Mastek

SEEK OUT CHALLENGES.

PLAY ON STRENGTHS.

FAST-FORWARD TO THE FUTURE.

ANNUAL REPORT 2015-2016

GETTING BACK ON TRACK WITH A ROBUST SCHOOL MANAGEMENT SYSTEM

Getting 1 million dropouts to go back to school.

"Mastek's implementation of a school management system for KSWA creates positive change in the lives of numerous youngsters."

PARTNERING WITH THE ODISHA GOVERNMENT

Getting girls to stay in school.

"The Odisha government was so pleased with the offline application, that it is replicating it in other projects which have state-wide rollout components."

YOU CAN MOVE FORWARD BECAUSE YOU FEAR BEING LEFT BEHIND.

Or you can move forward because you know what lies ahead.

"It took 30 years to connect the first two billion people to the Internet. It will take less than seven to connect the next two billion..." "Four billion people will live in a connected world in 2020. While no one can predict how disruptive this exponential increase in connectivity will be, we can expect to live in a profoundly different world."

Shelly Palmer, author of Digital Wisdom: Thought Leadership for a Connected World

Talk to CEOs and CMOs these days and ask them what they are most concerned about, and "disruption" is certain to feature somewhere in the reply.

In his new book, Forrester's James McQuivey explains that technological advances are creating opportunities for more people than ever before to meet more customer needs than ever before at lower costs than ever before – and that creates digital disruption.

Are we ready for the new world of digital disruption?

CUTTING COSTS FOR SPECSAVERS WITH AUTOMATED TESTING

Mastek's automated testing solution enabled Specsavers to generate a 20% reduction in costs year on year.

"Mastek gave a variable price contract that had built-in continuous improvement and pro-activity around automation."

MASTEK HAS BEEN A TRUSTED PARTNER FOR AGILE, DIGITAL TRANSFORMATION

For over three decades now, our clients have relied on us to architect, design and deliver modern technology solutions that have improved the lives of millions of citizens and customers. All this is creating a positive business impact. With digital solutions constituting circa 48% of our business, we are emerging as one of the Enterprise Digital Transformation Leaders.

Not surprisingly, our next milestone is to make 100% of our business digital!

As you know, we specialise in building, maintaining and managing bespoke digital solutions for clients in Government, Health, Retail and Financial Services.

Our clients rely on us to enable strategic, future-critical applications where the challenges are not well-defined. These are generally areas where they aim to stay ahead of traditional competitors and the nimbler e-commerce upstarts, through innovative, highly differentiated approaches.

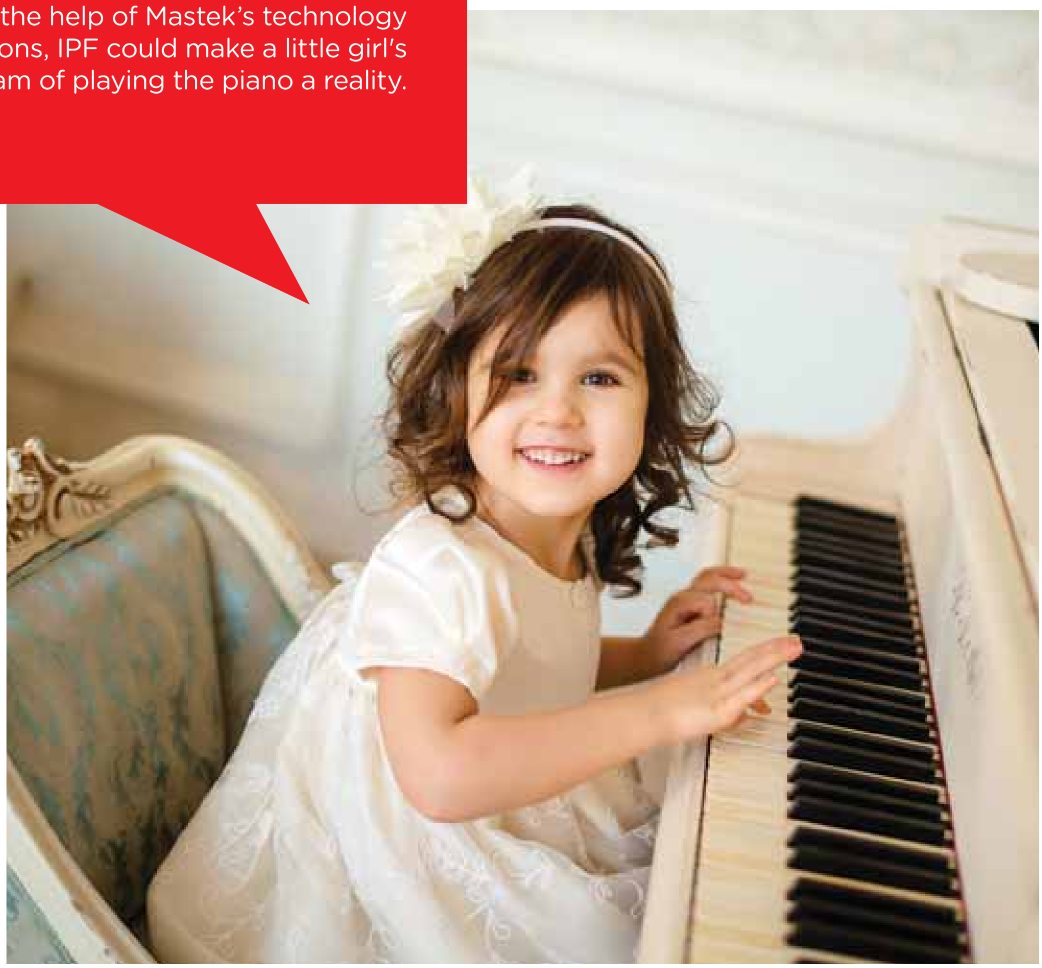
Which is why, our applications tend to have dynamically evolving requirements that are difficult to pin down and specify clearly. They also tend to be complex, and sometimes very large, requiring multiple points of integration with the clients' enterprise applications landscape.

Some clients may want to delight their digitally savvy citizens and customers who expect to be served through a channel of choice — web, smartphone, voice call, chat or video, at a time of day/day of week convenient to them. While others may be enabling straight- through processing, bringing new efficiencies and higher levels of quality to internal operations, they may want to mine data in real time – to generate new customer insights. By their very nature, these areas need specialised, bespoke applications and not off-the-shelf packages. These are the applications that fall within our sweet spot.

MAKING A DIFFERENCE IN EVERYDAY LIVES THROUGH FINANCIAL SERVICES

How the shy girl next door became a successful pianist.

With the help of Mastek's technology solutions, IPF could make a little girl's dream of playing the piano a reality.



WHAT HELPS US TO BE THE ORGANIZATION OF CHOICE FOR COMPANIES LOOKING TO FACE THE CHALLENGES OF DIGITAL TRANSFORMATION?

1. Enterprise Agile For The Digitally Disruptive World

The digital advantage for some can be the undoing for others. Whilst digital upstarts have the first mover technology advantage to accelerate ahead, traditional businesses lack the agility to respond to the dynamically changing business landscape. In order to thrive and keep pace with unprecedented industry developments, traditional businesses must undergo IT transformation using Agile development processes.

However, addressing complex, enterprise level IT transformations with Agile principles is quite difficult. What businesses need is Enterprise Agile, a flexible and scalable delivery model that can:

1. Cope with scale (as the scope of transformation is large, it will affect numerous systems)
2. Provide value early on and frequently (in order to keep pace with digital upstarts)
3. Is flexible enough to test the waters and respond as required without losing momentum - as there is no cookie cutter approach that businesses can copy.

At Mastek, our Enterprise Agile services offer this flexibility at scale, enabling organisations to deliver enterprise-wide IT transformation quickly and effectively.

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2. Collaborative Approach

We have the innate ability to listen deeply for customer-specific and industry-wide challenges and technology opportunities. We then craft insightful solutions to address these situations, which is what differentiates us from our competitors.

Our customers value our open and collaborative culture, which makes it easier for them to engage with us. Our Project Management methods and techniques have been pressure-tested and honed over hundreds of complex programmes. More recently, we are increasingly focussing on using lean, agile methodologies - not just in application development, but across the entire enterprise.

This unique blend of insightful 'solutioning', collaboration, and pressure-tested project management methods has enabled us to deliver an unusually high programme success rate over the past 33 years.

3. Tried And Tested Value Delivery

Mastek has a long and successful record of delivering bespoke applications. Our collaborative engagement model works well for discovering and finalising the vision and scope of the proposed solution – through an iterative process. Our Enterprise Agile method delivers releases every three months. It has been tested over several large transformation programmes, to generate early business value. Our commitment to business outcomes and client success, rather than mere project deliverables, ensures that our team is focused on value delivery.

At Mastek, we not only aim to delight our customers, we aspire to build advocates for life. We take pride in the knowledge that over 75% of the opportunities we bid for last year came through present and past customer referrals.

4. Our Unique Culture Designed For The Digital World

In a digitally disruptive world, early changes can be spotted by those who are closest to the customers - and insights can happen anywhere. Organizations need the culture to free people and empower them to take decisions and act.

Keeping this in mind, our latest transformation programme initiated in 2014, Mastek 4.0, has fundamentally changed our structure and practices. It empowers employees across the organisation to deliver innovation and add value, whilst enhancing the engagement with our clients. Early feedback from both Mastekeers and customers ensures that we stay on the right path.

In a fundamental and widespread set of changes, we've eliminated several layers of management. Just three layers separate the CEO from frontline developers. Instead of a command and control based hierarchical structure, the entire company is organised as self-managed teams. They are free to set their own goals in line with the objectives mentioned above. With no bosses to supervise them, individual Mastekeers are expected to take charge of their own development, and are assessed by peers on the team. They can choose the mentors that they would work with for their own development. Almost all approvals and controls are eliminated in an environment based on trust and self-governance.

LETTER TO SHAREHOLDERS

Dear Shareholders,
Last year was eventful for us – we completed the demerger of our insurance products and services business into Majesco thereby unlocking the value for our shareholders. Every shareholder of Mastek received one share in Majesco Ltd., in India. Majesco Ltd. has a majority holding in Majesco in the US, a New York Stock Exchange listed company that is poised to become a global leader in insurance solutions. Incidentally, Mastek UK continues to hold 13.8% of Majesco in the US as an investment.

Mastek is now completely focused on digital transformation programmes that have an enterprise-wide impact. More than 95% of Mastek's business comes from the UK, and the rest from India. Our primary verticals are Government, Health, Retail and Financial services.

Our UK Government business had a slow start because of the general elections in that country earlier in the year. We made some good wins on the G-Cloud framework, but the termination of our JV with Legal Practice Technologies (LPT) to address the conveyancing market in the UK was the biggest disappointment of the year. We had to take the decision due to certain disruptive changes in the market and new competition to the product we were building. We had high expectations from this JV and had made substantial investments in it. We now have to look at other segments to make up this revenue in the years ahead.

The profitability in the UK was also affected by overruns on projects because we needed to have more than the anticipated security-cleared staff onsite. Three projects were affected, of which we turned around two into profit in the course of FY'16. We expected to turn around the third project too, but unfortunately its

...continued

scope increased and we took a much higher cost hit than anticipated. This program is expected to go live early in the next financial year, and we believe it will continue to have an impact at a much smaller level over the next 3 to 4 quarters.

Our Retail vertical built a good base last year, adding 5 new logos. Although initial order values were small, we are now into many Tier 1 retailers, and revenues from these should pick up in the year ahead.

With our insurance business being demerged into Majesco, we had to reinvent ourselves in the Financial Services vertical. We added accounts in the micro-lending space where we have been traditionally strong and bolstered engagement with challenger banks. We have also invested in the management capability by bringing a new Financial Services Head to re-strategize the business and spearhead its growth in the UK.

A highlight of the year was the acquisition of IndigoBlue, a leading UK consultancy specialising in Agile programme and project management. The acquisition brings together IndigoBlue's Agile consulting and programme management expertise with Mastek's world-class technology delivery capability. Together, these synergistic offerings will provide a compelling proposition across our combined client base. It will allow us to offer a fully end-to-end transformational service/solution delivery capability.

Our India business has been steady, with our focus shifting to profitability instead of growth. Our teams have been successful in improving profitability and have won some significant deals in the latter half of the year. With this, we should see profitable growth in the coming year.

We plan to get back into US geography as it is a major market for IT Services. With that intent, we incorporated Digility Inc. We expect one of our existing clients to be the anchor customer for this entity.

In the light of the above, it has not been a great year from a revenue and profit perspective. We ended the year with total revenue of Rs. 544.3 crore and a PAT of Rs. 13.7 crore. The figures of the previous year are not comparable since they included our insurance business.

NASSCOM estimates that 80% of new business for Indian companies, over the next decade, will come from digital initiatives of Customers. Digital transformation requires high-end business understanding, technology skills and program management capabilities. With our unique track record in delivering hundreds of complex programs in the UK, the investment we have made in implementing the Agile methodology on most programs and the acquisition of IndigoBlue – we are uniquely positioned to capitalize on this emerging business opportunity.

The demerger process created a services-focused IT organization which is uniquely positioned to sprint like a small company with time-tested processes and best practices of a tenured organization. We won 31 new clients this year of which 11 were added in the last quarter of FY'16. It gives us the necessary momentum for the next fiscal year. This along with our digital footprint (circa 48% of the revenues in FY'16 coming from digital transformation programs) poises us to achieve the growth trajectory we aspire for, in coming years.

I would like to thank our customers, employees and shareholders for reposing their faith in us. We are confident that the company will live up to its true potential in the coming years.

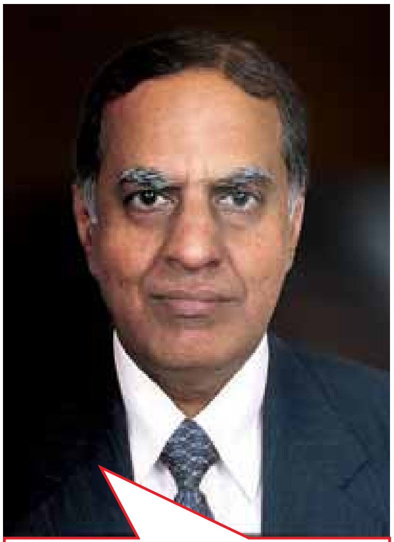
Thanking You.

Sudhakar Ram
Managing Director & Group CEO

BOARD OF DIRECTORS

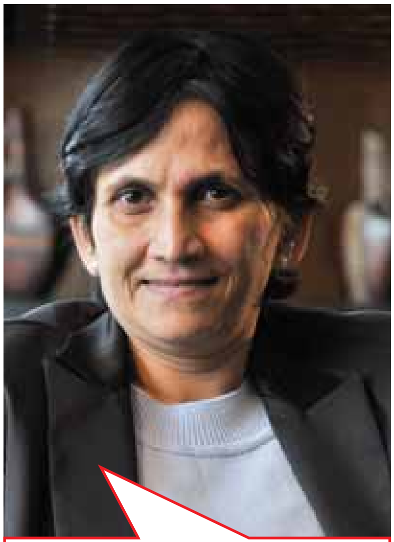
MR. SUDHAKAR RAM

Managing Director
& Group CEO



MR. S SANDILYA

Non-Executive Chairman
and Independent Director



MS. PRITI RAO

Non-Executive Director
(Independent)

MR. ASHANK DESAI

Non-Executive Director

MR. ATUL KANAGAT

Non-Executive Director
(Independent)

Map showing location of the venue of 34th Annual General Meeting of Mastek Limited to be held on Monday, 25th July, 2016

VENUE
Ahmedabad Management Association,
H.T. Parekh Hall, AMA Complex, ATRA,
Dr. Vikram Sarabhai Marg, Ahmedabad 380015.

