaction price allocated to remaining performance obligations, was ₹ 146,228 lakhs (March 31, 2024 ₹ 174,323 lakhs) of which approximately 86% (March 31,2024 - 91%) is expected to be recognized as revenues within three years.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

(v) Changes in contract assets (refer note 7)

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance at the beginning of the year	37,298	35,080
Invoices raised that were included in the contract assets balance at the beginning of the year	(28,082)	(25,912)
Increase due to revenue recognised during the year, excluding amounts billed during the year	16,496	27,488
Translation exchange difference	1,034	642
Balance at the end of the year	**26,747**	**37,298**

(vi) Changes in contract liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance at the beginning of the year	7,349	5,927
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	(6,553)	(3,787)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	9,751	5,375
Translation exchange difference	371	(166)
Balance at the end of the year	**10,918**	**7,349**

(vii) Reconciliation between contract price and revenue from contracts with customers

Particulars	As at	
	March 31, 2025	March 31, 2024
Contract Price	3,41,953	3,04,057
Adjustments for:		
Contract liabilities (net)	3,570	1,422
Revenue from contracts with customers	**3,45,523**	**3,05,479**

(viii) Performance obligation

(a) **Fixed price contracts:** Revenue is recognised in accordance with the methods prescribed for measuring progress i.e. 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.

(b) **Time and material contracts:** Revenues relating to time and material contracts are recognised as the related services are rendered.

(c) **IT support and maintenance:** Contracts related to maintenance and support services are either fixed price or time and material. In these contracts, the performance obligations are satisfied, and revenues are recognised, over time as the services are provided. Revenue from maintenance contracts is recognised ratably over the period of the contract because the Group transfers the control evenly by providing standard services.

(d) **Other operating revenue:** It includes revenue arising from Group's ancillary revenue-generating activities. Revenue from these activities are recorded only when Group is reasonably certain of such income.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

17. Other income

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Interest income		
- On bank deposits	519	198
- On income tax refunds	142	46
- On others	19	4
Profit on sale of current investments (net)	496	345
Investment at FVTPL - net change in fair value	281	43
Rental income (Refer note 33)	362	340
Profit on sale of property, plant and equipment (net)	25	43
Net gain on foreign currency transactions and translation*	251	453
Other non-operating income#	133	129
	2,228	**1,601**

*Includes ₹ 193 Lakhs on account of Cash flow hedges - ineffective portion of changes in fair value (March 31, 2024: ₹ 493 Lakhs)

#Other non operating income includes incentive from Oracle corporation and scrap sales

18. Employee benefits expenses

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Salaries and wages (Refer note 26)	1,68,517	1,51,751
Contribution to provident fund and other funds (Refer note 24(d))	11,263	9,663
Employee stock compensation expenses (equity settled)	877	895
Staff welfare expense	5,246	4,782
	1,85,903	**1,67,091**

19. Finance costs

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Interest on borrowings	3,816	3,097
Interest expense on lease liabilities (Refer note 33)	215	223
Bank charges	175	191
Unwinding of discount on contingent consideration	-	936
	4,206	**4,447**

20. Depreciation and amortisation expenses

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Depreciation/ amortisation on property, plant and equipment (Refer note 3(a)(i))	1,687	1,874
Depreciation on right-of-use assets (Refer note 3(b))	1,206	1,075
Amortisation on other intangible assets (Refer note 3(a)(ii))	4,619	6,042
	7,512	**8,991**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

21. Other expenses

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Recruitment and training expenses	1,865	1,625
Travelling and conveyance	9,858	8,324
Communication charges	491	551
Electricity	262	284
Consultancy and sub-contracting charges	75,581	58,425
Purchase of hardware and software	1,411	1,788
Repairs		
Buildings	907	618
Others	2,811	2,462
Insurance	799	830
Printing and stationery	61	54
Legal and professional fees	4,012	5,111
Rent (Refer note 33)	677	774
Advertisement and publicity	904	953
Allowance for expected credit loss (net)	(506)	1,263
Bad debts written off	2,565	1,686
Hire Charges	102	76
Donation (Refer note 26)	35	104
Corporate social responsibility expenditure (Refer note 26)	353	266
Miscellaneous expenses (net)	2,787	2,327
	1,04,975	**87,521**

22. Exceptional Items - gain/(loss) (net)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
a. Legal and professional cost on acquisition (North America operations)	-	(411)
b. Impairment of Goodwill and Customer Relationship *	(12,996)	-
c. Contingent consideration reversal^	17,301	-
d. Reversal of excess liability relating to business combination (AMEA operations)	1,688	-
e. Unbilled revenue written off (AMEA operations)	(1,296)	-
f. Expected Credit Loss ('ECL') provision on unbilled revenue**	(3,949)	-
g. Exchange impact on exceptional items	13	-
Total	**761**	**(411)**

*Represents goodwill and intangibles generated on Taistech Business (Taistech US) (North America Operations) acquired during the year ended March 31, 2017. Considering the updated strategy adopted for its US operations for the year ended March 31, 2025, the Group believes that the capabilities in the area of digital experience and other service lines from the more recent acquisitions would yield results which are expected to be significantly higher than results with similar efforts, expected from Taistech US. Accordingly, the Group has decided to de-prioritise its focus on Taistech US resulting in the impairment loss in the year ended March 31, 2025.

^Represents reversal of contingent consideration relating to North America operations on account of final settlement of a liability during the year ended March 31, 2025 and remeasurement of another liability, based on performance March 31, 2025.

**The provision for ECL relates to following operations: UK and Europe – ₹ 529 lakhs, North America – ₹ 351 lakhs and AMEA – ₹ 3,069 lakhs.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

23. Earnings per share (EPS)

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
The components of basic and diluted earnings per share are as follows:		
(a) Profit attributable to equity shareholders of the parent entity (basic)	37,593	30,029
(b) Weighted average number (in absolute) of equity shares (basic)		
Opening balance	3,08,44,311	3,05,24,827
Effect of share options exercised	24,286	96,103
Effect of share issued on conversion of CCPS	-	17,917
Weighted average number of equity shares for the year	3,08,68,597	3,06,38,847
(c) Basic earnings per share (in ₹)	**121.78**	**98.01**
(d) Profit attributable to equity shareholders of the parent entity (diluted)	37,593	30,029
(e) Weighted average number (in absolute) of equity shares (diluted)		
Weighted average number of equity shares (basic)	3,08,68,597	3,06,38,847
Effect of share options on issue	2,89,043	2,38,437
Weighted average number of equity shares for the year	3,11,57,640	3,08,77,284
(f) Diluted earnings per share (in ₹)	**120.65**	**97.25**
(g) Nominal value of each share (in ₹)	5	5

Note: The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

24. Employee benefit plans

(a) Defined benefit plans

Amount recognised in the consolidated statement of profit and loss in respect of gratuity cost (defined benefit plan - partially funded) is as follows:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Gratuity cost		
Service cost	916	773
Net interest cost	229	188
Net gratuity cost	**1,145**	**961**
Net actuarial loss recognised in OCI	**(144)**	**(265)**
Amount shown as liability in the Consolidated Balance Sheet		
Non current (Refer note 12)	4,273	3,234
Current (Refer note 15)	49	130
Total	**4,322**	**3,364**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Demographic assumptions used:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Discount rate (in %)	6.65%-6.9%	7.2-7.3%
Salary escalation (in %)	6-10%	6-10%
Retirement age (in years)	58 - 60 Years	58 - 60 Years
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Average future service (in years)	5.94 years	5.78 years
Attrition rate (in %)		
Age (Years)		
21-30	10-21%	10-21%
31-40	5-15%	5-20%
41-50	3-17%	3-20%
51-59	2-10%	2-20%

These assumptions were developed by the management with the assistance of independent actuarial appraiser. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience. 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 gratuity plan

Particulars	As at	
	March 31, 2025	March 31, 2024
Obligation at the beginning of the year	4,722	4,107
Current service cost	916	773
Interest cost	320	287
Actuarial loss - due to change in financial assumptions	222	73
Actuarial (gain) / loss - due to change in experience	(39)	175
Benefits paid	(521)	(693)
Obligation at the end of the year	**5,620**	**4,722**
Change in plan assets		
Plan assets at the beginning of the year, at fair value	1,358	1,409
Employer contribution	330	560
Interest income on plan assets	91	99
Remeasurement on plan assets less interest on plan assets - gain / (loss)	39	(17)
Benefits paid	(521)	(693)
Plan assets at the end of the year, at fair value	**1,297**	**1,358**

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(All amounts in ₹ lakhs, unless otherwise specified)

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, 2025	March 31, 2024
Experience adjustment on plan liabilities - gain / (loss)	39	(175)
Financial adjustment on plan liabilities - (loss)	(222)	(73)
Experience adjustment on plan assets - gain / (loss)	39	(17)

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, 2025		March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (50 basis points)	(221)	238	(191)	206
Salary growth (50 basis points)	208	(199)	183	(175)

The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of another since some of the assumptions may be co-related. The possible change on account of change in attrition rate is not material.

Maturity profile of defined benefit obligation (undiscounted):

Particulars	As at	
	March 31, 2025	March 31, 2024
1 year	569	550
2 years	593	499
3 years	622	517
4 years	580	548
5 years	548	484
6 years	576	448
7 years	489	483
8 years	469	392
9 years	468	387
10 years and beyond	6,464	5,646

Risk:

Factor	Impact
Discount rate	Reduction in discount rate in subsequent valuations can increase the obligation.
Salary escalation	Actual salary increases will increase the obligation. Increase in salary increase rate assumption in future valuations will also increase the obligation.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the obligation.

Summary of Material Accounting Policy and Other Explanatory Information

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(All amounts in ₹ lakhs, unless otherwise specified)

Plan is governed by the Payment of Gratuity Act, 1972 ('Gratuity Act'). Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of death/retirement/termination age.

Notes:

i) The Group has setup an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan. Expected contribution to the Fund in FY 2025-26 is ₹ 532 lakhs (FY 2024-25 - ₹ 230 lakhs).

ii) Plan assets are investment in unquoted insurer managed funds (100%) for current and previous year.

(b) Other benefit plans in foreign jurisdiction

Amount recognised in the consolidated statement of profit and loss in respect of gratuity cost (other benefit plan) is as follows:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Gratuity cost		
Service cost	261	246
Net interest cost	44	42
Net gratuity cost	**305**	**288**
Net actuarial (loss) /gain recognised in OCI	**(36)**	**61**
Amount shown as liability in the Consolidated Balance Sheet		
Non current (Refer note 12)	903	774
Current (Refer note 15)	76	69
Total	**979**	**843**

Demographic assumptions used:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Discount rate (in %)	5.33%	5.42%
Salary escalation (in %)	4%	4%
Retirement age (in years)	60 Years	60 Years
Mortality rate	Saudi Arabia mortality rate	Saudi Arabia mortality rate
Leaving services (in %)	10%	10%

Mortality rate

Age (Years)	Rates (p.a.)	
	March 31, 2025	March 31, 2024
18	0.00075	0.00075
23	0.00075	0.00075
28	0.00075	0.00075
33	0.00075	0.00075
38	0.00075	0.00075
43	0.00075	0.00075
48	0.00150	0.00150
53	0.00300	0.00300
58	0.00525	0.00525

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(All amounts in ₹ lakhs, unless otherwise specified)

These assumptions were developed by the management with the assistance of independent actuarial appraiser. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience. 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.

Mortality rate is considered as per the published rates under the Saudi Arabia mortality. Mortality and attrition rate was same for the year ended March 31,2024.

The following table sets out the status of gratuity plan

Particulars	As at	
	March 31, 2025	March 31, 2024
Obligation at the beginning of the year	843	842
Add: Balance transferred on account of acquisition		
Current service cost	261	246
Interest cost	44	42
Actuarial loss / (gain) - due to change in financial assumptions	6	(5)
Actuarial loss / (gain) - due to change in experience	30	(57)
Benefits paid	(227)	(238)
Add: Foreign exchange translation adjustments	30	13
Obligation at the end of the year	**988**	**843**
Change in plan assets		
Employer contribution	227	238
Benefits paid	(227)	(238)
Plan assets at the end of the year, at fair value	-	-

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, 2025	March 31, 2024
Experience adjustment on plan liabilities - (loss) / gain	(30)	57
Financial adjustment on plan liabilities - (loss) / gain	(6)	5

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, 2025		March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount Rate (100 bps)	(38)	40	(33)	35
Salary Growth (100 bps)	40	(38)	35	(33)

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as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of another since some of the assumptions may be co-related.

Maturity profile of defined benefit obligation:

Particulars	As at	
	March 31, 2025	March 31, 2024
1 year	76	68
2 years	95	68
3 years	76	79
4 years	74	66
5 years	71	63
6 years	68	61
7 years	65	56
8 years	155	54
9 years	51	124
10 years and beyond	544	484

The weighted average duration of the defined benefit obligation of the Group as at March 31, 2025 ranges from 6.21 years to 13.56 years (March 31, 2024: 5.10 years to 13.28 years).

(c) The obligation for compensated absence is recognised basis Group's leave policy. Group follow calendar year for leave accumulation. Maximum of 18 days can be accrued during a year and maximum cap on accumulation is 45 days. Leaves in excess of maximum cap can be encashed during the tenure or on separation from the Group. Net charge to the consolidated statement of profit and loss for the year ended March 31, 2025 is ₹ 1,981 lakhs (March 31, 2024: ₹ 1,054 lakhs)

Demographic assumptions used:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Discount rate (in %)	5.33-6.9%	5.42-7.3%
Salary escalation (in %)	4-10%	4-10%

(d) Defined contribution plan

The Group contributed ₹ 11,263 lakhs for the year ended March 31, 2025 (March 31, 2024 ₹ 9,663 lakhs) for the defined contribution plan towards legal obligations, which includes contribution towards provided fund, employee state insurance commission and labour welfare fund. Also, the obligation of the Group is limited to the amount contributed and it has no further contractual or constructive obligation.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

25. Income taxes

a) Income tax expense/ (credit) in the consolidated statement of profit and loss consists of:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Current tax	14,470	12,404
Deferred tax*	(6,216)	855
Current tax adjustments relating to earlier years**	69	(5,737)
Income tax expense recognised in profit or loss	**8,323**	**7,522**
Deferred tax expense recognised in OCI	**275**	**193**
Defined benefit obligation	39	93
Loss on change in fair value of forward contracts designated as cash flow hedges	258	221
Loss on change in fair value of financial instruments	(22)	(121)
Out of above deferred tax expense,		
the amount of deferred tax income relating to the origination and reversal of temporary differences	(6,195)	(1,799)
the amount of deferred tax expense relating to changes in tax rates	-	60
the amount of deferred tax income relating to recognition of previously unrecognised tax losses	-	(1,458)
the amount of deferred tax expense relating to recognition of previously unrecognised (Derecognition of previously recognised) deductible temporary differences	254	4,245

*During the year ended March 31, 2024, the management of the holding Company had decided to opt for new tax rate regime as per Section 115BAA of the Income-tax Act, 1961, effective FY 2022-23. As per provisions of Section 115BAA, the holding Company on shifting to new tax regime will be taxed at a lower rate and would not be required to pay Minimum Alternate Tax ('MAT') and, as a consequence, no longer claim MAT credits. Accordingly, deferred tax adjustments during the year ended March 31, 2024, primarily included reversal of deferred tax asset (towards MAT credit) amounting to ₹ 2,840 lakhs and remeasurement of other opening deferred tax balances, based on the new tax rate.

**The holding Company had filed for a Bilateral Advance Pricing Arrangement ('BAPA') in the financial year 2015-16, under which the holding Company had recognised a provision in its books of account based on the most likely outcome expected as per the BAPA. Since no agreement could be reached between the respective competent tax authorities, the said application has been closed by them during the year ended March 31, 2024. Basis the analysis done by management of the holding Company, the additional tax provision up to March 31, 2023, amounting to ₹ 2,755 lakhs, being no longer required, has been reversed during the year ended March 31, 2024 and included under 'Current tax adjustments relating to earlier years'. Further, consequential disclosures to this extent have been considered under note 35(ii).

During the year ended March 31, 2024, the management of the holding Company has decided to opt for new tax rate regime as per Section 115BAA of the Income-tax Act, 1961, effective FY 2022-23. Accordingly, adjustment (reversal) was also required to the provision recognised for the year ended March 31, 2023, at the higher tax rate (prior to the adoption of new tax regime), which had been included under 'income tax relating to earlier years'.

b) The reconciliation between the provision of income tax at the Group level 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, 2025	March 31, 2024
Profit before tax	45,916	38,619
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	11,556	9,720
Reduction in tax rate		60
Effect of:		
Tax effect of amount which are not (taxable)/ deductible in calculating taxable income		
Income tax relating to earlier years	69	(5,737)
Tax losses for earlier periods recognised now, based on probability of realisation	-	(1,458)
Recognition of previously unrecognised (Derecognition of previously recognised) deductible temporary differences	254	4,245
Impact of non-claimable withholding tax written off	96	500
Expenses that are not deductible in determining taxable profit (permanent difference)	(4,510)	(63)

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as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Tax on income at different tax rates as per respective jurisdictions	1,280	676
Net allowance of ESOP claim	(588)	(510)
Others	166	89
Total income tax expense recognised in the consolidated statement of profit and loss	**8,323**	**7,522**

c) The movement in deferred income tax assets and (liabilities) for the year ended March 31, 2025 is as follows:

Particulars	Carrying value as at April 1, 2024	Changes through profit or loss	Changes through OCI	Changes through Equity	Foreign Currency Translation Reserve	Carrying value as at March 31, 2025
Property, plant and equipment and other intangible assets (net)	(1,289)	2,674	-	-	(22)	1,363
Allowance for expected credit loss (net)	1,164	703	-	-	39	1,906
Net gain on fair value of Investment	(102)	-	(22)	-	(2)	(126)
Cash flow hedge	(72)	-	258	-	-	186
Undistributed profits of subsidiaries	(821)	-	-	-	-	(821)
Provision for employee benefits (net)	2,482	314	39	-	20	2,855
Excess tax benefits from exercise of share-based options (OCI)	645	-	-	-	35	680
Brought forward losses*	4,131	1,953	-	-	124	6,208
Finance/Interest Cost	971	644	-	-	31	1,646
Others (net)	297	(72)	-	-	2	227
Total	**7,406**	**6,216**	**275**	**-**	**227**	**14,124**

*The Group has recognised deferred tax assets on unabsorbed losses in USA geography post assessment of realisation of these assets on account of generation of future taxable profits because of recent acquisitions and synergies arising out of these acquisition.

Gross deferred tax assets and liabilities are as follows:

Particulars	As at March 31, 2025		
	Assets	Liabilities	Net
Property, plant and equipment and other intangible assets (net)	1,542	(179)	1,363
Allowance for expected credit loss (net)	1,936	(30)	1,906
Net change in fair value of investment	20	(146)	(126)
Cash flow hedge	186	-	186
Undistributed profits of subsidiaries	-	(822)	(822)
Provision for employee benefits (net)	2,914	(59)	2,855
Excess tax benefits from exercise of share-based options (OCI)	679	-	679
Brought forward losses	6,209	-	6,209
Finance/Interest Cost	1,646	-	1,646
Others (net)	331	(103)	228
	15,463	**(1,339)**	**14,124**

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

The movement in deferred income tax assets and (liabilities) for the year ended March 31, 2024 is as follows:

Particulars	Carrying value as at April 1, 2023	Changes through profit or loss	Changes through OCI	Changes through Equity	Foreign Currency Translation Reserve	Carrying value as at March 31, 2024
Property, plant and equipment and other intangible assets	(680)	(584)	-	-	(25)	(1,289)
Allowance for expected credit loss	885	266	-	-	13	1,164
Net gain on fair value of Investment	36	(16)	(121)	-	(1)	(102)
Cash flow hedge	(293)	-	221	-	-	(72)
MAT Credit entitlement	2,841	(2,840)	-	-	(1)	-
Undistributed profits of subsidiaries	(821)	-	-	-	-	(821)
Provision for employee benefits	1,576	803	93	-	10	2,482
Employee share based plan	406	(412)	-	-	6	-
Excess tax benefits from exercise of share-based options (OCI)	168	-	-	468	9	645
Brought forward losses*	2,982	1,100	-	-	49	4,131
Finance/Interest Cost	-	963	-	-	8	971
Others	424	(135)	-	-	8	297
Total	**7,524**	**(855)**	**193**	**468**	**76**	**7,406**

*The Group has recognised deferred tax assets on unabsorbed losses in USA geography post assessment of realisation of these assets on account of generation of future taxable profits because of recent acquisitions and synergies arising out of these acquisition.