MASTEK LIMITED

Regd. Office: 804/805, President House, Opp. C. N. Vidyalaya, Near Ambawadi Circle, Ambawadi, Ahmedabad - 380 006

CIN: L74140GJI982PLC005215; Website: www.mastek.com; Phone: +91-79-2656-4337; Fax: +91-22-6695 1331; E mail: investor_grievances@mastek.com

NOTICE TO MEMBERS

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of **MASTEK LIMITED** will be held on Monday, July 25, 2016 at Ahmedabad Management Association, H.T. Parekh Hall, AMA Complex, ATRA. Dr. Vikram Sarabhai Marg, Ahmedabad 380015 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the year ended March 31, 2016, the Balance Sheet as on that date together with reports of the Directors and the Auditors thereon and the Consolidated Financial statements for the year ended March 31, 2016 along with the Auditors' Report thereon.
2. To confirm the first Interim Dividend of ₹ 1.50 and the second Interim Dividend of ₹ 1/-, in aggregate ₹ 2.50 per Equity Share of ₹ 5/- each, as dividend for the year 2015-16.
3. To appoint a Director in place of Mr. Ashank Desai (DIN 00017767), and being eligible, offers himself for re-appointment.
4. To ratify the appointment of M/s. Price Waterhouse Chartered Accountants LLP, (Firm Registration No. 012754N), as Auditors of the Company under Section 139 of the Companies Act, 2013.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of section 5 and 14 of Companies Act, 2013 ('the Act'), Schedule I made thereunder, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the new set of regulations contained in the Articles of Association and submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

   RESOLVED FURTHER THAT for the purpose of giving full effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

   RESOLVED FURTHER THAT the Board of Directors or the Key Managerial Personnel of the company be and are hereby severally authorized to do all such acts, deeds and things as may be required to give effect to the above resolution(s)."

NOTES:

1. **A MEMBER ENTITLED TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   Proxies, in order to be effective, must be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
2. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business to be transacted at the Annual General Meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **July 18, 2016 to July 25, 2016** (both days inclusive).
4. The Board of Directors of the Company has declared and paid First Interim Dividend @30% i.e. ₹ 1.50 per Equity Share of ₹ 5/- each and Second Interim Dividend @20% i.e. ₹ 1/- per Equity Share of ₹ 5/- each for the year 2015-16. The Board of Directors of the Company did not recommend any further dividend for the year 2015-16.
5. a. With effect from April 04, 2016 all the share tranfers and related operations, so far handled by Sharepro Services India Pvt. Ltd., have been transferred to Karvy Computershare Pvt. Ltd.

   b. Members are requested to immediately notify any change in their address and E-mail IDs to the Registrar and Share Transfer Agent of the Company at the following address:

   Karvy Computershare Private Limited
   Karvy Selenium Tower-B,
   Plot No. 31 & 32, Financial District, Nanakramguda,
   Serilingampally Mandal, Hyderabad - 500 032.
   Phone: Tel: +91 40 6716 1500 Fax: +91 40 2331 1968
   E-Mail: einward.ris@karvy.com
6. The Unclaimed Final Dividend for the financial year ended June 30, 2008 & Interim dividend for the financial year 2008-09 has been transferred to the Investor Education and Protection Fund (IEPF) as per provisions under section 205C of the Companies Act, 1956.
7. Members who have not yet en-cashed their Final Dividend warrants for the financial year ended June 30, 2009 and thereafter are requested to make their claims to the Company/Registrar and Share Transfer Agent.
8. Members are requested to bring the duly filled admission slips along with their copy of the Annual Report at the time of attending the Meeting. Please note that Annual Report copies shall not be available/distributed at the AGM Hall.
9. Members are requested to join the Company in supporting the Green Initiative taken by Ministry of Corporate Affairs ("MCA") to effect electronic delivery of documents including Annual Report and other documents to the members at the e-mail address registered for the said purpose. We request the members to register their e-mail address with their Depository Participant or with Karvy Computershare Private Limited, Registrar and Share Transfer Agent of the Company, for sending various notices, Annual Report and other documents through Electronic Mode.
10. Members may note that Annual Report for 2015-16 including Notice of the Thirty fourth Annual General Meeting will also be available on the Company's website www.mastek.com for their download.
11. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Monday, July 18, 2016, i.e. the date prior to the commencement of book closure, are entitled to vote on the Resolutions set forth in this Notice. The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9.00 a.m. on Thursday, July 21, 2016 and will end at 5.00 p.m. on Sunday, July 24, 2016. In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Company has appointed Mr. Abhishek Bhate, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING

I. The Company has entered into an arrangement with M/s. Karvy Computershare Private Limited for facilitating remote e-voting for

AGM. The instructions for remote e-voting are as under:

(a) In case of Members receiving an e-mail from M/s. Karvy Computershare Private Limited :

(i) Launch an internet browser and open https://evoting.karvy.com

(ii) Enter the login credentials (i.e. User ID and password). The Event No.+Folio No. or DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

(iii) After entering the above details Click on – Login.

(iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.

(v) On successful login, the system will prompt you to select the E-Voting Event.

(vi) Select 'EVENT' of Mastek Limited and click on - Submit

(vii) Now you are ready for e-voting as 'Cast Vote' page opens.

(viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.

(ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.

(x) Once you have confirmed your vote on the resolution, you cannot modify your vote.

(xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at pcsabhishekbhate@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO."

(b) In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip

(i) Initial Password is provided, as follows, at the bottom of the Attendance Slip.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
–	–	–

(ii) Please follow all steps from Sr. No. (i) to Sr. No. (xi) mentioned above, to cast vote.

II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and e-voting user manual' available in the downloads section of M/s. Karvy Computershare Private Limited's e-voting website https://evoting.karvy.com.

III. The voting rights shall be as per the number of equity shares held by the Member(s) as on Monday, July 18, 2016, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.

IV. Members who have acquired shares after the despatch of the Annual Report and before the book closure may obtain the user ID and Password by sending a request at evoting@karvy.com or investor_grievances@mastek.com.

However, if you are already registered with M/s. Karvy Computershare Private Limited for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/Password" option available on https://evoting.karvy.com or contact M/s. Karvy Computershare Private Limited at the following toll free no. 1-800-3454-001.

V. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of July 18, 2016.

VI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

VII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

VIII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

IX. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.mastek.com and on the website of Karvy immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to Stock Exchanges where the shares of the Company are listed.

12. Please keep your most updated email id registered with the company / your DP, to receive timely communications.

13. Member(s) can opt for only one mode of voting i.e. either physically voting at the Annual General Meeting. In case a member has casted multiple votes, then voting done by e-voting will be treated as valid.

14. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of e-Voting and voting held at the AGM.

15. Additional information on director recommended for reappointment required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

<table>
<tr><td>Name of Director</td><td colspan="2">Mr. Ashank Desai (DIN 00017767)</td></tr>
<tr><td>Resume of the Director</td><td colspan="2">Mr. Ashank Desai, is B.E. from Mumbai University and in graduating year, held the second rank in the University. He holds a M. Tech Degree from the Indian Institute of Technology, Mumbai. He also holds Post Graduate Diploma in Business Management (PGDBM) granted by the IIM Ahmedabad, from where he graduated in 1979. He worked with Godrej and Boyce before founding the Company. He is a founder member and ex-chairman of NASSCOM and is also actively associated with several government bodies and trade associations.</td></tr>
<tr><td>Year of Joining the Board</td><td colspan="2">1982</td></tr>
<tr><td>Expertise in specific functional Areas</td><td colspan="2">Mr. Desai has significant experience due to his status as a prominent figure in both India and global IT arena. Mr. Desai, a founding member of NASSCOM, was also the President of Asian-Oceanic Computing Industry Organization (ASOCIO). He has expertise in all key functions relevant to the Company's operations.</td></tr>
<tr><td>Other Directorships in Limited Companies</td><td colspan="2">Mastek (UK) Limited & NRB Bearings Limited</td></tr>
<tr><td>Chairman/member of Committees of the Company</td><td>Mastek Limited
• Audit Committee – Member
• Governance Committee – Chairman
• Corporate Social Responsibility Committee – Member
• Stakeholder Relationship Committee – Member
• Nomination & Remuneration Committee – Member</td><td>NRB Bearings Limited
• Nomination & Remuneration Committee – Member
• Stakeholder Relationship Committee – Member</td></tr>
<tr><td>No of Board Meetings attended during the year</td><td colspan="2">9</td></tr>
<tr><td>No of shares held in the Company</td><td colspan="2">3,099,552 (13.48%)</td></tr>
</table>

None of the Directors is related to any Director except Mr. Ashank Desai and Mr. Sudhakar Ram as Promoter Director.

Save and except Mr. Ashank Desai, no other Director and Key Managerial Personnel or their relatives is in any way interested or concerned financially or otherwise in the Resolution.

The Board recommends the resolution for the approval of the members.

By Order of the Board of Directors
For **Mastek Limited**

Date: April 19, 2016
Place: Mumbai

Dinesh Kalani
Company Secretary

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IS GIVEN BELOW.

ITEM NO. 5

The Articles of Association ("AoA") of the Company is presently in force since the incorporation of the Company on May 14, 1982. The existing Articles of Association are in line with the erstwhile Companies Act 1956, which are no longer in full conformity with the Companies Act, 2013 ('New Act'). The New Act is now largely in force and substantive sections of the Act which deal with the general working of companies stands notified. With the coming into force of the New Act, several Articles of the existing Articles of Association of the Company require alteration / deletion. Given this position, it is considered expedient to wholly replace the existing regulations of Articles of Association by a new set of regulations.

It is thus expedient to adopt a new set of regulations (primarily based on Table F of Schedule I as set out under the Companies Act, 2013), in place of existing regulations contained in the Articles of Association of the Company. Hence the Board of Directors at its meeting held on April 19, 2016 decided to adopt a new set of regulations in place of existing set of regulations contained in the Articles of Association of the Company and seek shareholders' approval for the same. In terms of Section 5 and 14 of the Companies Act, 2013, the consent of the members by way of Special Resolution is required for adoption of the new set of regulations contained in the Articles of Association of the Company.

Accordingly, the consent of the member is sought for passing a Special Resolution as set out in Item No. 5 of the Notice.

A copy of the proposed set of amended Articles of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on all working days (except Saturdays, Sundays and Public Holidays) between 10.00 a.m. to 1.00 p.m.

The Directors, therefore, recommend the said Special Resolution for your consideration and approval.

None of the Directors/Key Managerial Personnel of the Company and/or their relatives are, in any way concerned or interested, financially or otherwise in the said resolution.

By Order of the Board of Directors
For **Mastek Limited**

Date: April 19, 2016
Place: Mumbai
Regd. Office: 804/805, President House, Opp. C. N. Vidyalaya,
Near Ambawadi Circle, Ambawadi, Ahmedabad - 380 006

Dinesh Kalani
Company Secretary

REGISTRATION / UPDATING OF EMAIL IDs & BANK DETAILS

As responsible citizens of the world, we request you, our valued shareholder, to join us in our endeavor to save the planet by registering your email to receive all communications electronically, if not already done. This is also in conformity with legal provisions as enumerated below:

1. Pursuant to Section 101 of the Companies Act 2013, read with Rule 18 of the Companies Management and Administration Rules, 2014, notices of meetings can now be given through electronic means.
2. Pursuant to Rule 11 of the Companies (Accounts) Rules, 2014, a company can circulate its financial statements by electronic mode.
3. Pursuant to Section 108, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and SEBI Listing Regulations, a listed company is required to provide to its members the facility to exercise their right to vote at general meetings by electronic means.

Further purusuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to maintain Bank details of its Members for the purpose of payment of Dividends, etc.

Registration of NECS / IFSC information in your demat account will facilitate remittance of dividend directly into your bank account electronically through ACH / NECS. This eliminates the possibility of loss of dividend warrant in transit and minimizes the risk of misappropriation.

In case you hold securities of the Company in demat mode, kindly furnish your email ID to your Depository Participant (i.e., with whom you had opened your demat account).

If you hold securities of the Company in physical mode, kindly furnish your email ID to the Company's Registrar & Share Transfer Agents, Karvy Computershare Private Limited ('RTA') at their email ID: einward.ris@karvy.com, quoting your folio number(s).

Please note that you are still entitled to receive physical copies of the Annual Report and Accounts, Notices and other documents free of cost, on making specific requests, even after you have registered your email ID with the Company.

We hope you will appreciate and support the Company's Green Initiative' by opting to receive all future communication in electronic form.

BANKERS

ICICI Bank Limited

Standard Chartered Bank

COMPANY SECRETARY

Dinesh Kalani

AUDITORS

Price Waterhouse Chartered Accountants, LLP

REGISTERED OFFICE

804 / 805, President House, Opp C N Vidyalaya,

Near Ambawadi Circle, Ahmedabad – 380006

Gujarat, India

Tel : +91-79-2656-4337; Fax: +91-22-6695 1331

E-mail : investor_grievances@mastek.com

Website: www.mastek.com

REGISTRAR AND SHARE TRANSFER AGENT

Karvy Computershare Private Limited

Karvy Selenium Tower-B,

Plot No. 31 & 32, Financial District,

Nanakramguda, Serilingampally Mandal,

Hyderabad - 500 032.

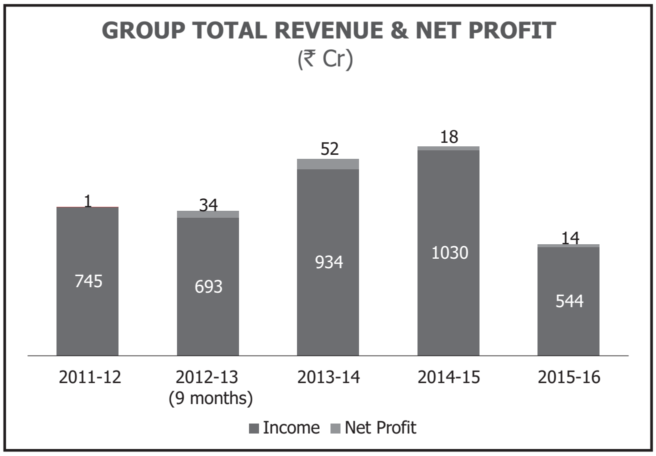
Phone: Tel: +91 40 6716 1500 Fax: +91 40 2331 1968

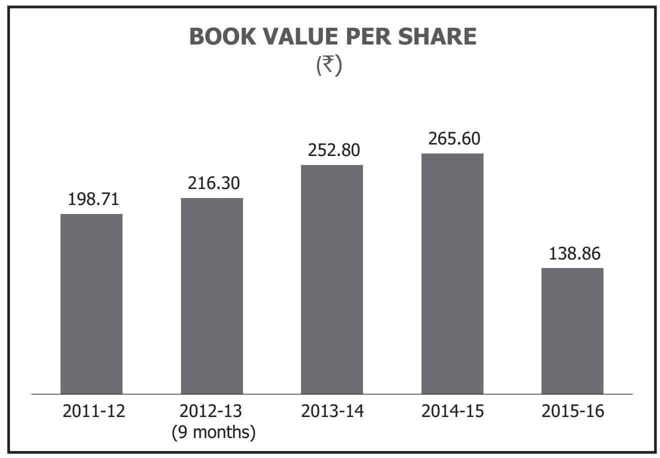
E-Mail: einward.ris@karvy.com

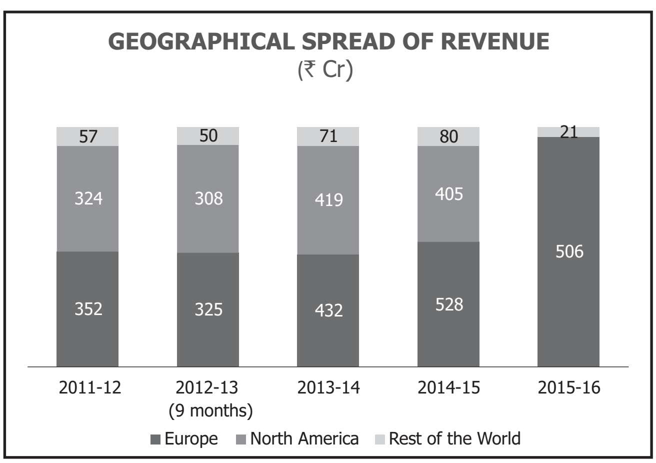
CORPORATE IDENTIFICATION NUMBER (CIN)