Gross deferred tax assets and liabilities are as follows:

Particulars	As at March 31, 2024		
	Assets	Liabilities	Net
Property, plant and equipment and other intangible assets (net)	1,035	(2,324)	(1,289)
Allowance for expected credit loss (net)	1,164	-	1,164
Net change in fair value of investment	19	(121)	(102)
Cash flow hedge	16	(88)	(72)
Undistributed profits of subsidiaries	-	(821)	(821)
Provision for employee benefits (net)	2,482	-	2,482
Excess tax benefits from exercise of share-based options (OCI)	645	-	645
Brought forward losses	4,131	-	4,131
Finance/Interest Cost	971	-	971
Others (net)	297	-	297
	10,760	**(3,354)**	**7,406**

Notes:

(i) The Group offsets deferred tax assets and deferred tax liabilities if and only if it has legally enforceable right to set off the said balances and Company's intent is to settle on a net basis as to realise asset and liabilities simultaneously, and deferred tax assets and deferred tax liabilities relate to the income tax levied by same tax authorities.

(ii) The Group has recognised deferred tax assets on carried forward tax losses incurred by certain subsidiary companies in current and earlier years. Based on future business projections, the Group is reasonably certain that respective subsidiaries would be able to generate adequate taxable income to ensure utilization of carried forward tax losses.

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(All amounts in ₹ lakhs, unless otherwise specified)

d) Details of deferred tax assets recognised for carry forward of unused tax losses to the extent probable that future taxable profit will be available against which unused tax losses can be utilised are as follows:

Name of the entities	As at	
	March 31, 2025	March 31, 2024
Mastek, Inc.	4,937	3,280
Trans American Information Systems Inc.	918	620
Others	354	231
	6,209	**4,131**

26. Related party disclosures, as per Ind AS 24

Relationships have been disclosed where transactions have taken place and relationships involving control:

Key Management Personnel (KMP):

Umang Nahata, Whole-Time Director & CEO (w.e.f. August 10, 2024)

Hiral Chandrana, Global Chief Executive Officer (Upto September 3, 2024)

Arun Agarwal, Global Chief Financial Officer (Upto January 29, 2025)

Dinesh Kalani, Sr. Vice President - Group Company Secretary & Compliance Officer

Ashank Desai, Non Executive Director and Chairman

Ketan Mehta, Non Executive Director

Rajeev Grover, Non Executive Director

Suresh Vaswani, Non Executive Director

Marilyn Jones, Non Executive Director

Priti Rao, Non-Executive Director (upto May 1, 2023)

Enterprise where KMP has control: Mastek Foundation

Note: For list of subsidiaries refer note 51.

Transaction with key managerial personnel

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
(i) Short term employee benefits	670	1,160
(ii) Post employment benefits	-	-
(iii) Other long-term benefits*	18	17
(iv) Termination benefits	-	-
(v) Share based payments**	51	64
Total compensation paid to key management personnel	**740**	**1,241**
Payable as at year end	**93**	**76**

*The KMP's are covered under the Group's gratuity policy, compensated absences policy and bonus policy along with other eligible employee of the Group. Proportionate amount of gratuity and compensated absences expenses and provision for gratuity and compensated absences, which are determined actuarially are not mentioned in the aforementioned disclosure as these are computed for the Group as a whole.

** Represents the perquisite component, i.e., the difference between exercise price and fair market value of the option.

Notes:

1. Group has paid the remuneration to its directors during the year in accordance with the provision of and limits laid down under section 197 read with Schedule V to the Act, to the extent applicable for Indian Companies.
2. There are no commitments with any related party during the year or as at year end.
3. All the related party transactions are made on terms equivalent to those that prevail in an arm's length transaction, for which prior approval of Audit Committee was obtained during the years ended March 31, 2025 and March 31, 2024.

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(All amounts in ₹ lakhs, unless otherwise specified)

4. KMP's for the Group have been considered as persons having authority and responsibility of planning, directing and controlling the activities for the Group and not for individual entities within the Group.

Transactions with above related parties during the year were:-

Name of Related Party	Nature of transactions	For the year ended	
		March 31, 2025	March 31, 2024
Mastek Foundation	Contribution towards CSR activities and donations	388	358

27. Segment reporting

(i) The Global CEO of the Group 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 geographical information. Accordingly, segment information has been presented for geographies where group operates.

(ii) The organisational and reporting structure of the Group is based on geographical concept. Geographies are the operating segments for which separate financial information is available and for which operating results are evaluated regularly by CODM in deciding how to allocate resources and in assessing performance. The Group's primary reportable segments consist of three different geographies which are based on the risks and returns in different geographies and the location of the customers: North America Operations, UK Operations, AMEA Operations.

(iii) Income and direct expenses in relation to segments are categorised based on items that are individually identifable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain income and expenses are not specifcally 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.

(iv) Property, plant and equipment used in the Group's business or liabilities contracted have not been identified to any of the reportable segments, as the Property, plant and equipment and the support services are used interchangeably between segments. Accordingly disclosures relating to total segments assets and liabilities are not practicable.

(v) AMEA includes Middle east region, South-east Asia, India, Singapore and Australia.

(vi) Geographical information on revenue and industry revenue information is collated based on individual customer invoices or in relation to which the revenue is otherwise recognised.

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Segment Revenue		
United Kingdom and Europe operations	1,98,052	1,73,949
North America operations	93,285	82,936
AMEA	54,186	48,594
Revenue from operations	**3,45,523**	**3,05,479**

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(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Segment Results profit before exceptional item, tax, unallocated income/expense and finance cost		
United Kingdom and Europe operations	39,194	41,446
North America operations	8,265	7,733
AMEA	3,464	4,005
Total	**50,923**	**53,184**
Less: Finance costs	(4,206)	(4,447)
Less: Other un-allocable expenditure net of un-allocable (income)	(1,562)	(9,707)
Profit before exceptional Items and tax	**45,155**	**39,030**
Exceptional items - gain / (loss) (net) (Refer note 22)		
United Kingdom and Europe operations	(529)	-
North America operations	3,974	(411)
AMEA	(2,684)	-
Exceptional items - gain / (loss) (net)	**761**	**(411)**
Profit before tax	**45,916**	**38,619**

Note:

Considering the nature of business in which the Group operates, the Group deals with various customers across multiple geographies. Consequently, none of the customers contributes materially to the revenue of the Group.

28. Financial instrument

The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 as follows:

Particulars	Carrying value		Fair value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial assets				
Amortised cost				
Security deposits	636	600	636	600
Trade receivables (net of provisions)	73,761	56,131	73,761	56,131
Cash and cash equivalents	46,076	38,112	46,076	38,112
Other bank balance	71	73	71	73
Other assets	1,429	1,363	1,429	1,363
Investment in Bond	-	53	-	53
Investment in bank deposits and Margin money deposits	1,102	2,846	1,102	2,846
FVOCI				
Investment in Volteo Edge, LLC	1,737	1,655	1,737	1,655
Derivative assets	479	779	479	779
FVTPL				
Investment in mutual funds	16,066	7,673	16,066	7,673
Total financial assets	**1,41,357**	**1,09,285**	**1,41,357**	**1,09,285**

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as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

Particulars	Carrying value		Fair value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial liabilities				
Amortised cost				
Borrowings	55,517	48,655	55,517	48,655
Lease liabilities	2,796	3,241	2,796	3,241
Trade payables	25,599	22,041	25,599	22,041
Other liabilities	17,551	16,980	17,551	16,980
FVOCI				
Derivative liabilities	531	-	531	-
FVTPL				
Contingent Consideration payable	-	38,797	-	38,797
Total financial liabilities	**1,01,994**	**1,29,714**	**1,01,994**	**1,29,714**

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).

There have been no transfers amongst the level of hierarchy during the current and previous year.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The fair values of the financial assets and liabilities are 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 are used to estimate the fair values.

1. Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables, other current financial assets/ liabilities and short term borrowings approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments are evaluated by the Group based on parameters such as individual credit worthiness of the counter-party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. The fair values for finance lease contracts and financial guarantee contract were calculated based on cash flows discounted using market interest rate on the date of initial recognition and fair values for deposits were calculated based on cash flows discounted using market interest rate on the date of initial recognition and subsequently on each reporting date. The lease liability is initially recognised at the present value of the future lease payments and is discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates and subsequently measured at amortised cost. Investment in mutual funds are designated at FVTPL and mark to market gain/ loss is recorded in statement of profit and loss on each reporting date.

4. Fair value of long term borrowings approximate their carrying amounts due to the fact that no upfront fees is paid as compensation to secure the borrowing and the interest rate is equal to the market interest rate.

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5. The value of Derivative Instrument and Contingent Consideration Payable included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and it represents estimate of fair value within that range.