L74140GJI982PLC005215

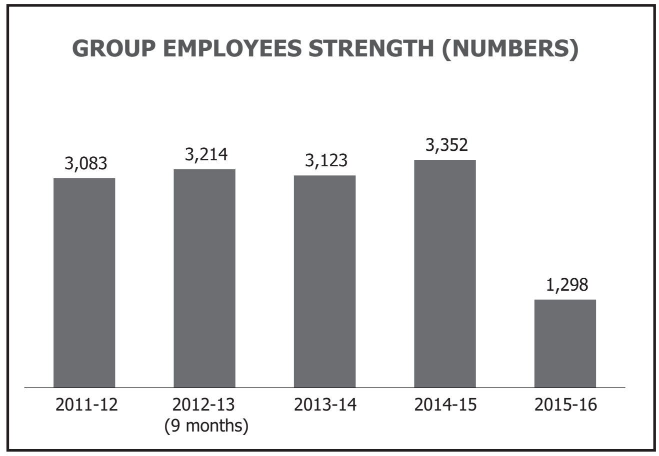
PERFORMANCE ANALYSIS OF MASTEK GROUP

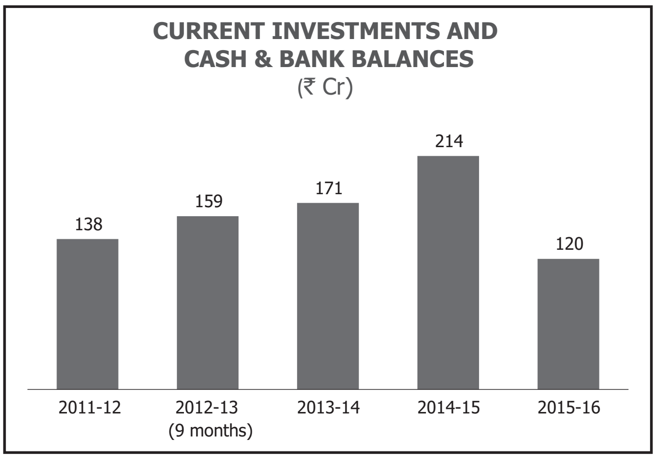


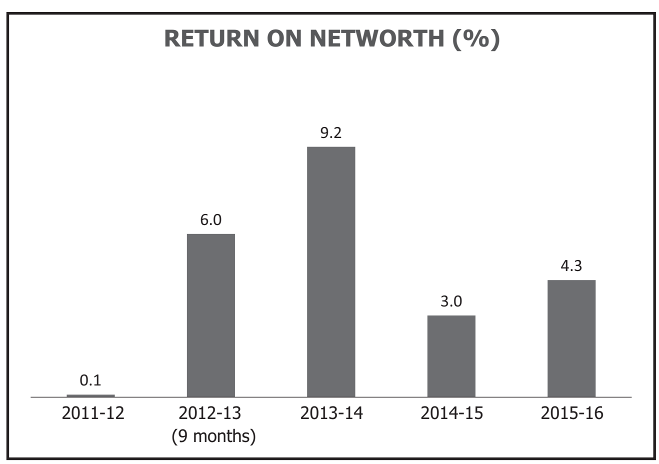




Clarification Note: With respect to the financial results for the year ended March 31, 2016 for Mastek Limited, please note that the current year figures are not comparable with the previous year, consequent to demerger of Insurance Products and Services business of Mastek Limited into "Majesco Limited" effective April 01, 2014.







Clarification Note: With respect to the financial results for the year ended March 31, 2016 for Mastek Limited, please note that the current year figures are not comparable with the previous year, consequent to demerger of Insurance Products and Services business of Mastek Limited into "Majesco Limited" effective April 01, 2014.

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MASTEK GROUP

To the Members of Mastek Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Mastek Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its jointly controlled entity (refer Note 1 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entity in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entity respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and jointly controlled entity as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

8. We did not audit the financial information of 3 subsidiaries, and 1 jointly controlled entity whose financial information reflect total assets of ₹ 22,662.37 Lakhs and net assets of ₹ 16,568.45 Lakhs as at March 31, 2016, total revenue of ₹ 49,545.77 Lakhs, net profit of ₹ 37.89 Lakhs and net cash flows amounting to (₹ 3150.98 Lakhs) for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity is based solely on the reports of the other auditors. The company does not have any subsidiaries, associate companies or jointly controlled entities incorporated in India for the purpose of our reporting in terms of sub sections (3) and (11) of section 143 of the Act.

9. We did not audit the financial information of 1 subsidiary whose financial information reflect total assets of ₹ Nil and net assets of ₹ Nil as at March 31, 2016, total revenue of ₹ Nil, net profit of ₹ Nil and net cash flows amounting to ₹ Nil for the period ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary (not incorporated in India), is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

   Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

    (b) In our opinion, proper books of account as required by law maintained by the Holding Company, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company. The Company does not have any subsidiaries, associate companies or jointly controlled entities incorporated in India.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, including relevant records relating to the preparation of the consolidated financial statements. The Company does not have any subsidiaries, associate companies or jointly controlled entities incorporated in India.

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

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding Company is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act. The Company does not have any subsidiaries, associate companies or jointly controlled entities incorporated in India.

    (f) The Company does not have subsidiaries, associate companies or jointly controlled companies incorporated in India. Hence no reporting is to be done for these entities. Accordingly, we refer to Annexure A of our report of even date on the standalone financial statements of the Holding Company with respect to the adequacy of the Internal Financial Controls over financial reporting and the operating effectiveness of such controls.

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

        i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2016 on the consolidated financial position of the Group and jointly controlled entity– Refer Notes 22 and 36 to the consolidated financial statements.

        ii. The Group and jointly controlled entity had long-term contracts including derivative contracts as at March 31, 2016 for which there were no material foreseeable losses.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2016. The Company does not have subsidiaries, associate companies or jointly controlled companies incorporated in India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Pradip Kanakia
Partner
Membership Number 39985

Mumbai
April 19, 2016

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note	As at March 31, 2016	As at March 31, 2015
EQUITY & LIABILITIES			
Shareholders' funds			
Share capital	3	**1,149.86**	1,127.33
Reserves and surplus	4	**30,783.08**	58,458.19
		31,932.94	59,585.52
Non-current liabilities			
Long term borrowings	5	**17.79**	1,960.66
Other long-term liabilities	6	**97.07**	693.75
Long-term provisions	7	**493.06**	2,021.35
Current liabilities			
Short-term borrowings	8	**-**	918.75
Trade payables	9	**949.86**	1,255.48
Other current liabilities	10	**8,752.56**	15,050.76
Short-term provisions	11	**550.62**	1,682.52
Total		**42,793.90**	83,168.79
ASSETS			
Non-current assets			
Fixed Assets			
Tangible assets	12 (i)	**4,351.79**	6,582.71
Intangible assets	12 (ii)	**2,222.55**	21,304.31
Capital work in progress		**13.70**	131.11
Non-current investments	13	**1,877.31**	240.84
Deferred tax assets	14	**1,444.81**	2,376.09
Long-term loans and advances	15	**4,963.97**	5,003.79
Other non-current assets	16	**256.92**	309.58
Current assets			
Current Investments	17	**3,114.11**	5,121.20
Trade receivables	18	**9,713.19**	13,349.01
Cash and bank balances	19	**8,870.53**	16,303.81
Short term loans and advances	20	**1,573.84**	3,547.21
Other current assets	21	**4,391.18**	8,899.13
Total		**42,793.90**	83,168.79
Summary of significant accounting policies	2		
Contingent Liabilities, capital and other commitments	22, 23		

The accompanying notes are an integral part of these consolidated financial statements

In terms of our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number : 39985

Mumbai, April 19, 2016

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non-Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Mumbai, April 19, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note	Year ended March 31, 2016	Year ended March 31, 2015
Revenue from operations	24	**52,693.23**	101,258.39
Other income	25	**1,738.82**	1,711.34
Total revenue		**54,432.05**	102,969.73
Expenses			
Employee benefits expenses	26	**28,112.50**	62,055.43
Finance costs	27	**50.31**	147.10
Depreciation and amortization expenses	28	**1,605.31**	3,733.43
Other expenses	29	**22,760.78**	33,640.53
Total expenses		**52,528.90**	99,576.49
Profit before exceptional item and tax		**1,903.15**	3,393.24
Exceptional items - loss, net	30	**254.28**	1,166.12
Profit before tax		**1,648.87**	2,227.12
Profit from continuing operations before tax		**1,648.87**	3,605.94
Tax expense from continuing operations			
Current tax		**673.99**	1,758.43
Deferred tax charge / (credit)		**95.81**	(81.46)
Income tax refund / write back for earlier years		**(495.39)**	(1,718.69)
Profit from continuing operations after tax		**1,374.46**	3,647.66
(Loss) from discontinuing operations before tax	42	**-**	(1,378.82)
Tax expense from discontinuing operations		**-**	495.79
(Loss) from discontinuing operations after tax		**-**	(1,874.61)
Profit for the year		**1,374.46**	1,773.05
Earning per equity share	31		
Basic (Face value of ₹ 5 each)		**₹ 6.02**	₹ 7.94
Diluted (Face value of ₹ 5 each)		**₹ 5.62**	₹ 7.57
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number : 39985

Mumbai, April 19, 2016

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non- Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Mumbai, April 19, 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
Cash flows from operating activities		
Profit before exceptional item and tax, including discontinuing operations	**1,903.15**	3,393.24
Adjustments for :		
Interest income	**(255.40)**	(567.88)
Reversal of accrued revenue	**86.47**	864.02
Employee stock compensation expenses	**15.38**	131.75
Finance costs	**16.52**	132.54
Depreciation and amortization	**1,867.41**	3,733.43
Provision for cost overrun on contracts, net	**9.58**	192.36
(Reversal) / Provision for doubtful debts and loans and advances, net	**(227.57)**	554.32
Bad debts written off	**380.49**	60.01
Profit on sale of fixed asset, net	**(13.45)**	(26.00)
Profit on sale of current investments	**(428.07)**	(789.18)
Rental income	**(161.26)**	(44.32)
Reversal of provision for customer claims	**-**	(109.89)
Operating profit before working capital changes	**3,193.25**	7,524.40
(Increase) in trade receivables	**(40.46)**	(2,738.63)
Decrease / (Increase) in loans and advances and other assets	**1,226.05**	(313.12)
(Decrease) / Increase in trade payables, other liabilities and provisions	**(462.13)**	2,221.04
Cash generated from operations	**3,916.71**	6,693.69
Income taxes refunds (paid) / received, net	**(461.83)**	105.68
Net cash generated from operating activities before exceptional items	**3,454.88**	6,799.37
Amount paid for restructuring expenses	**(305.15)**	(945.40)
Net cash generated from operating activities	**3,149.73**	5,853.97
Cash flows from investing activities		
Proceeds from sale of tangible assets	**78.70**	75.70
Purchase of tangible and intangible assets, net of capital work in progress capitalised	**(1,271.70)**	(4,924.90)
Interest received	**392.80**	628.41
Rental income	**161.26**	44.32
Realisation / (Investment) in bank deposits having original maturity over three months	**1,755.00**	(2,019.02)
Purchase consideration paid for acquisition of subsidiary, net of cash	**(2,171.75)**	-
Sale proceeds of current investments, net	**2,435.16**	3,807.98
Net cash generated from / (used in) investing activities before exceptional items	**1,379.47**	(2,387.51)
Proceeds from sale of investments in subsidiaries	**180.49**	-
Net cash generated from / (used in) investing activities	**1,559.96**	(2,387.51)
Cash flows from financing activities		
Proceeds from issue of shares under the employee stock option schemes	**552.07**	558.80
Proceeds from working capital loan, net	**-**	918.75
Proceeds from long term loan	**-**	1,875.00
Repayment of finance lease obligation	**(57.02)**	(45.74)
Dividends paid including dividend distribution tax paid	**(920.39)**	(973.90)
Interest paid on loans and on finance lease	**(16.52)**	(132.54)
Net cash (used in) / generated from financing activities	**(441.86)**	2,200.37
Effect of changes in exchange rates for cash and cash equivalents	**114.76**	(386.11)
Net increase in cash and cash equivalents during the year	**4,382.59**	5,280.72
Cash and cash equivalents at the beginning of the year	**12,412.44**	7,131.72
Cash and cash equivalents transferred pursuant to a scheme of arrangement (Refer note 42)	**(10,058.12)**	-
Cash and cash equivalents at the end of the year	**6,736.91**	12,412.44

Notes :

1 The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

2 The above cash flow statement reflects cash flow movements after considering the impact of demerger pursuant to a scheme of arrangement under which certain assets and liabilities of the group were transferred to the demerged group (Refer note 42).

3 Cash and cash equivalents - Refer notes 2.19 and 19

4 Figures in brackets indicate cash outgo.

5 Previous year's figures have been regrouped or reclassified wherever necessary.

In terms of our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number : 39985

Mumbai, April 19, 2016

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non-Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Mumbai, April 19, 2016

(All amounts in ₹ Lakhs, unless otherwise stated)

1 General Information :

"Mastek Limited (the 'Company') is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company, its subsidiaries and the joint venture (collectively referred hereinunder as ""the Group"") are providers of vertically-focused enterprise technology solutions.

The Group's offering portfolio includes business and technology services comprising of IT Consulting, Application Development, Systems Integration, Application Management Outsourcing, Testing, Data Warehousing and Business Intelligence, Application Security, CRM services and Legacy Modernisation. The Group carries out its operations in U.K. and India and has its offshore software development centres in India at Mumbai, Pune, Chennai and Mahape.

The details of subsidiaries including step-down subsidiaries, considered in these consolidated financial statements are:

Name of the Company	Country of Incorporation	% of voting power held as at March 31, 2016	% of voting power held as at March 31, 2015
Mastek (UK) Limited	UK	100%	100%
IndigoBlue Consulting Limited +	UK	100%	-
Digility Inc. **	USA	100%	-
Mastek Asia Pacific Pte Ltd. (up to Oct 31, 2015)	Singapore	-	100%
Minefields Computers Limited	India	- ^^	99.99%
Majesco USA	USA	-@ ^^	100%
Majesco Software and Solutions Inc.	USA	- ^^	100%
Majesco Software and Solutions India Private Limited	India	- ^^	100%
Majesco UK Limited	UK	- ^^	100%
Majesco Sdn. Bhd.	Malaysia	- ^^	100%
Majesco (Thailand) Co. Ltd.	Thailand	- ^^	100%
Majesco Canada Limited	Canada	- ^^	100%

The details of Joint Venture considered in these consolidated financial statements are:

Name of the Company	Country of Incorporation	% of voting power held as at March 31, 2016	% of voting power held as at March 31, 2015
Legal Practice Technologies Limited (w.e.f. May 14, 2014)	UK	40%	40%

+ Acquired with effect from May 1, 2015 (Refer note 40)

**Incorporated with effect from November 17, 2015 (Refer note 41)

^^ Transferred to Majesco Limited under a scheme of arrangement (Refer note 42)

@ Holding reduced to 13.84% and hence not included in the list of subsidiaries

2 Summary of significant accounting policies:

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these consolidated financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets / inputs for processing and their realisation in cash and cash equivalents, the Group has ascertained its normal operating cycle as 12 months for the purpose of current / non current classification of assets and liabilities.

The financial statements of the Company, its subsidiaries and the joint venture (on a proportionate basis) have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances and intra group transactions and resulting unrealized profits are eliminated in full. Unrealized losses resulting from intra group transactions are also eliminated unless cost cannot be recovered.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30 March 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standard) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1 April, 2016.

(All amounts in ₹ Lakhs, unless otherwise stated)

2.2 Use of estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

2.3 Tangible assets and depreciation

Tangible assets are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalized until the assets are ready for use and include inward freight, duties, taxes and expenses incidental to acquisition and installation. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on tangible assets is provided on the straight line method, on a pro rata basis, over the estimated useful lives of assets which are not longer than the useful lives prescribed under Schedule II to the Companies Act, 2013, in order to reflect the period over which the depreciable asset is expected to be used by the company. The estimates of useful lives of the assets based on a technical evaluation, have not undergone a change on account of transition to the Companies Act, 2013.

Assets	Useful Life
Buildings	25 - 30 years
Computers	2 years
Plant and equipment	2 - 5 years
Furniture and fixtures	5 years
Vehicles	5 years
Office equipment	2 - 5 years
Leasehold land	Lease Term ranging from 95-99 years
Leasehold improvements	5 years or the primary period of lease whichever is less

2.4 Intangible assets and amortization

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line method over their estimated useful lives as follows:

Assets	Useful Life
Goodwill	3 - 5 years
Computer software	1 - 5 years

Expenditure on research is recognised as an expense when it is incurred. Development costs of products are also charged to the Statement of Profit and Loss unless all the criteria for capitalisation as set out in paragraph 44 of AS 26 - 'Intangible Assets' have been met by the Group.

2.5 Impairment of assets

At each Balance Sheet date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, management estimates the recoverable amount. Recoverable amount is higher of an asset's net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of the its useful life. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss to the extent carrying amount exceeds recoverable amount. Assessment is also done at each Balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exists or many have decreased.

2.6 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non-current investments. Current investments are carried at cost or fair value, whichever is lower. Non-current investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the non-current investments, such reduction being determined and made for each investment individually.

Investment property: Investment in buildings that are not intended to be occupied substantially for use by, or in the operations of, the Group, have been classified as investment property. Investment properties are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Refer note 2.3 for depreciation rate used for buildings.

2.7 Foreign currency transactions and translation

The consolidated financial statements are prepared in Indian Rupees. The Indian Rupee is the functional currency of Mastek Limited. However, U.S. Dollar, Pound Sterling, Singapore Dollar, Malaysian Ringitts, Thai Baht and Canadian Dollar are the functional currencies for its non-integral subsidiaries located in United States of America, United Kingdom, Singapore, Malaysia, Thailand and Canada, respectively. The translation of the functional currencies into Indian Rupees (reporting currency) is performed for assets and liabilities using the current exchange rates prevailing at the Balance Sheet date and for revenues and expenses using average exchange rates prevailing during the reporting period. All resulting exchange differences on translation are taken directly to reserves under Foreign Currency Translation Reserve until the disposal of the investment in subsidiary.

Foreign currency transactions of the Company and of its integral foreign branch are accounted at the exchange rates prevailing on the date of the transaction or at an average rate that approximates the actual rate at the date of the transaction. Monetary assets and liabilities are translated at the rate prevailing on the Balance Sheet date whereas non-monetary assets and liabilities are translated at the rate prevailing on the date of the transaction. 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 Statement of Profit and Loss.

In case of forward exchange contracts which are open on the balance sheet date and are backed by receivables, the premium or discount arising at the inception of such a forward exchange contract is amortized as expense or income over the life of the contract. The exchange difference on such contracts is computed by multiplying the foreign currency amount of the forward exchange contract by the difference between a) the foreign currency amount of the contract translated at the exchange rate at the reporting date or the settlement date where the transaction is settled during the reporting period, and b) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date. The exchange difference so computed on such contracts is recognised in the Statement of Profit and Loss. Any profit or loss arising on cancellation or renewal of such forward exchange contracts is recognised as income or expense for the year.

2.8 Interest in Joint Venture

The Group's interest in the Jointly controlled entity is accounted for using proportionate consolidation method.

2.9 Derivative instruments and hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company designates these hedging instruments as cash flow hedges.

The use of hedging instruments is governed by the policies of the Company which are approved by its Board of Directors.

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in the hedging reserve and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

For derivative financial instruments that do not qualify for hedge accounting, the premium or discount arising at the inception of the contract is amortized as expense or income over the life of the contract. Gains/losses on settlement of transaction arising on cancellation or renewal of such a forward exchange contract are recognised as income or expense for the year.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in shareholders' funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in hedging reserve is transferred to the Statement of Profit and Loss for the year.

2.10 Employee benefits

(i) Long-term employee benefits

(a) Defined contribution plans

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). The Group also makes contributions towards defined contribution plans in respect of its subsidiaries and branches in foreign jurisdictions, as applicable. Under the defined contribution plans, the Group has no further obligation beyond making the contributions. Such contributions are charged to the Statement of Profit and Loss as incurred.

(b) Defined benefit plans

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 Life Insurance Corporation of India (LIC). Liability for defined benefit plans is provided 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 for measuring the liability is the projected unit credit method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss as income or expense.

(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. Leave encashment vests to employees on an annual basis for leave balance above the upper limit as per the Group's policy. At the time of retirement, death while in employment or on termination of employment leave encashment vests equivalent to salary payable for number of days of accumulated leave balance subject to an upper limit as per the Group's policy. Liability for such benefit is provided 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 for measuring the liability is the projected unit credit method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss as income or expense.

(ii) 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 comprise compensated absences such as paid annual leave and performance incentives.

(iii) Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or those arising from restructuring, are recognised in the 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.

2.11 Revenue recognition

"The Group derives revenues primarily from information technology services. Revenue is recognised in accordance with the terms of the contracts with customers as the service is performed by the proportionate completion method and when it is reasonably certain that the ultimate collection will be made. Revenues on time and material contracts are recognised when services are rendered and related costs are incurred. Revenues on fixed price, fixed time bound contracts are recognised over the life of the contract measured by the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such contracts are made during the period in which a loss becomes probable and can be reasonably estimated. When the uncertainty, relating to the collectability arises subsequent to the rendering of the service, a separate provision is made to reflect the uncertainty and the amount of revenue originally recorded is not adjusted.

Revenues from maintenance contracts are recognised on a straight line basis over the period of the contract

Revenues from resale of software and hardware are recognised upon delivery of products to the customer, when the significant risks and rewards of ownership are transferred to the buyer and the ultimate collection is reasonably certain.

Accrued revenue included in 'Other current assets', represents amounts in respect of services performed in accordance with contract terms, not yet billed to customers at the year end. Unearned revenue included in 'Other current liabilities' represents amounts received/billed in excess of the value of work performed in accordance with the terms of the contracts with customers.

2.12 Other income

Dividend income from investments is recognised when the right to receive payment is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable rate of interest. Rental income is recognised on a straight line basis over the term of the lease as per the terms of the base contract.

2.13 Leases

Assets taken on leases which transfer substantially all the risks and rewards incidental to ownership of the assets to the leasee i.e. finance leases, in terms of provisions of Accounting Standard (AS) 19 – 'Leases', are capitalized. The assets acquired under finance leases are capitalized at the lower of the fair value at the inception of the lease and the present value of minimum lease payments and a liability is created for an equivalent amount. Such assets are disclosed as leased assets under tangible assets and are depreciated in accordance with the Group's depreciation policy described in note 2.3. Each lease rental paid on the finance lease is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. Other leases are classified as operating leases and rental payments in respect of such leases are charged to the Statement of Profit and Loss on a straight line basis over the lease term. Assets given under operating leases are capitalised in the Balance Sheet under tangible assets and are depreciated as per the Group's depreciation policy described in note 2.3.

2.14 Earnings per share

Basic earnings per share (EPS) are calculated by dividing the net loss / profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by adjusting the number of shares used for basic EPS with the weighted average number of shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value i.e. average market value of outstanding shares. The number of shares and potentially dilutive shares are adjusted for share splits and bonus shares, as appropriate. In calculating diluted earnings per share, the effects of anti dilutive potential equity shares are ignored. Potential equity shares are anti-dilutive when there conversion to equity shares would increase earnings per share or decrease loss per share.

2.15 Income Taxes

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 income and the taxable income for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognised and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unabsorbed depreciation or carry forward losses are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each balance sheet date for any write down or reversal, as considered appropriate.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Current 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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing the current tax and where the deferred tax assets and liabilities relate to taxes on income levied by the same governing taxation laws.

(All amounts in ₹ Lakhs, unless otherwise stated)

2.16 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Expenses, net of income, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Common unallocable charges, net".

2.17 Accounting for Employee Stock Options

Stock options granted to employees of Mastek Limited and its subsidiaries under the stock option schemes established after June 19, 1999 are accounted as per the treatment prescribed by the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accounts of India as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognised as deferred employee compensation with a credit to share options outstanding account. The Expense on deferred employee compensation is charged to Statement of Profit and Loss on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to Expense on Employee Stock Option Scheme, equal to the amortised portion of value of lapsed portion and a debit to share options outstanding account equal to the un-amortised portion.

2.18 Provisions and Contingent Liabilities

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.

2.19 Cash and Cash Equivalents

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.

3 Share capital

	As at March 31, 2016	As at March 31, 2015
Authorised:		
40,000,000 (March 31, 2015: 40,000,000) equity shares of ₹ 5/- each	**2,000.00**	2,000.00
2,000,000 (March 31, 2015: 2,000,000) preference shares of ₹ 100/- each	**2,000.00**	2,000.00
	4,000.00	4,000.00
Issued, subscribed and fully paid up :		
22,997,274 (March 31, 2015 : 22,546,672) equity shares of ₹ 5/- each fully paid	**1,149.86**	1,127.33
Total	**1,149.86**	1,127.33

(a) Reconciliation of the number of shares

	As at March 31, 2016		As at March 31, 2015	
	No. of shares	**Amount**	No. of shares	Amount
Equity Shares				
Balance as at the beginning of the year	**22,546,672**	**1,127.33**	22,160,680	1,108.03
Add: Addition on account of exercise of employee stock option plans [Refer note 35 (c)]	**450,602**	**22.53**	385,992	19.30
Balance as at the end of the year	**22,997,274**	**1,149.86**	22,546,672	1,127.33

(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in 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, in proportion to their shareholding.

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

	As at March 31, 2016		As at March 31, 2015	
Equity Shares of ₹ 5/- each held by :	**No. of shares**	**% of holding**	No. of shares	% of holding
Ashank Desai	**3,099,552**	**13.48%**	3,099,552	13.75%
Sudhakar Ram	**2,791,680**	**12.14%**	2,791,680	12.38%
Ketan Mehta	**2,519,100**	**10.95%**	2,519,100	11.17%
Fidelity Purita Trust Fidelity Low Priced	**1,275,000**	**5.54%**	1,650,000	7.32%
Radhakrishnan Sundar	**1,445,800**	**6.29%**	1,445,800	6.41%

(d) Shares reserved for issue under options

	As at March 31, 2016	As at March 31, 2015
Number of shares to be issued under the employee stock option plans	**2,739,627**	2,892,776

[Refer note 35(a) for details of shares to be issued under the Employee Stock Option Scheme]

(e) Shares bought back (during 5 years immediately preceding March 31, 2016)

	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	June 30, 2012
Equity shares bought back	**-**	-	2,484,007	2,388,000	-

4 Reserves and surplus

	As at March 31, 2016	As at March 31, 2015
Capital reserve		
Balance as at the beginning of the year	**21.44**	21.44
Balance as at the end of the year	**21.44**	21.44
Capital redemption reserve account	**1,538.87**	1,538.87
Securities premium account		
Balance as at the beginning of the year	**545.16**	5.66
Add: Transferred from Employee stock options outstanding account on account of exercise of shares under the employee stock option plans	**6.40**	-
Add: Addition on account of exercise of shares under the employee stock option plans	**529.54**	539.50
Balance as at the end of the year	**1,081.10**	545.16
Employee stock options outstanding account		
Balance as at the beginning of the year	**131.75**	-
Add: Addition on account of employee stock option plans	**33.38**	131.75
Less: Transferred pursuant to a scheme of arrangement (Refer note 42)	**(84.07)**	-
Less: Transferred to Securities premium account on account of exercise of shares under the employee stock option plans	**(6.40)**	-
Balance as at the end of the year [Refer note 35(f)]	**74.66**	131.75

(All amounts in ₹ Lakhs, unless otherwise stated)

4 Reserves and surplus (Contd.)

	As at March 31, 2016	As at March 31, 2015
General reserve		
Balance as at the beginning of the year	**2,777.83**	2,597.83
Less: Adjustments pursuant to a scheme of arrangement (Refer note 42)	**(2,415.67)**	-
Add: Transfer from surplus in statement of profit and loss during the year	**-**	180.00
Balance as at the end of the year	**362.16**	2,777.83
Hedging reserve account	**1,880.91**	31.20
Balance as at the beginning of the year	**(594.64)**	1,849.71
Add: Changes in the fair value of the effective cash flow hedges	**(187.96)**	-
Less: Transferred pursuant to a scheme of arrangement (Refer note 42)	**1,098.31**	1,880.91
Balance as at the end of the year (Refer note 37)		
Foreign currency translation reserve	**8,643.45**	8,856.68
Balance as at the beginning of the year	**(8,570.76)**	-
Less: Movement on account of demerger	**1,828.47**	(213.23)
Add: Movement during the year	**1,901.16**	8,643.45
Balance as at the end of the year		
Surplus in statement of profit and loss		
Balance as at the beginning of the year	**42,918.78**	41,859.30
Less: Adjustments pursuant to a scheme of arrangement (Refer note 42)	**(18,940.12)**	-
Profit for the year	**1,374.46**	1,773.05
Less: Appropriations		
Interim dividend ₹ 2.50 per share (Previous year ₹ 1.50 per share)	**(577.08)**	(336.64)
Proposed final dividend (Previous year ₹ 1/- per share)	**-**	(227.30)
Dividend distribution tax, net*	**(70.66)**	30.37
Transfer to general reserve	**-**	(180.00)
Balance as at the end of the year	**24,705.38**	42,918.78
Total	**30,783.08**	58,458.19

*Dividend Distribution Tax (DDT) net, pertaining to the current year comprises the DDT liability of ₹ 117.48 (previous year ₹ 73.20) on interim dividend and a credit of ₹ 46.82 (previous year ₹ 103.57) in respect of tax paid u/s 115 BBD of the Indian Income Tax Act, 1961 by the Company on dividend received from a foreign subsidiary during the year.

5 Long-term borrowings

	As at March 31, 2016	As at March 31, 2015
Secured :		
Term loan from bank	**-**	1,875.00
Long term maturities of finance lease obligations [Refer note (a) below and note 32(ii)]	**17.79**	85.66
Total	**17.79**	1,960.66

Note:

	Nature of security	Terms of repayment
(a)	Finance lease obligations are secured by hypothecation of assets underlying the leases.	Monthly payment of Equated Monthly Instalments beginning from the month subsequent to taking the lease.

(All amounts in ₹ Lakhs, unless otherwise stated)

6 Other long-term liabilities

	As at March 31, 2016	As at March 31, 2015
Security and other deposits	**97.07**	-
Contingent consideration payable on business acquisition	**-**	693.75
Total	**97.07**	693.75

7 Long-term provisions

	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits		
Provision for leave encashment	**467.71**	2,005.59
Other Provisions		
Provision for cost overrun on contracts *	**25.35**	15.76
Total	**493.06**	2,021.35

* Movement in long-term other provisions represents an additional provision for cost overrun on contracts made during the year (Refer note 29)

8 Short-term borrowings

	As at March 31, 2016	As at March 31, 2015
Secured:		
Working capital loan from bank	**-**	918.75
Total	**-**	918.75

9 Trade payables

	As at March 31, 2016	As at March 31, 2015
Trade payables	**949.08**	935.70
Share of joint venture (Refer note 33)	**0.78**	319.78
Total	**949.86**	1,255.48

10 Other current liabilities

	As at March 31, 2016	As at March 31, 2015
Current maturities of finance lease obligations in respect of vehicles [Refer note 32(ii)]	**30.23**	49.56
Unearned revenue	**1,745.29**	3,704.79
Advances received from customers	**-**	-
Unpaid dividends [Refer note (a) below]	**38.62**	41.37
Security and other deposits	**0.48**	1.58
Other payables		
Employee benefits payable	**1,381.20**	3,224.35
Accrued expenses	**2,444.73**	4,030.61
Contingent consideration payable on business acquisition	**-**	312.50
Capital creditors	**24.59**	149.83
Statutory dues including provident fund and tax deducted at source	**3,087.39**	3,469.84
	8,752.53	14,984.43
Share of joint venture (Refer note 33)	**0.03**	66.33
Total	**8,752.56**	15,050.76

(a) There is no amount due for payment to Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.**

** Section 125 of Companies Act, 2013 which corresponds to section 205C of Companies Act, 1956 has not yet been enforced.