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, 2025:

Particulars	Date of valuation	Total	Fair value measuring using		
			Level 1	Level 2	Level 3
Financial assets measuring at fair value					
Derivative assets					
Foreign exchange forward contract	March 31, 2025	479	-	479	-
FVOCI financial assets designated at fair value					
Investment in Volteo Edge, LLC	March 31, 2025	1,737	-	1,737	-
FVTPL financial assets					
Investment in mutual funds	March 31, 2025	16,066	16,066	-	-
Financial liabilities measuring at fair value					
Foreign exchange forward contract	March 31, 2025	531	-	531	-

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, 2024:

Particulars	Date of valuation	Total	Fair value measuring using		
			Level 1	Level 2	Level 3
Financial assets measuring at fair value					
Derivative assets					
Foreign exchange forward contract	March 31, 2024	779	-	779	-
FVOCI financial assets designated at fair value					
Investment in Volteo Edge, LLC	March 31, 2024	1,655	-	1,655	-
FVTPL financial assets					
Investment in mutual funds	March 31, 2024	7,673	7,673	-	-
Financial liabilities measuring at fair value					
Payable on business acquisition	March 31, 2024	-	-	-	-
Derivative liabilities					
Contingent consideration payable	March 31, 2024	38,797	-	-	38,797

29.1 Valuation techniques and significant unobservable inputs (Level 2 and Level 3 instruments)

Instrument	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements	Range	
Foreign exchange forward contract	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies	Not applicable	Not applicable	Not applicable	Not applicable

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29.2 Financial instrument considered under level 3 classification

Payable on business acquisition

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance at the beginning of the year	2,149	12,547
Less: Total consideration paid for acquisition of proportionate non-controlling interests	(461)	(11,698)
Less: Excess of liability over payment	(1,688)	-
Add: Excess of payment over liability	-	1,300
Subtotal	**-**	**2,149**
Add: Other Payables on business acquisition*	443	516
Balance at the end of the year	**443**	**2,665**

* Other payables on business acquisition includes purchase consideration yet to be discharged (34(c))

Contingent consideration payable

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance at the beginning of the year	38,797	27,580
Add: Additions on account of acquisition during the year	-	9,854
Less: Excess of liability over payment	(17,301)	-
Less: Consideration paid	(21,496)	-
Add: Fair value adjustment during the year	-	1,363
Balance at the end of the year	**-**	**38,797**

30. 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 Group's management oversees the management of these risk and formulates the policies which are reviewed and approved by the Board of Directors and Audit Committee. Such risks are summarised below:

(i) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices. The primary market risk to the Group is currency risk and other price risk.

Currency risk:

The Group's exposure to risk of change in foreign currency exchange rates arising from foreign currency transactions, is primarily with respect to the currencies which are not fixed. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the respective entity. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The counter party of these derivative instruments are primarily banks. These derivative financial instruments are valued based on inputs that is directly or indirectly observable in the marketplace.

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.

These derivative financial instruments are forward contracts and are qualified for cash flow hedge accounting when the instrument is designated as hedge. Group has designated major portion of derivative instruments as cash flow hedges to mitigate the foreign exchange exposure of highly probable future forecasted sales.

Derivative financial instruments:

The Group holds derivative financial instrument i.e., foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is a bank. These derivative financial instruments are valued based on inputs that is directly or indirectly observable in the marketplace.

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The objective of hedge accounting is to represent, in the Group's consolidated financial statements, the effect of the Group's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Group makes use of derivative financial instruments for hedging the risk arising on account of highly probable foreign currency forecasted sales.

The Group applies cash flow hedge to hedge the variability arising out of foreign currency exchange fluctuations on account of highly probable foreign currency forecasted sales. Such contracts are designated as cash flow hedges.

The following table presents the aggregate contracted principal amounts of the Group's derivative contracts outstanding:

Designated derivative instrument	As at	
	March 31, 2025	March 31, 2024
Forward contract (amount in GBP lakhs)	338	(2,063)
Number of contracts (in absolute)	463	510
Fair value (in ₹ lakhs)	(755)	263

Forward contracts covers part of the exposure during the period April 2025 - June 2028

Designated derivative instrument	As at	
	March 31, 2025	March 31, 2024
Forward contract (amount in USD lakhs)	345	50
Number of contracts (in absolute)	158	223
Fair value (in ₹ lakhs)	703	516

Forward contracts covers part of the exposure during the period April 2025 - June 2028

Mark-to-Market (losses) / gains	As at	
	March 31, 2025	March 31, 2024
Opening balance of Mark-to-market gains receivable on outstanding derivative contracts	779	960
Released from hedging reserve account to profit or loss	(198)	(477)
Changes in the value of derivative instrument recognised in OCI	(826)	(197)
Ineffective portion of changes in fair value	193	493
Closing balance of Mark-to-market (losses)/gains receivable on outstanding derivative contracts	**(52)**	**779**
Disclosed under:		
Other current financial asset (Refer note 6(d))	-	460
Other non-current financial asset (Refer note 4(b))	479	319
Other current financial liabilities (Refer note 13(d))	(531)	-
	(52)	**779**

Accounting for cash flow hedge

The objective of hedge accounting is to represent, in the Group's consolidated financial statements, the effect of the Group's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Group makes use of derivative financial instruments for hedging the risk arising on account of highly probable future forecasted sales.

The Group has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Group assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective in offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

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For derivative financial instruments designated as hedge, the Group documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The hedge ratio is 1:1.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The foreign exchange forward contracts are denominated in the same currency as the highly probable forecasted sales. Further, the entity has included the foreign currency basis spread and takes the forward rates in hedging relationship.

Hedge effectiveness is assessed through the application of dollar offset method and designation of forward contract as the hedging instrument. Further to determine hedge effectiveness, Group creates the hypothetical forward contract rate as on the date of reporting and takes mark-to-market rate of forward contract rate in order to determine hedge ineffectiveness. Hedge effectiveness is calculated using the following formula: Change in fair value of hedging instrument / change in fair value of hedged item. Effective portion of cash flow hedge is taken to cashflow hedge reserve, which is a separate portion within equity i.e. OCI and ineffective portion is immediately charged to the consolidated statement of profit and loss. Balances in cashflow hedge reserve are transferred to the consolidated statement of profit and loss in the period, when sales occur and cash flows actually effects the profit or loss.

The table below enumerates the Group's hedging strategy, typical composition of the Group's hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship:

Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
Cash flow hedge of foreign currency risk	Highly probable forecasted sales	Foreign currency denominated in proceeds from highly probable forecasted sales is converted into functional currency using a forward contract. Functional currency of the Group is INR.	Foreign exchange forward contracts	Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and specified date in the future. These are customised contracts transacted in the over–the–counter market.	Cash flow hedge

The tables below provide details of the financial contracts that have been designated as cash flow hedge for the periods presented:

Foreign exchange forward contracts

Reporting date	Nominal amount (in FC million)	Derivative assets	Derivative liabilities	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
March 31, 2025	GBP 34 million USD 35 million	479	(531)	(826)	193	Other Income	(198)	Revenue from operations
March 31, 2024	GBP 15 million USD 5 million	779	-	(197)	493	Other Income	(477)	Revenue from operations

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Non-Derivative Financial Instruments

The following table presents foreign currency risk from non-derivative financial instrument as of March 31, 2025 and March 31, 2024.

Currency	As at March 31, 2025					
	Amount in respective foreign currencies (in lakhs)			Amount (₹ in lakhs)		
	Financial assets	Financial liabilities	Net assets / (liabilities)	Financial assets	Financial liabilities	Net assets / (liabilities)
USD	64	(10)	54	5,479	(842)	4,637
MYR	0	(0)	0	0	(0)	0
SAR	7	(2)	5	149	(38)	111
EUR	5	(0)	5	457	(18)	439
CAD	0	(1)	(1)	15	(31)	(16)
GBP	0	(1)	(1)	35	(61)	(26)
AED	0	(3)	(3)	2	(65)	(63)
SGD	-	(0)	(0)	-	(1)	(1)
PHP	155	(3)	152	229	(5)	224
NZD	0	-	0	4	-	4
OMR	-	(0)	(0)	-	(1)	(1)
CHF	5	-	5	442	-	442
INR	-	(4)	(4)	-	(4)	(4)
AUD	-	(0)	(0)	-	(6)	(6)
BHD	-	(0)	(0)	-	(1)	(1)
KWD	-	(0)	(0)	-	(0)	(0)
QAR	-	(0)	(0)	-	(0)	(0)
JPY	184	-	184	104	-	104
ROL	0	-	0	0	-	0
Total (in ₹ lakhs)				**6,916**	**(1,073)**	**5,843**

Currency	As at March 31, 2024					
	Amount in respective foreign currencies (in lakhs)			Amount (₹ in lakhs)		
	Financial assets	Financial liabilities	Net assets / (liabilities)	Financial assets	Financial liabilities	Net assets / (liabilities)
USD	39	(2)	37	3,221	(171)	3,050
EUR	3	-	3	278	-	278
INR	91	(0)	91	91	-	91
CHF	1	-	1	76	-	76
CAD	1	-	2	61	-	61
SAR	1	-	0	18	-	18
PHP	20	(8)	12	29	(12)	17
NZD	0	-	0	11	-	11
SGD	0	-	0	8	-	8
TWD	1	-	1	2	-	2
OMR	-	(0)	(0)	-	(1)	(1)
Total (in ₹ lakhs)				**3,795**	**(184)**	**3,611**

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Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in significant foreign currencies with all other variables held constant. The below impact on the Group's consolidated profit or loss before tax and equity is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities as at consolidated balance sheet date:

Particulars	Impact on equity		Impact on profit or loss	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
USD sensitivity				
Increase by 1%	(46)	(31)	46	31
Decrease by 1%	46	31	(46)	(31)
Other currencies sensitivity				
Increase by 1%	(12)	(6)	12	6
Decrease by 1%	12	6	(12)	(6)

Price risk

The group's exposure to price risk arises from investments held by the Group and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. The price risk arises due to uncertainties about the future market values of these investments. The Group has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments

Particulars	As at	
	March 31, 2025	March 31, 2024
Investments in mutual funds	16,066	7,673
Investment in Volteo Edge, LLC	1,737	1,655
Investment in bonds	-	53
Investments in bank deposits	75	1,488

Particulars	Impact on profit or loss	
	March 31, 2025	March 31, 2024
Price change by:		
100 basis points increase	179	109
100 basis points decrease	(179)	(109)

(ii) 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 from cash and cash equivalents, bank balances, other financial assets as well as credit exposures to customers including outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly.