(All amounts in ₹ Lakhs, unless otherwise stated)

11 Short-term provisions

	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits		
Provision for leave encashment	**550.62**	1,012.11
Other Provisions		
Provision for cost overrun on contracts *	**-**	177.66
Provision for taxes, net of advance tax	**-**	220.09
Provision for proposed final dividend (Previous year ₹ 1/- per share) on equity shares of face value of ₹ 5/- each	**-**	225.47
Provision for dividend distribution tax on proposed final dividend on equity shares	**-**	47.19
Total	**550.62**	1,682.52

* Movement in Provision for cost overrun on contracts represents the amount transferred pursuant to a scheme of arrangement (Refer note 42)

12 Fixed assets

(i) Tangible assets

	Gross Block (at cost)						**Depreciation**						**Net Block**	
	As at April 1, 2015	Additions	Transfer on Demerger (Refer note 42)	Foreign Exchange Translation Adjustments	Deductions	**As at Mar 31, 2016**	As at April 1, 2015	For the year	Transfer on Demerger (Refer note 42)	Foreign Exchange Translation Adjustments	Deductions	**As at Mar 31, 2016**	**As at Mar 31, 2016**	As at March 31, 2015
a. Own assets :														
Buildings	5,891.77	-	(1,142.86)	-	-	**4,748.91**	1,921.26	109.29	(322.32)	-	-	**1,708.23**	**3,040.68**	3,970.51
Computers	5,031.30	315.51	(2,424.90)	5.04	(381.49)	**2,545.46**	4,075.30	555.56	(2,072.68)	3.34	(367.35)	**2,194.17**	**351.29**	956.00
Plant and equipment	4,708.01	57.05	(1,833.08)	3.13	(214.53)	**2,720.58**	4,345.16	99.75	(1,674.68)	3.27	(210.63)	**2,562.87**	**157.71**	362.85
Furniture and fixtures	6,259.46	336.61	(2,041.01)	5.17	(102.42)	**4,457.81**	5,806.98	149.11	(1,783.92)	3.18	(102.16)	**4,073.19**	**384.62**	452.48
Vehicles	357.76	43.95	(126.31)	-	(29.43)	**245.97**	231.85	19.82	(95.00)	-	(25.67)	**131.00**	**114.97**	125.91
Office equipment	1,956.56	183.32	(501.03)	-	(47.65)	**1,591.20**	1,791.89	50.66	(334.77)	-	(40.85)	**1,466.93**	**124.27**	164.67
Total	24,204.86	936.44	(8,069.19)	13.34	(775.52)	**16,309.93**	18,172.44	984.19	(6,283.37)	9.79	(746.66)	**12,136.39**	**4,173.54**	6,032.42
Share of Joint Venture	6.28	0.86	-	0.17	-	**7.31**	1.76	5.67	-	(0.12)	-	**7.31**	**-**	4.52
Total (A)	**24,211.14**	**937.30**	**(8,069.19)**	**13.51**	**(775.52)**	**16,317.24**	**18,174.20**	**989.86**	**(6,283.37)**	**9.67**	**(746.66)**	**12,143.70**	**4,173.54**	**6,036.94**
b. Leased assets :														
Leasehold land	558.45	-	(172.71)	-	-	385.74	166.47	59.53	-	-	-	**226.00**	**159.74**	391.98
Leasehold improvements	408.54	-	(8.12)	-	(66.19)	334.23	406.36	1.86	(7.80)	-	(66.19)	**334.23**	**-**	2.18
Vehicles	230.49	11.51	(64.77)	-	(79.93)	97.30	78.88	47.74	(4.29)	-	(43.54)	**78.79**	**18.51**	151.61
Total (B)	**1,197.48**	**11.51**	**(245.60)**	**-**	**(146.12)**	**817.27**	**651.71**	**109.13**	**(12.09)**	**-**	**(109.73)**	**639.02**	**178.25**	**545.77**
Total (A + B)	**25,408.62**	**948.81**	**(8,314.79)**	**13.51**	**(921.64)**	**17,134.51**	**18,825.91**	**1,098.99**	**(6,295.46)**	**9.67**	**(856.39)**	**12,782.72**	**4,351.79**	**6,582.71**

(ii) Intangible assets

	Gross Block (at cost)						Amortisation						Net Block	
	As at April 1, 2015	Additions	Transfer on Demerger (Refer note 42)	Foreign Exchange Translation Adjustments	Deductions	**As at Mar 31, 2016**	As at April 1, 2015	For the year	Transfer on Demerger (Refer note 42)	Foreign Exchange Translation Adjustments	Deductions	**As at Mar 31, 2016**	**As at Mar 31, 2016**	As at March 31, 2015
Goodwill	21,479.75	1,951.82	(21,479.75)	(61.88)	-	**1,889.94**	980.20	-	(980.20)	-	-	**-**	**1,889.94**	20,499.55
Computer software	6,590.01	454.90	(2,351.57)	33.76	(967.55)	**3,759.55**	5,785.70	767.58	(2,191.32)	32.53	(967.55)	**3,426.94**	**332.61**	804.31
Total	28,069.76	2,406.72	(23,831.32)	(28.12)	(967.55)	**5,649.49**	6,765.90	767.58	(3,171.52)	32.53	(967.55)	**3,426.94**	**2,222.55**	21,303.86
Share of Joint Venture	2.20	0.35	-	0.06	-	**2.61**	1.74	0.84	-	0.03	-	**2.61**	**-**	0.45
Total	**28,071.96**	**2,407.07**	**(23,831.32)**	**(28.06)**	**(967.55)**	**5,652.10**	**6,767.64**	**768.42**	**(3,171.52)**	**32.56**	**(967.55)**	**3,429.55**	**2,222.55**	**21,304.31**

Notes:

(a) Own buildings include subscription towards share capital of Co-operative societies amounting to Rupees Two Hundred and Fifty only (Previous year Rupees Two Hundred and Fifty only).

(All amounts in ₹ Lakhs, unless otherwise stated)

12 Fixed assets for previous year ended March 31, 2015

(i) Tangible assets

	Gross Block (at cost)					Depreciation					Net Block	
	As at April 1, 2014	Additions	Disposals	Foreign exchange translation adjustments	As at March 31, 2015	As at April 1, 2014	For the year	Disposals	Foreign exchange translation adjustments	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
a. Own assets :												
Buildings	5,891.77	-	-	-	5,891.77	1,771.10	150.16	-	-	1,921.26	3,970.51	4,120.67
Computers	4,262.63	979.90	(250.01)	38.78	5,031.30	3,341.53	948.98	(249.76)	34.55	4,075.30	956.00	921.10
Plant and equipment	4,645.91	146.80	(84.95)	0.25	4,708.01	4,103.58	327.47	(84.93)	(0.96)	4,345.16	362.85	542.33
Furniture and fixtures	6,117.34	156.73	(7.51)	(7.10)	6,259.46	5,466.34	348.98	(3.84)	(4.50)	5,806.98	452.48	651.00
Vehicles	412.89	65.88	(121.24)	0.23	357.76	243.84	70.61	(82.53)	(0.07)	231.85	125.91	169.05
Office equipment	1,909.35	49.94	(2.88)	0.15	1,956.56	1,725.95	68.45	(2.48)	(0.03)	1,791.89	164.67	183.40
Total	23,239.89	1,399.25	(466.59)	32.31	24,204.86	16,652.34	1,914.65	(423.54)	28.99	18,172.44	6,032.42	6,587.55
Share of Joint Venture	-	6.75	-	(0.47)	6.28		1.87	-	(0.11)	1.76	4.52	-
Total (A)	**23,239.89**	**1,406.00**	**(466.59)**	**31.84**	**24,211.14**	**16,652.34**	**1,916.52**	**(423.54)**	**28.88**	**18,174.20**	**6,036.94**	**6,587.55**
Previous year	23,007.85	824.77	(1,563.71)	(82.96)	23,007.85	16,309.23	1,270.36	(1,562.85)	(70.86)	16,309.23	6,698.62	
b. Leased assets :												
Leasehold land	558.45	-	-	-	558.45	105.10	61.37	-	-	166.47	391.98	453.35
Leasehold improvements	407.80	0.42	-	0.32	408.54	398.45	7.59	-	0.32	406.36	2.18	9.35
Vehicles	262.12	-	(31.63)	-	230.49	60.62	43.25	(24.99)	-	78.88	151.61	201.50
Total (B)	**1,228.37**	**0.42**	**(31.63)**	**0.32**	**1,197.48**	**564.17**	**112.21**	**(24.99)**	**0.32**	**651.71**	**545.77**	**664.20**
Previous year	1,285.53	118.05	(4.96)	(1.80)	1,285.53	580.03	14.58	(4.10)	(1.77)	580.03	705.50	
Total (A + B)	**24,468.26**	**1,406.42**	**(498.22)**	**32.16**	**25,408.62**	**17,216.51**	**2,028.73**	**(448.53)**	**29.20**	**18,825.91**	**6,582.71**	**7,251.75**
Previous year	24,293.38	942.82	(1,568.67)	(84.76)	24,293.38	16,889.26	1,284.94	(1,566.95)	(72.63)	16,889.26	7,404.12	

(ii) Intangible assets

	Gross Block (at cost)					Amortisation					Net Block	
	As at April 1, 2014	Additions	Disposals	Foreign exchange translation adjustments	As at March 31, 2015	As at April 1, 2014	For the year	Disposals	Foreign exchange translation adjustments	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Goodwill	18,270.20	2,431.25	-	778.30	21,479.75	542.10	416.16	-	21.94	980.20	20,499.55	17,728.10
Computer software	5,630.52	976.40	-	(16.91)	6,590.01	4,528.44	1,272.77	-	(15.51)	5,785.70	804.31	1,102.08
Total	23,900.72	3,407.65	-	761.39	28,069.76	5,070.54	1,688.93	-	6.43	6,765.90	21,303.86	18,830.18
Share of Joint Venture	-	2.40	-	(0.20)	2.20	-	1.85	-	(0.11)	1.74	0.45	-
Total	**23,900.72**	**3,410.05**	**-**	**761.19**	**28,071.96**	**5,070.54**	**1,690.78**	**-**	**6.32**	**6,767.64**	**21,304.31**	**18,830.18**

Notes:

(a) Own buildings include subscription towards share capital of Co-operative societies amounting to Rupees Two Hundred and Fifty only (Previous year Rupees Two Hundred and Fifty only).

13 Non-current investments

	As at March 31, 2016	As at March 31, 2015
(A) Investment property (at cost less accumulated depreciation)		
Gross block		
Opening	**389.41**	389.41
Less: Transferred pursuant to a scheme of arrangement (Refer note 42)	**(387.62)**	-
Closing	**1.79**	389.41
Less : Accumulated depreciation		
Opening	**148.57**	134.65
Depreciation for the year	**-**	13.92
Less: Transferred pursuant to a scheme of arrangement (Refer note 42)	**(146.78)**	-
Closing	**1.79**	148.57
Net Block	**-**	240.84
Aggregate amount of investment property	**-**	240.84

(All amounts in ₹ Lakhs, unless otherwise stated)

		As at March 31, 2016	As at March 31, 2015
(B)	Trade investments (Quoted, at cost)		
	Investment in Majesco USA *	**1,877.31**	-
	5,044,875 Equity Shares of US $ 0.002 each, fully paid up		
	* The Group's investment in Majesco USA has reduced from 100% in the previous year to 13.84% during the current year. Accordingly, it is reclassified from Investment in subsidiary to Non-current Trade Investment.		
Total (A + B)		**1,877.31**	240.84

14 Deferred tax assets

	As at March 31, 2016	As at March 31, 2015
Deferred tax assets in respect of:		
Provision for doubtful debts	**51.34**	168.90
Depreciation and amortisation	**878.56**	1,105.64
Provision for gratuity and leave encashment	**352.42**	994.62
Other timing differences	**162.49**	106.93
Total	**1,444.81**	2,376.09

15 Long-term loans and advances

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good, unless otherwise stated		
Capital advances	**71.51**	25.46
Security deposits	**102.26**	172.37
Prepaid expenses	**2.25**	20.14
Other loans and advances		
Other advances	**57.80**	-
Advance income tax, net of provision for tax	**2,286.75**	2,075.91
MAT credit entitlement [Refer note 36(a)]	**2,436.59**	2,694.26
Advances to employees	**0.78**	6.11
	4,957.94	4,994.25
Share of joint venture (Refer note 33)	**6.03**	9.54
Total	**4,963.97**	5,003.79

16 Other non-current assets

	As at March 31, 2016	As at March 31, 2015
Mark-to-market gains receivable on outstanding derivative contracts (Refer note 37)	**256.92**	309.58

(All amounts in ₹ Lakhs, unless otherwise stated)

17 Current investments

	As at March 31, 2016	As at March 31, 2015
At cost or market value, whichever is less:		
Investment in mutual funds (quoted):		
Baroda Pioneer Liquid Fund - Plan A - Growth	**640.64**	-
(37,027 units, Previous year - Nil units)		
Birla Sun Life Cash Plus Fund - Growth	**596.47**	-
(246,814 units, Previous year - Nil units)		
ICICI Prudential Money Market Fund - Regular - Growth	**150.00**	-
(71,787 units, Previous year - Nil units)		
Kotak Floater Short Term Fund - Growth	**200.00**	-
(8,064 units, Previous year - Nil units)		
Franklin India TMA - Super IP - Growth	**203.10**	-
(9,282 units, Previous year - Nil units)		
Kotak Treasury Advantage Fund - Reg - Growth (8.40%)	**423.90**	-
(1,764,200 units, Previous year - Nil units)		
Sundaram Ultra Short Term - Reg – Growth (8.20 to 8.25%)	**450.00**	-
(2,186,228 units, Previous year - Nil units)		
ICICI Prudential Ultra Short Term Plan - Growth (8.25 to 8.35%)	**450.00**	-
(2,988,941 units, Previous year - Nil units)		
HDFC Cash Management Fund - Savings Plan - Growth	**-**	450.00
(Nil units, Previous year - 4,500,000 units)		
UTI Banking & PSU Fund - Regular Plan - Growth	**-**	500.00
(Nil units, Previous year - 5,000,000 units)		
UTI - Fixed Term Income Fund Series - XIX - IX - (369 days) - Growth	**-**	1,301.20
(Nil units, Previous year - 13,011,960 units)		
Birla Sun Life Fixed Term Plan Series LC (369 days) - Regular - Growth	**-**	370.00
(Nil units, Previous year - 3,700,000 units)		
HDFC FMP 376D May 2014 (1) - Series 31 - Regular - Growth	**-**	500.00
(Nil units, Previous year - 5,000,000 units)		
ICICI Prudential FMP series 74 - (368 days) Plan Y Regular Plan Cumulative	**-**	500.00
(Nil units, Previous year - 5,000,000 units)		
HDFC FMP 370D April 2014 (1) - Series 31 - Regular - Growth	**-**	1,500.00
(Nil units, Previous year - 15,000,000 units)		
Total	**3,114.11**	5,121.20
Aggregate amount of quoted investments	**3,114.11**	5,121.20
Market value of quoted investments	**3,137.98**	5,453.71

18 Trade receivables

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they were due for payment	**-**	308.03
Others	**9,713.19**	13,040.98
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they were due for payment	**148.34**	791.36
Others	**-**	50.60
Less: Provision for doubtful debts	**(148.34)**	(841.96)
Total	**9,713.19**	13,349.01

(All amounts in ₹ Lakhs, unless otherwise stated)

19 Cash and bank balances

	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents		
Cash on hand	**4.01**	2.45
Bank balances		
In current accounts	**2,749.09**	2,931.95
Fixed deposits (with original maturity of less than 3 months)	**3,969.60**	8,565.96
	6,722.70	11,500.36
Share of joint venture (Refer note 33)	**14.21**	912.08
	6,736.91	12,412.44
Other bank balances		
Fixed deposits (with original maturity more than 3 months but less than 12 months)	**2,095.00**	3,850.00
Unpaid dividend account	**38.62**	41.37
	2,133.62	3,891.37
Total	**8,870.53**	16,303.81

20 Short-term loans and advances

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good, unless otherwise stated:		
Other loans and advances		
Security deposits		
Considered good	**23.92**	62.82
Considered doubtful	**-**	7.42
Less: Provision for doubtful	**-**	(7.42)
Surplus contribution to employee benefit plan - gratuity [Refer note 34(b)(iii)]	**29.23**	122.00
Prepaid expenses	**204.71**	1,283.77
Service tax credit receivable	**1,008.07**	1,456.03
Advances to suppliers		
Considered good	**144.57**	247.44
Considered doubtful	**-**	7.26
Less: Provision for doubtful advances	**-**	(7.26)
Advances to employees	**162.01**	74.98
	1,572.51	3,247.04
Share of joint venture (Refer note 33)	**1.33**	300.17
Total	**1,573.84**	3,547.21

21 Other current assets

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good, unless otherwise stated:		
Interest accrued on fixed deposits	**88.62**	157.33
Interest accrued on income tax refunds	**54.02**	122.71
Margin money deposit	**1.65**	192.13
Accrued revenue	**3,139.27**	6,671.82
Reimbursable expenses receivable		
Considered good	**266.23**	183.81
Considered doubtful	**-**	34.49
Less: Provision for doubtful receivable	**-**	(34.49)
Mark-to-market gains receivable on outstanding derivative contracts (Refer note 37)	**841.39**	1,571.33
Total	**4,391.18**	8,899.13

(All amounts in ₹ Lakhs, unless otherwise stated)

22 Contingent Liabilities

	As at March 31, 2016	As at March 31, 2015
Claims against Group not acknowledged as debts		
(a) Sales tax matter	**238.23**	173.77
(b) Stamp duty matter	**231.20**	-

(i) The Group does not expect any cash outflows or any reimbursements in respect of the above contingent liabilities.

(ii) It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of respective proceedings.

23 Capital and Other Commitments

	As at March 31, 2016	As at March 31, 2015
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account not provided for	**295.24**	84.87

24 Revenue from Operations

	Year ended March 31, 2016	Year ended March 31, 2015
Information technology services	**52,526.65**	100,196.28
Other operating revenue		
Reimbursement of expenses from customers	**143.77**	956.29
Resale of software and hardware	**-**	70.38
Doubtful debts recovered	**22.81**	35.44
Total	**52,693.23**	101,258.39

25 Other income

	Year ended March 31, 2016	Year ended March 31, 2015
Interest income - On fixed deposits	**204.21**	242.39
- On Income tax refunds	**39.64**	311.48
- On others	**11.55**	14.01
Profit on sale of current investments	**428.07**	789.18
Rental income [Refer note 32(i)]	**161.26**	44.32
Profit on sale of tangible assets, net	**13.45**	26.00
Net gain on foreign currency transactions and translation	**126.92**	-
Miscellaneous income	**702.81**	283.96
	1,687.91	1,711.34
Share of joint venture (Refer note 33)	**50.91**	-
Total	**1,738.82**	1,711.34

26 Employee benefits expenses

	Year ended March 31, 2016	Year ended March 31, 2015
Salaries, wages and performance incentives	**25,126.14**	55,962.48
Gratuity [Refer note 34(b)(iv)]	**92.81**	773.07
Contribution to provident and other funds [Refer note 34(a)]	**480.14**	2,157.95
Employee stock compensation expenses [Refer note 35(b)]	**15.38**	131.75
Staff welfare expense	**2,161.59**	2,899.67
	27,876.06	61,924.92
Share of joint venture (Refer note 33)	**236.44**	130.51
Total	**28,112.50**	62,055.43

(All amounts in ₹ Lakhs, unless otherwise stated)

27 Finance costs

	Year ended March 31, 2016	Year ended March 31, 2015
Interest / fees on working capital facility	**-**	99.80
Interest on term loan	**-**	9.52
Interest on finance lease	**15.56**	21.63
Bank charges	**33.79**	14.56
Other finance charges	**0.45**	1.16
	49.80	146.67
Share of joint venture (Refer note 33)	**0.51**	0.43
Total	**50.31**	147.10

28 Depreciation and amortization expenses

	Year ended March 31, 2016	Year ended March 31, 2015
Depreciation on tangible assets	**1,093.32**	2,026.86
Amortization on intangible assets	**767.58**	1,688.93
Depreciation on investment property	**-**	13.92
Less: Reimbursement of common cost received from Majesco Limited and Majesco Software and Solutions India Private Limited	**(262.10)**	-
	1,598.80	3,729.71
Share of joint venture (Refer note 33)	**6.51**	3.72
Total	**1,605.31**	3,733.43

29 Other expenses

	Year ended March 31, 2016	Year ended March 31, 2015
Recruitment and training expenses	**740.57**	513.13
Travelling and conveyance	**2,145.93**	5,317.18
Communication charges	**374.04**	716.33
Electricity	**408.00**	750.56
Consultancy and sub-contracting charges	**11,439.52**	15,419.10
Purchase of hardware and software	**-**	391.58
Rates and taxes	**170.57**	499.83
Repairs to buildings	**379.48**	516.26
Repairs : others	**1,114.39**	1,530.95
Insurance	**147.40**	351.62
Printing and stationery	**61.16**	160.48
Professional fees	**3,172.18**	2,259.78
Rent [Refer note 32(i)]	**379.96**	771.67
Advertisement and publicity	**159.42**	832.61
Net loss on foreign currency transactions and translation	**-**	90.19
(Reversal) / Provision for doubtful debts and loans and advances, net	**(227.57)**	554.32
Bad debt written off	**380.49**	60.01
Hire Charges	**84.29**	249.92
Reversal of provision for customer claims	**-**	(109.89)
Provision for cost overrun on contracts, net	**9.58**	192.36
Expenditure towards corporate social responsibility (CSR) activities	**85.36**	84.94
Reversal of accrued revenue	**86.47**	864.02
Miscellaneous expenses	**770.63**	631.13
	21,881.87	32,648.08
Share of joint venture (Refer note 33)	**878.91**	992.45
Total	**22,760.78**	33,640.53

(All amounts in ₹ Lakhs, unless otherwise stated)

30 Exceptional Items, net

	Year ended March 31, 2016	Year ended March 31, 2015
Restructuring expenses - Salaries, wages and performance incentives	**120.88**	199.59
Demerger expenses		
Professional fees	**65.30**	806.01
Salaries, wages and performance incentives	**-**	112.11
Others	**118.97**	44.89
Impairment of goodwill	**-**	3.52
Profit on sale of investments in subsidiaries (Refer note 43)	**(50.87)**	-
Total	**254.28**	1,166.12

31 Earnings Per Share (EPS)

		Year ended March 31, 2016	Year ended March 31, 2015
	The components of basic and diluted earnings per share for total operations are as follows:		
(a)	Net income attributable to equity shareholders	**1,374.46**	1,773.05
(b)	Weighted average number of outstanding equity shares		
	Considered for basic EPS	**22,831,685**	22,320,332
	Add : Effect of dilutive potential equity shares arising from outstanding stock options	**1,607,892**	1,106,757
	Considered for diluted EPS	**24,439,577**	23,427,089
(c)	Earnings per share (net of taxes) in ₹		
	Basic	**₹ 6.02**	₹ 7.94
	Diluted	**₹ 5.62**	₹ 7.57
	(Face value per share ₹ 5/- each)		

32 Leases

(i) Operating leases

	Lease Payments	As at March 31, 2016	As at March 31, 2015
(a)	Future minimum lease payments under non – cancellable operating leases (in respect of properties):		
	Due within one year	**146.13**	537.38
	Due later than 1 year but not later than 5 years	**60.44**	343.04
	Total minimum lease payments	**206.57**	880.42

		Year ended March 31, 2016	Year ended March 31, 2015
(b)	Operating lease rentals recognised in the statement of profit and loss (Refer note 29)	**379.96**	771.67

(c) Description of significant operating lease arrangements:

The Group has given refundable interest free security deposits under the lease agreements.

All agreements contain provision for renewal at the option of either parties.

	Lease Income	As at March 31, 2016	As at March 31, 2015
(a)	Future minimum lease income under non-cancellable operating leases (in respect of properties):		
	Due within one year	**168.00**	-
	Due later than 1 year but not later than 5 years	**196.00**	-
	Total minimum lease payments	**364.00**	-

		Year ended March 31, 2016	Year ended March 31, 2015
(b)	Operating lease income recognised in the Statement of Profit and Loss (Refer note 25)	**161.26**	44.32

(c) Description of significant operating lease arrangements:

The Company has taken refundable interest free security deposits under the lease agreements.

(All amounts in ₹ Lakhs, unless otherwise stated)

(ii) Finance leases

	As at March 31, 2016	As at March 31, 2015
Total minimum finance lease payments outstanding (in respect of vehicles):		
Due within one year	**35.96**	66.42
Due later than 1 year but not later than 5 years	**19.58**	96.62
Total minimum lease payments	**55.54**	163.04
Less: Interest not due	**(7.52)**	(27.82)
Present value of net minimum leases payments	**48.02**	135.22
Disclosed under:		
Long-term borrowings (Refer note 5)	**17.79**	85.66
Other current liabilities (Refer note 10)	**30.23**	49.56
	48.02	135.22

33 Share in Joint Venture

The Company has the following investment, in a jointly controlled entity.

Name	Country of Incorporation	% of ownership interest as at March 31, 2016	March 31, 2015
Legal Practice Technologies Limited	UK	**40%**	40%

The Group share of each of the assets, liabilities, income, expenses, etc. (each without elimination of the effect of transactions between the Group and the Joint Venture) related to its interest in this joint venture, based on the audited financial statements are :

	As at March 31, 2016	As at March 31, 2015
(a) ASSETS		
Tangible assets	**-**	4.52
Intangible assets	**-**	0.45
Capital work-in-progress *	**-**	1,632.32
Long-term loans and advances	**6.03**	9.54
Cash and bank balances	**14.21**	912.08
Short-term loans and advances	**1.33**	300.17
(b) LIABILITIES		
Shareholders' funds	**(4,442.80)**	(812.47)
Long-term borrowings *	**4,463.56**	2,922.06
Trade payables	**0.78**	319.78
Other current liabilities *	**0.03**	429.72
(c) STATEMENT OF PROFIT AND LOSS		
Other income	**(50.91)**	-
Employee benefits expenses	**236.44**	130.51
Finance costs	**0.51**	0.43
Depreciation and amortisation expenses	**6.51**	3.72
Other expenses *	**3,464.74**	1,124.01

As at March 17, 2016, both the joint venture partners have entered into a deed of termination to terminate the joint venture agreement with effect from the date of this deed. Both the joint venture partners have agreed to strike off the joint venture company name within 6 months of the termination date.

* Including intra group balances / transactions eliminated or partially eliminated on consolidation as applicable.

(All amounts in ₹ Lakhs, unless otherwise stated)

34 Employee benefit plans

		Year ended March 31, 2016	Year ended March 31, 2015
(a)	Defined contribution plans		
	The Group has recognised the following amounts in Statement of Profit and Loss for the year:		
	Contribution to provident fund	**344.85**	906.50
	Contribution to employees' state insurance corporation	**0.45**	5.26
	Contribution to Maharashtra labour welfare fund	**0.50**	1.37
	Superannuation contribution	**9.93**	34.93
	Contribution to plans in foreign jurisdictions	**124.41**	1,209.89
	Total (Refer note 26)	**480.14**	2,157.95

(b) Defined benefit plan (Gratuity)

As per the independent actuarial valuation carried out as at March 31, 2016

		As at March 31, 2016	As at March 31, 2015
(i)	Change in defined benefit obligations (DBO) :		
	Projected benefit obligation - opening	**3,661.62**	2,883.96
	Service cost	**259.49**	383.95
	Interest cost	**174.34**	292.96
	Actuarial (gain) / loss	**(166.62)**	337.41
	Benefits paid	**(200.91)**	(236.66)
	Transferred pursuant to a scheme of arrangement (Refer note 42)	**(1,963.71)**	-
	Projected benefit obligation - closing	**1,764.21**	3,661.62
(ii)	Change in fair value of assets:		
	Fair value of plan assets - opening	**3,783.62**	2,156.78
	Expected return on plan assets	**205.57**	211.10
	Employer’s contribution	**0.04**	1,622.25
	Benefit paid	**(200.91)**	(236.66)
	Actuarial (loss) / gain	**(31.17)**	30.15
	Transferred pursuant to a scheme of arrangement (Refer note 42)	**(1,963.71)**	-
	Fair value of plan assets - closing	**1,793.44**	3,783.62
(iii)	Amount recognized in the Balance Sheet		
	Present value of obligations	**1,764.21**	3,661.62
	Less: Fair value of plan assets	**(1,793.44)**	(3,783.62)
	Net assets recognized	**(29.23)**	(122.00)
	Recognised under:		
	Short-term loans and advances (Refer note 20)	**(29.23)**	(122.00)
	Total	**(29.23)**	(122.00)

		Year ended March 31, 2016	Year ended March 31, 2015
(iv)	Net gratuity cost for the year		
	Service cost	**259.49**	383.95
	Interest cost	**174.34**	292.96
	Expected return on plan assets	**(205.57)**	(211.10)
	Net actuarial loss / (gain) recognised in the current year	**(135.45)**	307.26
	Net gratuity cost (Refer note 26)	**92.81**	773.07
(v)	Asset information		
	Life Insurance Corporation of India	**100%**	100%

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended March 31, 2016	Year ended March 31, 2015
(vi)	Assumptions used in accounting for the gratuity plan:		
	Discount rate (p.a.)	**8.00%**	7.95%
	Return on plan assets (p.a.)	**8.85%**	8.85%
	Salary escalation rate (p.a.)	**10.00%**	10.00%
	Retirement age	**60 years**	60 years

The estimates of salary escalation, considered in actuarial valuation take into account inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

(vii) Expected contribution to the fund in the next year

	Year ended March 31, 2016	Year ended March 31, 2015
Gratuity	**200.00**	600.00

(viii) Amounts recognised in current year and previous four years:

	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	June 30, 2012
Defined benefit obligation	**1,764.21**	3,661.62	2,883.96	2,968.23	2,493.54
Plan assets	**1,793.44**	3,783.62	2,156.78	1,302.88	876.95
Surplus / (Deficit)	**29.23**	122.00	(727.18)	(1,665.35)	(1,616.59)
Experience adjustments					
On plan liabilities	**(157.05)**	(166.77)	(145.51)	(9.25)	(143.20)
On plan assets	**(31.17)**	30.15	66.76	2.74	(18.40)

(c) Leave encashment charged under salaries and wages during the year amounted to ₹ 546.99 (Previous year ₹ 1,269.25)

35. Employee Stock Option Scheme

(a) Nature and extent of employee share-based payment plans that existed during the year:

i. Plan IV

The Shareholders of the Company through Postal Ballot on August 9, 2007 approved the allocation of 1,000,000 stock options to the eligible employees of the Company and its subsidiaries.

The Company subsequently established a new scheme in 2007 for granting 1,000,000 stock options to the employees referred to above, each option representing one equity share of the Company. The exercise price is as governed by the guidelines issued by SEBI. The scheme is governed by the Employee Stock Option Scheme and Employee Stock Purchase Guidelines issued in 1999 by SEBI and as amended from time to time. The first vesting of the stock options shall happen only on completion of one year from the date of grant and the options are exercisable within two years from the date of vesting. During the year ended June 30, 2011, the Company has extended the vesting period from two years to seven years. As per the SEBI guidelines, the excess of market price of the underlying equity shares as of the date of the grant of the options over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period. No options have been granted under the scheme at below market price and consequently, there is no compensation cost in the current year.