The expected credit loss rates are based on the payment profiles of sales over a period of time and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group recognises lifetime expected losses for all trade receivables that do not constitute a financing component.

Outstanding customer receivables are regularly monitored.

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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 (Gross)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Revenue from top customer	17%	18%
Revenue from top 5 customers	31%	31%

The following table gives details in respect of geography-wise trade receivables (Gross):

Particulars	As at		In %	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
United Kingdom	34,795	26,946	43%	44%
North America	23,911	15,495	30%	25%
AMEA	22,219	18,861	27%	31%

Other financial assets

The Group periodically monitors the recoverability and credit risks of its other financial assets. The Group evaluates 12 months expected credit losses for all the financial assets for which credit risk has not increased significantly. In case credit risk has increased significantly, the Group considers life time expected credit losses for the purpose of impairment provisioning.

The Group has considered financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad or doubtful receivables and ageing of receivables related to cash and cash equivalents, bank balances, bank and margin deposits, security deposits and other financial assets. In most of the cases, risk is considered low since the counterparties are reputed organisations with no history of default to the Group and no unfavourable forward looking macro economic factors. Wherever applicable, expected credit loss allowance is recorded.

Expected credit loss for trade receivables

As at March 31, 2025	0 - 60 Days	61-90 days	91-180 days	181-365 days	365 -730 days	Credit impaired
Gross trade receivables	63,775	2,793	4,921	2,308	1,048	6,080
Net trade receivables	63,775	2,793	4,921	2,308	1,048	6,080
Expected loss rates	0.00%	0.40%	2.32%	21.63%	43.89%	100.00%
Expected credit loss	-	11	114	499	460	6,080

As at March 31, 2024	0 - 60 Days	61-90 days	91-180 days	181-365 days	365 -730 days	Credit impaired
Gross trade receivables	47,851	1,403	4,869	2,566	944	3,669
Net trade receivables	47,851	1,403	4,869	2,566	944	3,669
Expected loss rates	0.00%	0.25%	2.50%	25.00%	78%	100.00%
Expected credit loss	-	3	122	641	736	3,669

Expected credit loss for contract assets

As at March 31, 2025	0 - 60 Days	61-90 days	91-180 days	181-365 days	365 -730 days	Credit impaired
Gross contract assets	9,499	2,256	5,470	3,446	4,279	1,797
Net contract assets	9,499	2,256	5,470	3,446	4,279	1,797
Expected loss rates	0.00%	0.00%	0.06%	3.97%	38.91%	100.00%
Expected credit loss	-	-	3	137	1,665	1,797

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As at March 31, 2024	Considered good	Credit impaired
Gross contract assets	35,284	2,014
Net contract assets	35,284	2,014
Expected loss rates	0.00%	100.00%
Expected credit loss	-	2,014

The following table summarises the change in the loss allowance measured using expected credit loss model on trade receivables and contract assets:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
At the beginning of the year	**7,185**	**6,599**
Provision made during the year	6,008	1,263
Bad debts adjusted during the year	(2,565)	(767)
Foreign currency translation reserve	138	90
At the end of the year	**10,766**	**7,185**
Impairment loss on trade receivables and contract assets arising from contracts with customers (net).	3,443	496

The Group does not require collateral in respect of trade receivables. Also, there are no such receivables for which no loss allowance is recognised because of collateral.

(iii) 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 and settlement management. In addition, processes and policies related to such risks are overseen by senior management of the Group. The Group's management monitors the net liquidation position through rolling forecast on the basis of expected cash flows.

Also, the probability that guarantee given by the Mastek limited on behalf of its subsidiaries, Mastek (UK) Limited ('Mastek UK') and Mastek Inc., for their respective borrowings, will be invoked, is remote. Mastek UK has history of timely repayment and financial strength to repay the loans. Similarly, Mastek Inc. has history of timely repayment and support from its holding company, Mastek UK, if required. Acquisition of Metasofttech Solutions LLC ('MetaSoft USA') by Mastek Inc. during the year ended March 31, 2023 and BizAnalytica LLC ('Biz USA') during the year ended March 31, 2024 have further positive impact on the operations in the region. Accordingly, such guarantees are not expected to impact the liquidity risk profile of the Group.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2025 and March 31, 2024:

March 31, 2025

Particulars	On demand	Less than one year	One to five years	More than five years	Total
Borrowings	-	17,594	37,923	-	55,517
Trade payables	-	25,599	-	-	25,599
Lease liabilities (undiscounted)	-	1,378	1,719	99	3,196
Payable for business acquisition	-	443	-	-	443
Other financial liabilities	-	17,607	32	-	17,639

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March 31, 2024

Particulars	On demand	Less than one year	One to five years	More than five years	Total
Borrowings	-	17,325	31,330	-	48,655
Trade payables	-	22,041	-	-	22,041
Lease liabilities (undiscounted)	-	1,298	2,295	145	3,738
Payable for business acquisition	-	2,665	-	-	2,665
Other financial liabilities	-	43,231	9,881	-	53,112

The Group has ₹ 5,600 lakhs (March 31, 2024: ₹ 5,600 lakhs) credit line facility that is unsecured and can be drawn down to meet short-term financing needs. Interest would be payable at a rate mutually agreed with banks at time of drawdown.

Interest rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rates for borrowings at the end of the reporting year and the stipulated change taking place at the beginning of the year and held constant throughout the reporting year in case of borrowings that have floating rates.

If the interest rates had been 50 basis points higher or lower and all the other variables, in particular foreign currency exchange rates, were held constant, the effect on interest expense for the respective year and consequent effect on Group's profit or loss before tax in that year would have been as below:

Particulars	As at	
	March 31, 2025	March 31, 2024
Borrowings	55,092	48,144

Particulars	As at	
	March 31, 2025	March 31, 2024
Interest rate change by:		
50 basis points increase	(275)	(241)
50 basis points decrease	275	241

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 maximise shareholder value. The capital structure is as follows:

Particulars	As at	
	March 31, 2025	March 31, 2024
Total Equity attributable to the Equity Share Holders of Group	2,46,234	2,08,741
Add / (Less): Effective portion of cash flow hedge	542	(225)
(i) Adjusted equity	**2,46,776**	**2,08,516**
Current borrowings	17,594	17,325
Non current borrowings	37,923	31,330
(ii) Total loans and borrowings	**55,517**	**48,655**
(iii) Cash and cash equivalent	**46,076**	**38,112**
Total capital (i+ii)	3,02,293	2,57,171
Total adjusted capital (i+ii-iii)	2,56,217	2,19,059
Net debt (ii-iii)	9,441	10,543
Adjusted equity as a % of total capital	81.6%	81.1%
Debt to total capital (in %)	18.4%	18.9%
Net debt to total adjusted capital (in %)	3.7%	4.8%

The Group is predominantly equity financed which is evident from capital structure table.

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32. Employee stock based compensation

i). Plan VI

The Holding Company introduced a new scheme in FY 2010 for granting 20,00,000 stock options to the employees, each option representing one equity share of the Holding Company. The vesting period of stock options will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended			
	March 31, 2025		March 31, 2024	
	No. of share options	Weighted average exercise price	No. of share options	Weighted average exercise price
Outstanding options at beginning of the year	14,967	153	39,919	147
Add: Granted during the year	-	-	-	-
Less: Exercised during the year	(5,364)	91	(14,770)	125
Less: Lapsed/ Cancelled/ Forfeited during the year	(4,145)	188	(10,182)	170
Outstanding options at end of the year	5,458	188	14,967	153
Options exercisable at end of the year	**5,458**	**188**	**14,967**	**153**
Range of exercise price for options outstanding		**₹ 188**		**₹ 49.2 - 188**

The weighted average share price on the date of exercise for share options exercised during the year ended March 31, 2025 is ₹ 2,697 (March 31, 2024: ₹ 2,187).

ii). Plan VII

The Holding Company introduced a new scheme in FY 2013 for granting 25,00,000 stock options to its employees and employees of its subsidiaries, each option giving a right to apply for one equity share of the Holding Company on its vesting. The vesting period of stock option will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended			
	March 31, 2025		March 31, 2024	
	No. of share options	Weighted average exercise price	No. of share options	Weighted average exercise price
Outstanding options at beginning of the year	3,84,900	49	4,69,964	55
Add: Granted during the year	85,220	5	1,05,570	5
Less: Exercised during the year	(90,219)	30	(1,44,722)	26
Less: Lapsed/ Cancelled/ Forfeited during the year	(74,548)	40	(45,912)	78
Outstanding options at end of the year	3,05,353	47	3,84,900	49
Options exercisable at end of the year	**1,72,556**	**79**	**2,45,514**	**74**
Range of exercise price for options outstanding		**₹ 5 - 350**		**₹ 5 - 350**

The weighted average share price on the date of exercise for share options exercised during the year ended March 31, 2025 is ₹ 2,428 (March 31, 2024: ₹ 1,977).

Note: The Group does not have a past practice of cash settlement for these ESOPs. The Group accounts for the ESOPs as an equity-settled plan.

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(All amounts in ₹ lakhs, unless otherwise specified)

The following tables summarize information about the options outstanding under various programs as at March 31, 2025 and March 31, 2024, respectively:

Particulars	As at March 31, 2025		
	No. of share options	Weighted average remaining contractual life in years	Weighted average exercise price
Programme VI	5,458	1.3	188
Programme VII	3,05,353	6.4	47

Particulars	As at March 31, 2024		
	No. of share options	Weighted average remaining contractual life in years	Weighted average exercise price
Programme VI	14,967	2.0	153
Programme VII	3,84,900	6.6	49

The weighted average fair value of each unit under the plan, granted during the year ended March 31, 2025 was ₹ 2,721 (March 31,2024 - ₹ 1,877) using the Black-Scholes model with the following assumptions:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Weighted average grant date share price (in ₹)	2,832	1,988
Weighted average exercise price (in ₹)	5	5
Dividend yield (in %)	0.67%	0.96%
Expected life (in years)	4.5-6.5 Years	4.51-6.51 Years
Risk free interest rate (in %)	6.77%	7.06%
Volatility (in %)	48.23%	48.04%

Volatility: Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the period. The measure of volatility is used in Black-Scholes option pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. Group considered the daily historical volatility of the Group's stock price on the National Stock Exchange over the expected life of each vest.

Risk free rate: The risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on zero coupon yield curve for government securities.

Expected life of the options: Expected life of the options is the period for which the Group expects the options to be live. The minimum life of stock options is the minimum period before which the options can't be exercised and the maximum life of the option is the maximum period after which the options can't be exercised. The Group have calculated expected life as the average of the minimum and the maximum life of the options.

Dividend yield: Expected dividend yield has been calculated as total of interim and final dividend declared in last year preceding date of grant.

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33. Leases

Company as lessee

i) The Group's leased assets primarily consist of leases for office premises, guest houses, laptops, lease lines, furniture and equipment. Leases of office premises and guest houses generally have lease term between 2 to 44 years (March 31, 2024- 2 to 44 years). The Group has applied low value exemption for leases of laptops, lease lines, furniture and equipment accordingly these are excluded from Ind AS 116, at present. There are several lease agreements with extension and termination options, for which management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonable certain to exercise extension option and not to exercise termination option, the Group has opted to include such extended term and ignore termination option in determination of lease term. Further, Group is not exposed to any variable lease payments or residual value guarantee.

ii) The following are the amounts recognised in consolidated statement of profit and loss:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Depreciation of ROU assets	1,206	1,075
Interest expense on lease liabilities	215	223
Expenses relating to short-term leases	677	774
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	-	-
Total cash outflow for leases (including interest)	**1,679**	**1,447**

iii) Amounts recognised in consolidated balance sheet:

Particulars	As at	
	March 31, 2025	March 31, 2024
Carrying amount of ROU assets		
- Buildings	2,455	2,890
Lease liabilities		
Non-current	1,639	2,155
Current	1,157	1,086

iv) The effective interest rate for lease liabilities as at March 31, 2025 is 11% (March 31, 2024 - 11%).

v) The details regarding the contractual maturities of lease liabilities as at reporting date on an undiscounted basis:

Particulars	As at	
	March 31, 2025	March 31, 2024
Within 3 months	350	346
3-6 months	333	330
6-12 months	695	622
1-3 years	1,584	2,146
3-5 years	135	149
More than 5 years	99	145
Total	**3,196**	**3,738**

Company as lessor

i) Group has leased out its investment property. The lease is classified as operating lease from a lessor perspective as Group has not transferred substantially all of the risks and rewards incidental to the ownership of the asset.

ii) Rental income recognised during the year:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Rental income	362	340

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(All amounts in ₹ lakhs, unless otherwise specified)

iii) The details regarding the undiscounted lease payments to be received after the reporting date:

Particulars	As at	
	March 31, 2025	March 31, 2024
Less than 1 year	356	326
1-2 years	54	336
2-3 years	25	52
3-4 years	7	25
4-5 years	-	7
More than 5 years	-	-
Total	**442**	**746**

Notes:

(i) The Company has not earned gain or incurred loss from sale and lease back transaction.

(ii) There are no significant restrictions or covenants imposed on leases.

34. Business combinations

a) Acquisition of entities - Evosys

During the financial year ended March 31, 2020, Mastek Limited acquired control of the business of Evolutionary Systems Private Limited (""ESPL"") and its subsidiary companies (together referred to as ""Evosys""). Discharge of part consideration was through Mastek Enterprise Solutions Private Limited (""MESPL"") (formerly known as Trans American Information Systems Private Limited), a subsidiary of Mastek Limited by issuing 15,000 Compulsorily Convertible Preference Shares (CCPS), (face value of ₹ 10 each) of MESPL, subsequently split into 1,50,000 CCPS of ₹ 1 each, which carry a Put Option to be discharged at agreed EBITDA multiples, based on actual EBIDTA of 3 years commencing from financial year ending March 31, 2021 including adjustments for closing cash.

On December 11, 2022, a board meeting was held where the Board approved the buy-out of second tranche of 50,000 CCPS of MESPL basis the agreed valuations in line with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended). Accordingly, 3,20,752 equity shares of Mastek Limited (face value of ₹ 5 each) were issued on January 17, 2023, for said buy-out of second tranche of 50,000 CCPS of MESPL.

On December 13, 2023, a board meeting was held where the Board approved the buy-out of third and final tranche of 50,000 CCPS of MESPL basis the agreed valuations in line with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended). Accordingly, 1,59,942 equity shares of Mastek Limited (face value of ₹ 5 each) were issued on February 19, 2024, for said buy-out of third and final tranche of 50,000 CCPS of MESPL, resulting into completion of buy-out of non-controlling interest.

b) Acquisition of entities - MST

During the financial year ended March 31, 2023, Mastek Inc., a wholly-owned first level step-down subsidiary of Mastek Limited, had signed a definitive agreement and acquired the 100% equity Interest of Metasoftech Solutions LLC ("MST USA"). MST USA is an independent Salesforce consulting and system integration partner in the Americas region. The purchase consideration includes upfront payment of USD 76.60 million (approximately ₹ 61,200 lakhs) and earn out – between USD 0 to USD 35 million, subject to achieving financial targets. The acquisition was completed on August 1, 2022. Consequent to the acquisition, MST USA had become a wholly owned step-down subsidiary of the Company and was considered for the purpose of preparing Financial Statements of the Mastek Group from such date.

Further, during the financial year ended March 31, 2023, Mastek Limited, signed a definitive agreement and acquired 100% equity shares of Meta Soft Tech Systems Private Limited (MST), which is an off-shore service provider and is mainly engaged in Information Technology and software support services. The Equity shares were bought for a consideration of ₹ 2,723 lakhs.

During the year ended March 31, 2023, Mastek had acquired control of the business of Meta Soft Tech Systems Private Limited ('MST India'). Mastek Limited, entered into a Share purchase agreement ('SPA') on July 18, 2022 to acquire the business of MST India by paying a cash consideration (net of cash and cash equivalents) of USD 2.2 million i.e. ₹ 1,846 lakhs. The closing of such transaction occurred on August 02, 2022, which was considered to be the date of transfer of control or the date of acquisition, as per Ind AS 103.

Summary of Material Accounting Policy and Other Explanatory Information

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(All amounts in ₹ lakhs, unless otherwise specified)

MST India offers customer relationship management (CRM) and marketing automation consulting services. It offers salesforce, licensing solution, MuleSoft integrations, CPQ for salesforce, and Velocity products. It offers digital transformation, managed services, and marketing automation solutions. It serves education, healthcare, manufacturing, non-profit, and public sector industries. it is a trusted partner to several Fortune 1000 and large enterprise clients. The acquisition would enable the Company in CRM business.

Purchase consideration

As part of the MST acquisition, the purchase consideration to be discharged in cash is as follows:

Particulars	MST USA	MST India	Total
Purchase consideration	85,625	2,723	88,348
Less: Adjustment for Cash^	(1,476)	(877)	(2,353)
	84,149	**1,846**	**85,995**

^ Purchase consideration is net of cash and cash equivalents acquired including contingent consideration to be paid based on agreed revenue and gross margin performance.

The purchase price allocation to the identified assets and liabilities assumed at the acquisition date are:

Particulars	MST USA	MST India	Total
Property, plant and equipment	1,234	325	1,559
Customer contracts	2,623	-	2,623
Customer relationships	8,425	-	8,425
Trade receivables*	4,957	588	5,545
Financial assets*	-	949	949
Other assets*	12,321	525	12,846
Trade payables	(2,281)	(5)	(2,286)
Financial liabilities	(1,162)	(863)	(2,025)
Other liabilities	(13,689)	(931)	(14,620)
Current tax liabilities	(9)	(315)	(324)
Deferred tax assets**	-	195	195
Fair value of identifiable net assets	**12,419**	**468**	**12,887**
Less: Purchase Consideration	(84,149)	(1,846)	(85,995)
Goodwill	**71,730**	**1,378**	**73,108**
Contingent liability	-	-	-
Goodwill expected to be deductible for tax purpose	69,745	-	69,745

Goodwill is primarily related to growth expectations, expected future profitability, the substantial skill and expertise of Metasoft's workforce and expected synergies.

*Represents fair value of receivables and gross contractual amounts receivable. All amounts are expected to be collected.

**Excludes the amount pertaining to OCI of ₹ 8 lakhs

Notes:

(i) Projected revenue and profit / (loss) of the Group had the acquisition occurred as of the beginning of the year would be ₹ 2,67,670 lakhs and ₹ 26,275 lakhs respectively.

(ii) Amount of revenue and profit/ (loss) of the acquiree since the acquisition date included in the consolidated statement of profit and loss is ₹ 22,629 lakhs and ₹ 3,729 respectively.

Acquisition costs

Acquisition-related costs amounting to ₹ 1,745 lakhs are not included as part of consideration transferred and have been recognised as an expense in the consolidated statement of profit and loss, as part of exceptional items (Refer note 22).

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c) Acquisition of entities - BizAnalytica

During the financial year ended March 31, 2024, Mastek Inc., a wholly-owned first level step-down subsidiary of Mastek Limited, signed a definitive agreement to acquire 100% equity Interest of BizAnalytica LLC ("BizAnalytica USA"). BizAnalytica USA is an independent data cloud, analytics and modernisation partner in the Americas region. The purchase consideration includes upfront payment of USD 16.72 million (approximately ₹ 13,710 lakhs) and earn out upto USD 24.0 million (approximately upto ₹ 19,680 lakhs) over a period of 3 years, subject to achieving financial targets.