(No of Options)

	Year ended March 31, 2016	Year ended March 31, 2015
Opening Balance	**371,025**	411,707
Granted during the year	**-**	-
Exercised during the year	**(19,162)**	(15,118)
Cancelled during the year	**(75,746)**	(25,564)
Balance unexercised options	**276,117**	371,025

ii. Plan V

The Company introduced a new scheme in 2008 for granting 1,500,000 stock options to the employees, each option representing one equity share of the Company. The exercise price as may be determined by the Nomination & Remuneration Committee ("Committee") and such price may be the face value of the share from time to time or may be the Market Price or any price as may be decided by the Committee and will be governed by the guidelines issued by SEBI. The scheme is governed by the Employee Stock Option Scheme and Employee Stock Purchase Guidelines issued in 1999 by SEBI and as amended from time to time. The first vesting of the stock options shall happen only on completion of one year from the date of grant and the options are exercisable within seven years from the date of vesting. As per the SEBI guidelines, the excess of market price of the underlying equity shares as of the date of the grant of the options over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

(All amounts in ₹ Lakhs, unless otherwise stated)

(No of Options)

	Year ended March 31, 2016	Year ended March 31, 2015
Opening Balance	**308,939**	673,514
Granted during the year	**-**	-
Exercised during the year	**(116,864)**	(91,575)
Cancelled during the year	**(48,250)**	(273,000)
Balance unexercised options	**143,825**	308,939

iii. Plan VI

The Company introduced a new scheme in 2010 for granting 2,000,000 stock options to the employees, each option representing one equity share of the Company. The exercise price as may be determined by the Committee and such price may be the face value of the share from time to time or may be the Market Price or any price as may be decided by the Committee and will be governed by the guidelines issued by SEBI. The scheme is governed by the Employee Stock Option Scheme and Employee Stock Purchase Guidelines issued in 1999 by SEBI and as amended from time to time. The first vesting of the stock options shall happen only on completion of one year from the date of grant and the options are exercisable within seven years from the date of vesting. As per the SEBI guidelines, the excess of market price of the underlying equity shares as of the date of the grant of the options over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

(No of Options)

	Year ended March 31, 2016	Year ended March 31, 2015
Opening Balance	**1,315,439**	1,892,300
Granted during the year	**353,275**	326,957
Exercised during the year	**(252,576)**	(279,299)
Cancelled during the year	**(73,826)**	(624,519)
Balance unexercised options	**1,342,312**	1,315,439

iv. Plan VII

The Company introduced a new scheme in 2013 for granting 2,500,000 stock options to its employees, employees of its subsidiaries and its Independent Directors, each option giving a right to apply for one equity share of the Company on its vesting. The exercise price as may be determined by the Committee and such price may be the face value of the share from time to time or may be the Market Price or any price as may be decided by the Committee and will be governed by the guidelines issued by SEBI. The scheme is governed by the Employee Stock Option Scheme and Employee Stock Purchase Guidelines issued in 1999 by SEBI and as amended from time to time. The first vesting of the stock options shall happen only on completion of one year from the date of grant and the options are exercisable within seven years from the date of vesting. As per the SEBI guidelines, the excess of market price of the underlying equity shares as of the date of the grant of the options over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

(No of Options)

	Year ended March 31, 2016	Year ended March 31, 2015
Opening Balance	**897,373**	-
Granted during the year	**223,850**	1,069,373
Exercised during the year	**(62,000)**	-
Cancelled during the year	**(81,850)**	(172,000)
Balance unexercised options	**977,373**	897,373

(b) The Company has adopted the intrinsic value method as permitted by the SEBI Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of stock options granted.

The Company's net profit and earnings per share would have been as under, had the compensation cost for employees stock options been recognised based on the fair value at the date of grant in accordance with Black Scholes model.

	Year ended March 31, 2016	Year ended March 31, 2015
Profit after taxation	**1,374.46**	1,773.05
Less : Employee stock compensation expenses based on fair value	**(398.70)**	(90.18)
Add: Employee stock compensation expenses based on intrinsic value (Refer note 26)	**15.38**	131.75
Profit after taxation as per Fair value method	**991.14**	1,814.62

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
Basic Earning per share (EPS)		
Number of shares	**22,831,685**	22,320,332
Basic EPS as reported (₹)	**₹ 6.02**	₹ 7.94
Proforma Basic EPS (₹)	**₹ 5.69**	₹ 8.13
Diluted Earning per share (EPS)		
Number of shares	**24,439,577**	23,427,089
Diluted EPS as reported (₹)	**₹ 5.62**	₹ 7.57
Proforma Diluted EPS (₹)	**₹ 5.32**	₹ 7.75

(c) Stock options exercised during the year :

	Year ended March 31, 2016	Year ended March 31, 2015
No. of options exercised during the year	**450,602**	385,992
Weighted average share price at the date of exercise (₹)	**123.94**	144.77

(d) For stock options outstanding at the end of the year, the range of exercise prices and weighted average remaining contractual life (Vesting period + exercise period)

	Options Outstanding	Weighted Average Exercise Price (₹)	Weighted Average remaining Contractual Life (years)
As at March 31, 2016			
Range of Exercise Price (₹)			
0 - 150	**2,189,302**	**60.21**	**6.21**
151- 250	**550,325**	**182.52**	**8.79**
Total	**2,739,627**	**84.78**	**6.73**
As at March 31, 2015			
Range of Exercise Price (₹)			
0 - 150	1,416,401	111.51	7.19
151- 250	998,600	186.23	8.09
250 - 350	457,775	295.24	3.01
Above 350	20,000	376.00	4.41
Total	2,892,776	168.21	6.82

(e) Information on stock options granted during the year :

	Year ended March 31, 2016	Year ended March 31, 2015
No. of options granted during the year	**577,125**	1,396,330
Option Pricing model used	**Market price as defined by SEBI / Discounted price as per the scheme**	
Weighted average share price (₹)	**181.82**	182.74
Exercise Price (₹)	**182.65**	145.31
Expected volatility (%)	**48.57%**	47.80%
Option life (Vesting period + Exercise period) (Years)	**5.95**	6.00
Dividend yield (%)	**1.38%**	2.48%
Risk free interest rate (%)	**7.77%**	8.74%

The risk free interest rates are determined based on the zero-coupon yield curve for government securities. The volatility is determined based on annualized standard deviation of stock price on NSE over the time to maturity of the option. The expected dividend yield is based on the average dividend yields for preceding seven years.

(f) Effect of share-based payment plan on the Balance Sheet and Statement of Profit and Loss :

	Year ended March 31, 2016	Year ended March 31, 2015
Expense arising from employee share-based payment plan	**15.38**	131.75
Employee stock options outstanding account (Refer note 4)	**74.66**	131.75

36 Income Taxes

(a) In accordance with the Indian Income Tax Act, the Company has calculated its tax liability after considering Minimum Alternate Tax (MAT). Payments under MAT can be carried forward and set off against future tax liability for a period of ten years. Accordingly, a sum of ₹ 2,436.59 (Previous year ₹ 2,694.26) has been carried forward and shown under 'Long-term loans and advances' (Refer note 15).

(b) In addition to Indian operations, the Group has accounted for the tax liabilities of its foreign subsidiaries and the UK branch in accordance with their respective tax legislations.

(c) The Company had received tax demands aggregating to ₹ 2,835.05 (including interest of ₹ 853.09) primarily on account of transfer pricing issues for the assessment years 2006-07 to 2011-12. For the assessment year 2006 -07 and assessment year 2007-08, the second appellate authority (the Income Tax Appellate Tribunal) has allowed these issues in favour of the company and the income tax authorities have filed an appeal with the Honourable High Court. For the assessment years 2008-09 to 2010-11, the first appellate authority (the Commissioner of Income tax (Appeals)) has allowed most of these issues in favour of the company and the income tax authorities have filed an appeal with the second appellate authority (the Income Tax Appellate Tribunal). For the assessment years 2011-12 the matter is pending before the first appellate authority (the Commissioner of Income tax (Appeals)).

Considering the facts, materiality and favourable order of the second appellate authority for assessment years 2006-07 and 2007-08 and the first appellate authority for 2008-09 to 2010-11, the management believes that the final outcome of majority of the above disputes for the remaining years should be in favour of the Company and there should not be any material impact on the financial statements.

37 Derivative Financial Instruments

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to hedge against foreign currency exposures relating to highly probable forecast transactions. The Company does not enter into any derivative instruments for trading or speculative purposes. The counter party is generally a bank. These contracts are for a period between one day and two years. The Group has no unhedged exposure in respect of receivables or payables denominated in foriegn currency.

The following '' sell '' foreign exchange forward contracts are outstanding as at:

		March 31, 2016			March 31, 2015		
	FC	**No. of Contracts**	**Amount of Forward contracts (FC in Lakhs)**	**Amount of Forward contracts (₹ in Lakhs)**	No. of Contracts	Amount of Forward contracts (FC in Lakhs)	Amount of Forward contracts (₹ in Lakhs)
a	USD	**-**	**-**	**-**	50	229.80	15,460.96
b	GBP	**53**	**138.55**	**15,060.84**	52	158.40	17,066.17

	As at March 31, 2016	As at March 31, 2015
Mark-to-Market (gains) / losses		
Mark-to-Market losses provided for	-	-
Mark-to-Market gains reported in Hedging Reserve Account (Refer note 4)	**(1,098.31)**	(1,880.91)
Mark-to-Market gains, net	**(1,098.31)**	(1,880.91)
Classified as Other non-current assets (Refer note 16)	**(256.92)**	(309.58)
Classified as Other current assets (Refer note 21)	**(841.39)**	(1,571.33)

38 Related Party Disclosures

Joint Venture		Legal Practice Technologies Limited (from May 14, 2014 to March 17, 2016)
Key Management Personnel (KMP):		
	Sudhakar Ram	Salvatore Abano (up to June 21, 2014)
	Jamshed Jussawalla (from June 1, 2015)	Vinay Rajadhyaksha (up to August 13, 2014)
	Hiren Shah (from April 1, 2015)	Stefan Van Overtveldt (up to April 30, 2014)
	Anant Thakrar (from April 1, 2015)	Kalpana Jaishankar (up to March 31, 2015)
	Prahlad Koti (from April 1, 2015)	
	Benjamin Davison (from April 1, 2015)	
	Joe Venkataraman (from April 1, 2015)	
Enterprise where KMP has control:		Cashless Technologies India Private Limited (w.e.f. February 2, 2016)

Radhakrishnan Sundar, Ketan Mehta, Anil Chitale and Farid Kazani who were KMP until last year have moved to Majesco Limited post the demerger described in note 42 and therefore are no longer KMP in the group in the current year.

(All amounts in ₹ Lakhs, unless otherwise stated)

Disclosure of transactions with related parties during the year:

		Year ended March 31, 2016	Year ended March 31, 2015
i.	Transactions with key management personnel:		
a)	Total remuneration paid/payable :		
	Sudhakar Ram	**125.46**	119.40
	Jamshed Jussawalla	**45.97**	-
	Hiren Shah	**42.81**	-
	Anant Thakrar	**177.35**	-
	Prahlad Koti	**168.18**	-
	Benjamin Davison	**170.80**	-
	Joe Venkataraman	**219.67**	-
	Ketan Mehta	**-**	358.40
	Salvatore Abano	**-**	71.63
	Radhakrishnan Sundar	**-**	27.28
	Anil Chitale	**-**	242.07
	Vinay Rajadhyaksha	**-**	212.59
	Stefan Van Overtveldt	**-**	227.05
	Farid Kazani	**-**	178.89
	Kalpana Jaishankar	**-**	112.91
b)	Consideration received on exercise of options		
	Hiren Shah	**3.62**	-
	Anil Chitale	**-**	46.80
	Vinay Rajadhyaksha	**-**	108.00
	Farid Kazani	**-**	68.40
	Kalpana Jaishankar	**-**	46.15
ii.	Transactions with joint venture to the extent not consolidated		
	Information technology services income	**2,034.31**	2,096.76
	Miscellaneous income	**14.76**	24.11
iii.	Enterprise where KMP has control - Rental Income Cashless Technologies India Private Limited	**0.24**	-

39 Segment reporting

Group follows AS 17, 'Segment Reporting' issued by the Institute of Chartered Accountants of India, which requires disclosures of financial and descriptive information about Mastek's reportable segments, both primary and secondary. The Group has identified geographic segments as primary segments and industry verticals as secondary segments.

Group's operations predominantly relate to providing IT services, delivered to customers globally. The organisational and reporting structure of the Group is based on Strategic Business Units (SBU) concept. The SBU's are primarily geographical segments. SBU's are the operating segments for which separate financial information is available and for which operating results are evaluated regularly by management in deciding how to allocate resources and in assessing performance. These SBU's provide end-to-end information technology solutions on time and material contracts or fixed bid contracts, entered into with customers.

The Group's primary reportable segments consist of the following SBU's, which are based on the risks and returns in different geographies and the location of the customers: North America Operations, UK Operations, and Others. 'Others' include operations of the Group in other parts of the world including India.

a. Primary geographical segmental reporting on the basis of location of customers :

	Year ended March 31, 2016	Year ended March 31, 2015
Segment Revenue		
UK	**50,370.35**	52,788.62
North America	**-**	40,494.73
Others	**2,322.88**	7,975.04
Total	**52,693.23**	101,258.39

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
Segment Result		
UK	**3,982.86**	8,615.99
North America	**-**	(820.22)
Others	**(239.55)**	212.79
Total	**3,743.31**	8,008.56
Common unallocable charges, net	**(3,528.67)**	(6,179.56)
Finance costs	**(50.31)**	(147.10)
Other income	**1,738.82**	1,711.34
Profit before exceptional item and tax	**1,903.15**	3,393.24
Exceptional items	**254.28**	1,166.12
Profit before tax	**1,648.87**	2,227.12

Revenues and expenses directly attributable to segments are reported under each reportable segment. All other costs i.e. corporate costs and support function costs, which are not directly attributable or allocable to segments have been disclosed as common unallocable charges, net. Similarly revenues and income not allocable to segments are disclosed separately.

A major portion of the Group's fixed assets are primarily located at its off shore centres in India and are commonly used by various SBU's. These fixed assets are therefore not directly identifiable to any particular reportable segment and have been allocated to SBU's on the basis of man-months used by these SBU's. Consequently, capital expenditure incurred and depreciation and amortization are similarly allocated to SBU's.

Other Primary Segmental information :

	Segmental Assets		**Segmental Liabilities**	
	As at March 31, 2016	As at March 31, 2015	**As at March 31, 2016**	As at March 31, 2015
UK	**26,011.20**	24,343.85	**8,710.18**	8,171.76
North America	**-**	32,314.74	**-**	11,450.21
Others	**4,785.96**	**11,914.22**	**1,656.01**	2,243.92
Segmental Assets/Liabilities	**30,797.16**	68,572.81	**10,366.19**	21,865.89
Unallocated Corporate Assets/Liabilities, including tax assets / provision for tax	**11,996.74**	14,595.98	**494.77**	1,717.38
Total Assets/Liabilities	**42,793.90**	**83,168.79**	**10,860.96**	23,583.27

	Year ended March 31, 2016	Year ended March 31, 2015
Capital expenditure incurred		
UK	**2,531.74**	496.41
North America	**-**	3,661.87
Others	**53.98**	112.83
Unallocated	**770.16**	545.36
Total	**3,355.88**	4,816.47
Depreciation and amortization		
UK	**769.31**	607.03
North America	**-**	1,373.25
Others	**72.10**	119.12
Unallocated	**763.90**	1,634.03
Total	**1,605.31**	3,733.43
Non-cash expenses other than depreciation and amortization		
UK	**(21.14)**	(99.96)
North America	**-**	584.88
Others	**183.64**	211.88
Total	**162.50**	696.80

(All amounts in ₹ Lakhs, unless otherwise stated)

b. Information about secondary segments by industry verticals

	Year ended March 31, 2016	Year ended March 31, 2015
Revenue from external customers		
Insurance	**-**	45,716.43
Government	**29,150.56**	29,902.26
Financial Services	**9,977.47**	11,296.49
Retail Services	**7,115.00**	-
Others	**6,450.20**	14,343.21
	52,693.23	101,258.39

The information pertaining to carrying amount of segment assets by industry verticals is neither available nor evaluated by management as it is not considered relevant for assessing performance or for allocating resources.

40 Acquisition of shares of IndigoBlue Consulting Limited , UK

During the year, Mastek (UK) Limited, a wholly owned subsidiary has signed a Share sale and purchase agreement dated April 30, 2015 (the closure date) with shareholders of IndigoBlue Consulting Limited to acquire 100% stake in IndigoBlue Consulting Limited with effect from May 1, 2015.