Further, Mastek Limited, signed a definitive agreement for slump purchase of the identified assets and liabilities of BizAnalytica Solutions LLP, which is an off-shore service provider and is mainly engaged in data cloud, analytics and modernization related services. The slump purchase including identified assets and liabilities to be bought for a consideration of approximately ₹ 1,050 lakhs (equivalent to USD 1.28 million), subject to customary closing adjustments as per the terms of the Business Sale Agreement. The slump purchase was completed on August 1, 2023, resulting in a goodwill of ₹ 1,032 lakhs.

The acquisitions were completed on August 1, 2023. Consequent to the acquisitions, Biz Analytica LLC had become a wholly owned step-down subsidiary of Mastek Limited and was considered for the purpose of preparing Financial Statements of the Group from such date. All the identified asset and liabilities were recorded at acquisition date at fair value.

Purchase consideration

As part of the Biz acquisition, the purchase consideration to be discharged in cash is as follows:

Particulars	Biz USA	Biz India	Total
Purchase consideration	21,625	1,050	22,675
Less: Adjustment for Cash^	(280)	-	(280)
	21,345	**1,050**	**22,395**

^ Purchase consideration is net of cash and cash equivalents acquired including contingent consideration to be paid based on agreed revenue and gross margin performance.

The purchase price allocation to the identified assets and liabilities assumed at the acquisition date are:

Particulars	Biz USA	Biz India	Total
Property, plant and equipment	5	18	23
Intangible assets	-	-	-
Customer Contracts	580	-	580
Customer Relationships	3,397	-	3,397
Trade receivables*	3,338	-	3,338
Financial assets*	61	-	61
Other assets*	51	-	51
Trade payables	(1,751)	-	(1,751)
Financial liabilities	(485)	-	(485)
Other liabilities	(202)	-	(202)
Closing Indebtedness	(1,384)	-	(1,384)
Fair value of identifiable net assets	**3,610**	**18**	**3,628**
Less: Purchase Consideration	(21,345)	(1,050)	(22,395)
Goodwill	**(17,735)**	**(1,032)**	**(18,767)**
Contingent liability	-	-	-
Goodwill expected to be deductible for tax purpose	-	-	-

Goodwill is primarily related to growth expectations, expected future profitability, the substantial skill and expertise of BizAnalytica's workforce and expected synergies.

*Represents fair value of receivables and gross contractual amounts receivable. All amounts are expected to be collected.

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Notes:

(i) Projected revenue and profit / (loss) of the Group had the acquisition occurred as of the beginning of the year would be ₹ 309,071 lakhs and ₹ 30,646 lakhs respectively.

(ii) Amount of revenue and profit/ (loss) of the acquiree since the acquisition date included in the consolidated statement of profit and loss is ₹ 7,183 lakhs and ₹ (1,423) lakhs respectively.

Acquisition costs

Acquisition-related costs amounting to ₹ 411 lakhs are not included as part of consideration transferred and have been recognised as an expense in the consolidated statement of profit and loss, as part of exceptional items (Refer note 22).

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider economic uncertainties, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

The remaining amount of goodwill of ₹ 1,62,506 Lakhs as at March 31, 2025 (March 31, 2024: 1,70,724 lakhs) (relating to the CGU) has been evaluated based on the cash flow forecasts of the related CGU and the recoverable amounts of this CGU exceeded their carrying amounts.

35. Capital Commitments and Contingent Liabilities

I Capital commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2025 is ₹ 173 lakhs (March 31, 2024: ₹ 334 lakhs).

For lease commitments, refer note 33.

II Contingent liabilities

Particulars	As at	
	March 31, 2025	March 31, 2024
A. Claims against Group not acknowledged as debts		
Other money for which the group is contingently liable		
In respect of disputed demands for matters under appeal with sales tax authorities**	939	939
In respect of disputed demands for matters under appeal with income tax authorities**^	562	562

Notes:

1. Group is contesting all of the above demands and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the Consolidated financial statements for the aforesaid demands. The management believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the Group's financial position and results of operations and hence no provision has been made in this regard.
2. It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
3. The amounts disclosed above represent the best possible estimates arrived at on the basis of available information and do not include any penalty payable.
4. The Group does not expect any reimbursements in respect of the above contingent liabilities.
5. Based on the judgement by the Honourable Supreme Court dated February 28, 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Group with respect to timing and the components of its compensation structure. In absence of further clarification, the Group has been advised to await further developments in this matter to reasonably assess the implications on its Consolidated financial statements, if any.

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6. The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**Amount outstanding as at balance sheet date represents gross demand raised by the tax authorities excluding amount paid under protest as it is not charged to the consolidated statement of profit and loss by the Group.

^ Further in relation to AY 2011-12, there was an addition on account of transfer pricing matter which the Honorable ITAT has remanded back to the file of the Transfer Pricing Officer for fresh adjudication. Since the matter has been remanded back, the outcome of the same cannot be ascertained at the moment.

The Group is also involved in various other litigations under income tax act with various appellate authorities on account of transfer pricing litigations, deductions u/s 10A, u/s 10AA, u/s 80HHE, u/s 40(a)(i), claim of foreign tax credit, other allowance/ disallowance u/s 37 of the Income-tax Act, 1961. These matters are pending before various income tax appellate authorities and the management and its tax advisors expect that its tax position will likely be upheld, and will not have a material adverse effect on the Group's financial position and result of operations. For these cases, the possibility of an outflow of resources embodying economic resources is remote according to the management and hence the same is not disclosed as a contingent liability.

36. Utilisation of borrowed funds and share premium (for the years ended March 31, 2025 and March 31, 2024)

(i) The Group has not advanced or loaned or invested funds to any person or any entity, including foreign entities (Intermediaries) with the understanding that the intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Group (Ultimate Beneficiaries); or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii) The Group has not received any fund from any person or any entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

37. The Group does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Act or section 560 of Companies Act, 1956.

38. The Group has not granted any loan or advance in the nature of loan, during the current and previous year, to promoters, directors, KMPs or other related parties, either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment. Also, no such loan or advance in nature of loan is outstanding as at March 31, 2025 and March 31, 2024.

39. The Group is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder as at March 31, 2025 and March 31, 2024. Further, no proceedings have been initiated or pending against the Group for holding any benami property under the said act and rules mentioned above for the years ended March 31, 2025 and March 31, 2024.

40. The Group does not have any charge or satisfaction which is yet to be registered with ROC beyond the statutory period as at March 31, 2025 and March 31, 2024.

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(All amounts in ₹ lakhs, unless otherwise specified)

41. The Group has not traded or invested in Crypto currency or Virtual currency during the current and previous year.

42. The Group does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provision of the Income Tax Act, 1961).

43. The Group has not revalued its PPE, ROU assets and other intangible assets during the current and previous year.

44. The Group has not been declared wilful defaulter by any bank or financial institution or any other lender for the years ended March 31, 2025 and March 31, 2024.

45. The Group has complied with the number of layers prescribed under section 2(87) of the Act for the years ended March 31, 2025 and March 31, 2024.

46. The Group has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the year ended March 31, 2025 and March 31, 2024, except where Meta Soft Tech Systems Private Limited, had merged with Mastek Limited, as approved by the Hon'ble National Company Law Tribunal ('NCLT'), Ahmedabad on May 17, 2024 with August 01, 2022 as the appointed date.

47. The Group has not given any loan or advance in the nature of loan to its subsidiary or other entity during the year ended March 31, 2025 and March 31, 2024.

Therefore, disclosure under Regulation 53(1)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

48. As per the transfer pricing rules, the Group has examined international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustments with regard to the transactions involved.

49. MCA has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the accounting software SAP ECC6 used for maintenance of books of account.

The accounting software used by the Holding Company and one of its subsidiaries for maintenance of vendor invoice booking, purchase requisition, and goods receipt note records is operated by a third-party software service provider. Based on the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organization), we note that the report does not include specific information regarding the existence or operation of an audit trail (edit logs) for direct changes made at the database level. Accordingly, we are unable to confirm whether the audit trail feature at the database level was enabled and operated throughout the year.

50. There are no subsequent events which warrants adjustment or disclosure in the consolidated financial statements.

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51. Disclosure mandated by Schedule III to the act by way of additional information for the year ended March 31, 2025

Name of Entities	Country of Incorporation	Net Assets i.e. Total Assets-Total Liabilities		Share in Profit or Loss		Share in OCI		Share in total comprehensive income	
		As a % of consolidated net assets	₹ in Lakhs	As a % of consolidated profit or loss	₹ in Lakhs	As a % of consolidated OCI	₹ in Lakhs	As a % of consolidated total comprehensive income	₹ in Lakhs
A. Parent									
Mastek Limited	India	36.2%	89,142	35.5%	13,328	(17.5%)	(846)	29.4%	12,482
B. Direct Subsidiaries									
India									
Mastek Enterprise Solutions Private Limited (Formerly known as Trans American Information Systems Private Limited)(3)	India	(10.7%)	(26,476)	13.1%	4,937	4.5%	217	12.2%	5,154
Meta Soft Tech Systems Private Limited(6)	India	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Foreign									
Mastek (UK) Limited	UK	48.1%	1,18,339	11.9%	4,464	6.4%	311	11.3%	4,775
C. Indirect Subsidiaries									
Foreign									
Mastek, Inc.(1)	USA	0.3%	634	33.3%	12,533	(30.0%)	(1,446)	26.1%	11,087
Trans American Information Systems Inc.	USA	1.1%	2,685	(1.9%)	(723)	5.0%	242	(1.1%)	(481)
Mastek Digital Inc	Canada	0.1%	302	0.1%	26	(0.3%)	(13)	0.0%	13
Evolutionary Systems Consultancy LLC	UAE	(2.6%)	(6,521)	(5.3%)	(2,000)	(2.8%)	(137)	(5.0%)	(2,137)
Mastek Systems Pty Ltd (Formerly known as Evolutionary Systems Pty Ltd)	Australia	1.4%	3,550	1.2%	462	(0.5%)	(27)	1.0%	435
Mastek Systems Bahrain SPC (Formerly known as Evolutionary Systems Bahrain WLL)	Bahrain	0.4%	865	(0.2%)	(73)	0.6%	27	(0.1%)	(46)
Mastek Arabia FZ LLC	UAE	0.5%	1,285	(2.0%)	(751)	26.8%	1,292	1.3%	541
Mastek Arabia Systems Egypt LLC (Formerly known as Evolutionary Systems Egypt LLC)	Egypt	0.1%	345	0.1%	49	(0.8%)	(37)	0.0%	12
Evosys Kuwait WLL	Kuwait	0.3%	642	(0.6%)	(232)	0.4%	21	(0.5%)	(211)
Mastek Systems (Malaysia) SDN. BHD (Formerly known as Evosys Consultancy Services (Malaysia) SDN. BHD)	Malaysia	0.4%	1,047	0.7%	264	1.5%	72	0.8%	336
Newbury Cloud, Inc	USA	0.1%	206	0.1%	21	0.1%	6	0.1%	27
Mastek Systems BV (Formerly known as Evolutionary Systems BV)	Netherlands	1.5%	3,700	(1.3%)	(489)	2.2%	108	(0.9%)	(381)
Evolutionary Systems Qatar WLL	Qatar	0.3%	847	(0.1%)	(21)	0.5%	26	0.0%	5
Mastek information technology company LLC (Formerly known as Evolutionary Systems Saudi LLC)	Saudi	2.1%	5,252	(1.0%)	(387)	3.3%	160	(0.5%)	(227)
Mastek Systems (Singapore) PTE. LTD. (Formerly known as Evolutionary Systems (Singapore) PTE. LTD)	Singapore	(0.8%)	(1,891)	(3.6%)	(1,344)	(0.5%)	(25)	(3.2%)	(1,369)
Mastek Systems Company Limited (Formerly known as Evolutionary Systems Company Limited)	UK	15.0%	36,963	11.1%	4,189	40.1%	1,936	14.4%	6,125
Evolutionary Systems Corp.	USA	3.1%	7,552	12.4%	4,668	3.0%	143	11.3%	4,811
Evolutionary Systems Canada Limited	Canada	0.0%	61	0.0%	3	(0.0%)	(2)	0.0%	1
Metasoftech Solutions LLC(4)	USA	3.7%	9,200	(1.6%)	(613)	57.2%	2,759	5.0%	2,146
BizAnalytica Solutions LLC(5)	USA	(0.6%)	(1,495)	(1.9%)	(718)	0.8%	39	(1.6%)	(679)
Total		**100%**	**2,46,234**	**100%**	**37,593**	**100%**	**4,826**	**100%**	**42,419**
D. Non Controlling Interest (NCI)(2)			-		-		-		-

(1) Formally known as Digility, Inc.

(2) Non Controlling Interest (NCI), refer note 10.1.

(3) Evolutionary Systems Private Limited merged with Trans American Information Systems Private Limited pursuant to demerger approval during the year and subsequently name has been changed to Mastek Enterprise Solutions Private Limited.

(4) Acquired 100% with effect from August 01, 2022 (refer note 34(b)).

(5) Acquired 100% with effect from August 01, 2023 (refer note 34(c)).

(6) Amalgamated with the Company pursuant to the Hon' ble NCLT order dated May 17, 2024, merger effective from August 1, 2022.

(7) All the amounts mentioned above are after considering the elimination and consolidation adjustments.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

52. Disclosure mandated by Schedule III to the act by way of additional information for the year ended March 31, 2024

Name of Entities	Country of Incorporation	Net Assets i.e. Total Assets-Total Liabilities		Share in Profit or Loss		Share in OCI		Share in total comprehensive income	
		As a % of consolidated net assets	₹ in Lakhs	As a % of consolidated profit or loss	₹ in Lakhs	As a % of consolidated OCI	₹ in Lakhs	As a % of consolidated total comprehensive income	₹ in Lakhs
A. Parent									
Mastek Limited	India	39.2%	81,869	40.0%	12,007	(37.1%)	(734)	35.2%	11,273
B. Direct Subsidiaries									
India									
Mastek Enterprise Solutions Private Limited (Formerly known as Trans American Information Systems Private Limited)(3)	India	(13.9%)	(29,088)	11.3%	3,397	7.0%	139	11.0%	3,536
Meta Soft Tech Systems Private Limited (6)	India	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Foreign									
Mastek (UK) Limited	UK	52.8%	1,10,157	56.2%	16,871	21.4%	424	54.0%	17,295
C. Indirect Subsidiaries									
Foreign									
Mastek, Inc. (1)	USA	(4.8%)	(9,981)	(14.4%)	(4,326)	(37.2%)	(736)	(15.8%)	(5,062)
Trans American Information Systems Inc.	USA	1.6%	3,275	(5.8%)	(1,736)	4.8%	95	(5.1%)	(1,641)
Mastek Digital Inc	Canada	0.1%	290	(0.7%)	(223)	0.4%	8	(0.7%)	(215)
Evolutionary Systems Consultancy LLC	UAE	(2.1%)	(4,407)	(4.7%)	(1,415)	0.8%	16	(4.4%)	(1,399)
Mastek Systems Pty Ltd (Formerly known as Evolutionary Systems Pty Ltd)	Australia	1.5%	3,113	1.0%	294	(2.2%)	(43)	0.8%	251
Mastek Systems Bahrain SPC (Formerly known as Evolutionary Systems Bahrain WLL)	Bahrain	0.4%	916	1.1%	338	0.7%	13	1.1%	351
Mastek Arabia FZ LLC	UAE	0.5%	1,070	(4.7%)	(1,415)	31.6%	624	(2.5%)	(791)
Mastek Arabia Systems Egypt LLC (Formerly known as Evolutionary Systems Egypt LLC)	Egypt	0.1%	310	0.7%	202	(7.8%)	(155)	0.1%	47
Evosys Kuwait WLL	Kuwait	0.4%	856	0.4%	131	0.5%	10	0.4%	141
Mastek Systems (Malaysia) SDN. BHD (Formerly known as Evosys Consultancy Services (Malaysia) SDN. BHD)	Malaysia	0.3%	710	(0.0%)	(12)	(1.8%)	(36)	(0.1%)	(48)
Newbury Cloud, Inc	USA	0.1%	181	0.1%	21	0.2%	3	0.1%	24
Mastek Systems BV (Formerly known as Evolutionary Systems BV)	Netherlands	2.0%	4,091	(0.5%)	(141)	0.9%	17	(0.4%)	(124)
Evolutionary Systems Qatar WLL	Qatar	0.4%	846	0.3%	86	1.0%	19	0.3%	105
Mastek information technology company LLC (Formerly known as Evolutionary Systems Saudi LLC)	Saudi	2.6%	5,495	3.9%	1,175	3.0%	59	3.9%	1,234
Mastek Systems (Singapore) PTE. LTD. (Formerly known as Evolutionary Systems (Singapore) PTE. LTD).	Singapore	(0.3%)	(524)	(0.5%)	(156)	0.0%	-	(0.5%)	(156)
Mastek Systems Company Limited (Formerly known as Evolutionary Systems Company Limited)	UK	14.8%	30,981	12.6%	3,770	41.1%	812	14.3%	4,582
Evolutionary Systems Corp.	USA	1.3%	2,760	3.3%	981	1.5%	30	3.2%	1,011
Evolutionary Systems Canada Limited	Canada	0.0%	60	0.1%	30	0.1%	1	0.1%	31
Metasofttech Solutions LLC (4)	USA	3.4%	7,092	5.2%	1,573	65.7%	1,300	9.0%	2,873
BizAnalytica Solutions LLC(5)	USA	(0.6%)	(1,331)	(4.7%)	(1,423)	5.6%	111	(4.1%)	(1,312)
Total		**100%**	**2,08,741**	**100%**	**30,029**	**100%**	**1,977**	**100%**	**32,006**
D. Non Controlling Interest (NCI)(2)			-		1,068		103		1,171

(1) Formally known as Digility, Inc.

(2) Non Controlling Interest (NCI), refer note 10.1.

(3) Evolutionary Systems Private Limited merged with Trans American Information Systems Private Limited pursuant to demerger approval during the year and subsequently name has been changed to Mastek Enterprise Solutions Private Limited.

(4) Acquired 100% with effect from August 01, 2022 (refer note 34(b)).

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(7) All the amounts mentioned above are after considering the elimination and consolidation adjustments.

Summary of Material Accounting Policy and Other Explanatory Information

as at and for the year ended March 31, 2025

(All amounts in ₹ lakhs, unless otherwise specified)

53. The consolidated financial statements as at and for the year ended March 31, 2025 were approved by the Board of Directors on April 18, 2025.

54. The Group is under process of appointing a Chief Financial Officer (CFO) under the provision of section 203 of the Companies Act, 2013 ('Act'). The previous CFO has resigned on January 29, 2025 and therefore, these consolidated financial statements could not be signed by the CFO as required under section 134 of the Act.

55. Previous year figures have been regrouped, reclassified and rearranged wherever necessary, to confirm to this year's presentation, and these are not material to the consolidated financial statements.

These are the material accounting policy information and other explanatory information referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai, India
Date: April 18, 2025

For and on behalf of the Board of Directors of **Mastek Limited**

Umang Nahata
Whole-Time Director & CEO
DIN: 00323145
Place: Mumbai, India

Ashank Desai
Chairman
DIN: 00017767
Place: Mumbai, India

Dinesh Kalani
Sr. Vice President - Group Company Secretary & Compliance Officer
Place: Mumbai, India
Date: April 18, 2025