The maximum purchase consideration payable for the acquisition including contingent consideration, is GBP 4.03 million (₹ 3,844.10); which is payable as follows:

(i) GBP 2.00 million has been paid on closure date;

(ii) GBP 0.25 million has been paid 90 days from closure date;

(iii) working capital deficit adjustment of GBP (0.02) million;

(iv) maximum contingent consideration of GBP 1.80 million payable over a 3 year period, on an annual basis, based on IndigoBlue meeting certain revenue and profit target norms.

The difference between consideration paid till date amounting to GBP 2.23 million as described in (i) to (iii) above, and the value of net assets taken over of GBP 0.25 million is accounted as Goodwill amounting to GBP 1.98 million (₹ 1,951.82) [Refer note 12(ii)]. The contingent consideration payable if any, as described in (iv) above, in future years would be added to goodwill as and when due. This Goodwill will be tested for impairment at each future reporting date.

41 Incorporation of Digility Inc., USA

During the year, Mastek (UK) Limited, ("MUK") a wholly owned subsidiary, has incorporated a wholly owned subsidiary in USA namely Digility Inc., USA on November 17, 2015. No operation has been undertaken by this subsidiary during the period.

42 Pursuant to a Scheme of Arrangement (the "Scheme") under Sections 391 to 394 read with Sections 100 to 103 and other applicable provisions of the Companies Act, 1956 and other applicable provisions of the Companies Act, 2013, the Board of Directors of Mastek Limited (the "Company" or "Mastek"), in its meeting held on September 15, 2014, had approved the demerger of the Insurance Products and Services business of the Company, into Majesco Limited (Formerly known as Minefields Computers Limited) ("Majesco India"), followed by transfer by Majesco India of the offshore insurance operations business in India to Majesco Software and Solutions India Private Limited ("MSSIPL"), a wholly owned subsidiary of Majesco Software and Solutions Inc., USA ("MSSUS"). The Appointed date of the Scheme was April 1, 2014 and the appointed date for the offshore insurance operations business transfer was November 1, 2014. The Company obtained the necessary approval for the scheme under Clause 24 (f) of the Listing Agreements with BSE and NSE from SEBI on December 9, 2014. The Scheme has also been approved by the Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat and on filling with the Registrar of Companies (ROC) the said scheme became effective from June 1, 2015. As specified in the Scheme, Mastek shareholders have been issued one equity share in Majesco India for every share held in Mastek, while retaining their existing Mastek share. Majesco India shares were listed on August 19, 2015 on the BSE and NSE, being exchanges where Mastek is currently listed.

As the Company's Board had approved the demerger scheme of the Insurance Products and Services business (the "Transferred Undertaking") of the Company and an announcement thereof had been made, the Company in the previous year had treated the Transferred Undertaking as a discontinuing operation with effect from the proposed appointed date of the scheme i.e. April 1, 2014.

The demerger has resulted in transfer of the assets, liabilities, Foreign currency translation reserve, Employee stock options outstanding account and Hedging reserve account including its global operations relevant to the Transferred Undertaking to Majesco India, the ultimate holding company of the Transferred Undertaking and has accordingly been given effect to in these Consolidated Financials Statements. As prescribed in the Scheme, the book value of the above net assets aggregating to ₹ 21,355.79 have been debited to: General Reserve ₹ 2,415.67 and to Surplus in Profit and Loss Account ₹ 18,940.12 (Refer note 4).

The details of carrying amounts of the consolidated assets and liabilities attributable to the Transferred Undertaking are as below:

	As at March 31, 2016	As at March 31, 2015
Total assets	**-**	47,612.81
Total liabilities	**-**	12,815.11
Net assets	**-**	34,797.70

The consolidated revenue, expenses, pre-tax profit and the tax expense in respect of ordinary activities attributable to the Transferred Undertaking are as below:

	Year ended March 31, 2016	Year ended March 31, 2015
Total revenue	-	50,865.70
Total expenses	-	52,244.52
(Loss) before tax	-	(1,378.82)
Tax expense	-	495.79
(Loss) after tax from discontinuing operations	-	(1,874.61)

The net consolidated cash flows attributable to the Transferred Undertaking are as below:

	Year ended March 31, 2016	Year ended March 31, 2015
Operating activities	-	1,971.38
Investing activities	-	1,660.00
Financing activities	-	2,670.16
Effect of changes in exchange rates for cash and cash equivalents	-	(471.96)
Net cash inflows / (outflows)	-	5,829.58

43 Sale of Investment in Mastek Asia Pacific Pte. Limited, Singapore ("MAP")

During the year, the Company sold its entire holding of 2,850,000 equity shares of MAP (a wholly owned subsidiary) to Majesco Sdn Bhd, Malaysia for a total consideration of ₹ 180.49. This sale resulted in a gain of ₹ 50.87, representing the difference between sale consideration and net worth of MAP, which has been included under the heading "exceptional items" in the Statement of Profit and Loss (Refer note 30).

44 Disclosure mandated by Schedule III by way of additional information

Name of Entity	Net assets* i.e. total assets minus total liabilities		Share in profit	
	As a % of consolidated net assets	₹ in Lakhs	As a % of consolidated profit	₹ in Lakhs
Parent				
Mastek Limited	48.13%	15,364.49	97.24%	1,336.57
Subsidiaries				
Foreign				
Mastek (UK) Limited	51.58%	16,466.49	72.23%	992.82
Mastek Asia Pacific Pte Limited	0.00%	0.00	3.37%	46.29
IndigoBlue Consulting Limited	8.61%	2,759.34	5.11%	70.24
Joint Venture				
Foreign				
Legal Practice Technologies Limited	-8.32%	(2,657.38)	-77.95%	(1,071.46)

* after consolidation adjustments

45 Previous year's figures have been regrouped or reclassified wherever necessary.

In terms of our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number : 39985

Mumbai, April 19, 2016

For and on behalf of the Board

Sudhakar Ram
Managing Director and Group CEO

S. Sandilya
Non-Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Mumbai, April 19, 2016

(₹ in lakhs)

Particulars	2011-12	2012-13 (Nine months)	2013-14	2014-15	2015-16
Total Revenue	74,534	69,247	93,428	101,258	**52,693**
Operating Profit (EBIDT)	3,536	6,624	10,130	7,274	**3,559**
Net Profit	50	3,432	5,180	1,773	**1,374**
EPS (₹/share)	0.19	13.06	21.08	7.94	**6.02**
DPS (₹/share)	-	3.00	4.50	2.50	**2.50**
Annualised growth in Revenue	21%	25%	1%	8%	**4.6%**
Net Profit Margin	0%	5%	6%	2%	**3%**
Effective Depreciation rate	4%	3%	4%	4%	**3%**
Interest Cover (Times)	5.06	111.48	100.65	16.14	**33.57**
Return on Networth	0%	6.4%	9%	3%	**3%**
Debt/Equity	0.01	0.00	0.00	0.05	**0.01**
(Debt includes Preference Shares)					
Current Ratio	2.4	2.4	2.4	2.5	**2.7**
Debtors Turnover (No. of days)	88	81	46	48	**67**
Depreciation/Average Gross Block	6%	4%	7%	7%	**4%**
Dividend Payout	-	0.23	21%	31%	**42%**
Dividend Yield	-	0.03	2.2%	0.6%	**1.9%**
Operating Cashflows	(1,215)	8,031	8,912	5,854	**3,150**
Capital Expenditure in Fixed Assets	1,574	1,668	2,953	4,816	**3,356**
Current Investments and Cash and bank balances	13,785	15,904	17,113	21,425	**11,985**
Current Investments and Cash and bank balances as % of total assets	18%	21%	23%	26%	**0.28**
Book Value of Shares (₹/share)	198.17	216.30	252.70	265.60	**138.85**
Market Value to Book Value	0.6	0.5	0.8	1.6	**1.0**
Price Earning Multiple	-	9	10	54	**23**
Group Employees as at the year end	3083	3214	3123	3352	**1298**
Offshore (Numbers)	2183	2377	2315	2535	**910**
Onsite (Numbers)	900	837	808	817	**388**
Off-shore Facility (Sq.feet)	343,554	343,554	343,554	343,554	**174,517**
Dividend - Equity (Including tax)	0	865	1023	534	**648**

Clarification Note: With respect to the financial results for the year ended March 31, 2016 for Mastek Limited, please note that the current year figures are not comparable with the previous year, consequent to demerger of Insurance Products and Services business of Mastek Limited into "Majesco Limited" effective April 01, 2014.

(forms part of the Directors' Report of the Company's Annual Report FY 2015-16: figures mentioned are on a consolidated basis unless otherwise mentioned)

- **Overview of the Industry and Business Environment**
- **Mastek - Business Update**
- **Review of financial and operating performance**
- **Business outlook**
- **Internal control systems and risk management**

Cautionary statement:

This Management Discussion and Analysis of the Company's performance and outlook may contain forward-looking statements that set out anticipated performance based on the management's plans and assumptions. Its aim is to facilitate a better understanding of the Company's prospects and make informed decisions. We cannot guarantee that any forward-looking statement will be realized, though we have been prudent in our plans and assumptions. The forward-looking statements are subject to risk, uncertainties and assumptions that could cause actual results to differ materially from those reflected in the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management analysis only as of the date hereof. We do not undertake any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. For any further clarification please contact Mastek Investor Relations (investor.relations@mastek.com)

Overview of Industry and Business Environment

Global Economy & IT

CY2015 was further proof that volatility and turmoil is all pervasive, and perhaps the new normal. The global economy-both developed and emerging countries, experienced multiple headwinds. Economic growth stagnated, global terrorism spiked, inflationary pressures continued to build up, turbulence in currency and equity markets prevailed, weak aggregate demand, commodity prices declined, and unemployment continued to haunt.

Global economy grew at 3.1% in CY2015, is projected to grow at 3.4% in CY2016 and 3.6% in CY2017. The pickup in global activity is projected to be more gradual than in October 2015 according to World Economic Outlook (WEO), especially in emerging market and developing economies. In advanced economies, a modest and uneven recovery is expected to continue, with a gradual further narrowing of output gaps. The picture for emerging market and developing economies is diverse but in many cases challenging. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies is expected to continue to weigh on growth prospects in 2016–17. (IMF)

U.S. economic growth is expected to be at 2% in CY2016, down from 2.4% in CY2015. Economic growth in the U.S. slowed because the strong dollar hurt exports and was compounded by the low oil prices. These headwinds are expected to ease this year, but with export markets on course for sluggish growth, business investment remaining mediocre and few signs of upward pressure on real wages, there is little sign that other sources of demand will reinforce U.S. economic growth. The UK economy is forecast to grow 2.1% in CY2016, down from a forecast of 2.4% in November 2015, while growth is expected to slow to 2% in CY2017. Only India was singled out as “bright light” and expected to grow at 7.5%, both in CY2016 and CY2017. The Eurozone growth is expected to expand at 1.4% in CY2016 and 1.7% in CY2017.

Despite the Fed’s move in December 2015 to nudge up its benchmark interest rate from an unprecedented near zero level, monetary policy in the U.S. and worldwide remained stimulative. Overall, advanced economies are expected to make modest recovery, while many emerging market and developing economies are under strain from the rebalancing of the Chinese economy, lower commodity prices and capital outflows. Higher investment, loose monetary policy and structural reforms would all be needed to boost the recovery and ward off the financial stability risks “plaguing” the economy. (Source: OECD)

According to the latest forecast by Gartner, Worldwide IT spending is forecast to total $ 3.54 trillion in 2016, just a 0.6% increase over 2015 spending of $ 3.52 trillion; largest U.S. dollar drop in IT spending since Gartner began tracking IT spending. $ 216 billion less was spent on IT in 2015 than in 2014 and 2014 spending levels won’t be surpassed until 2019. By 2019, spending is forecast to exceed $ 3.8 trillion. IT spending in the retail sector is forecast to decline 1.5% in 2015.

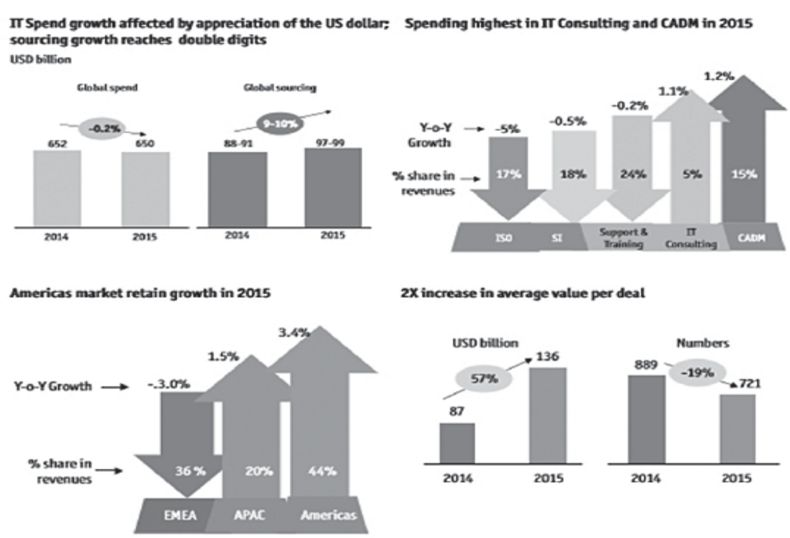
In 2015, the Global IT-BPM spend impacted by the volatility in exchange currencies resulting in a flat growth of 0.4% (USD 1.2 trillion). The IT services saw a slight decline in growth (0.2%); shift to cloud-based applications has led to a decline in traditional IS outsourcing and NDOS businesses, thereby impacting overall IT services growth. India’s IT-BPM industry is projected to grow 8.5% in FY2016 – from USD 132 billion in FY2015 to USD 143 billion (excluding e-commerce), an addition of USD 11 billion. The aggregate growth rate has been affected due to the dollar’s strengthening against the rupee bringing down domestic market growth to about 3.2%. The US and UK continued to remain leading customer markets with a combined share of nearly 80%. However, there is growing demand from APAC, LATAM and MEA.

BFSI, Hi-Tech/Telecom and Manufacturing continued to gain momentum driven by the Make in India and Industry 4.0 initiatives; emerging verticals like Healthcare and Retail share increased as SMAC adoption across industries became all pervasive. ISO and System integration growth dropped while CADM and IT consulting grew marginally driven by adoption of SMAC technologies. Commoditization, increasing demand for cloud platform services and drop in hardware maintenance services also affected the segment.

IT Services Industry

According to NASSCOM Strategic Review report, Global IT services spend dropped to -0.2% in CY2015, to reach USD 650 billion in dollar terms. The decline has come from a wide variety of factors, namely large declines in the price of oil, currency fluctuations, volatility in equity and investment markets. The global IT sourcing market grew at 9-10% in 2015 compared to 2014, with India accounting for 67% of the overall sourcing market.

The BI and analytics market segment continued to expand and is expected to sustain its 2014 CAGR of 5.8% through 2019 — as reflected in Gartner’s latest report. However, this lower rate of growth reflects a market in transition, with changing buying patterns and requirements. Purchasing decisions continue to move from IT leaders to line-of-business executives and users who want more agility and more flexible personalized options — making the land-and-expand model the new norm. The primary drivers



Source: Gartner, IDC, KPMG, NASSCOM

of new growth in this rapidly evolving market are being influenced by the following dynamics:

- New vendors continue to emerge, offering innovative products to the market for buyers to consider.
- Increased need for governance to serve as the catalyst for renewed IT engagement as business-user-led deployments expand.
- Market awareness and adoption of smart data discovery will extend data discovery to a wider range of users, increasing the reach and impact of analytics.
- Need for organizations to integrate and derive insight from a growing number of multistructured data sources will drive innovation in smart self-service data preparation and smart data discovery.
- Search-based data discovery enabled by natural-language query will extend the reach of analytics to more users.
- Marketplaces will expand and mature, creating new opportunities for organizations to buy and sell analytic capabilities.
- Organizations will need to support real-time events and streaming data capture in support of IoT use cases.

Indian Market

The Indian IT industry is a global powerhouse today and its impact on India has been incomparable. In the last decade, the industry has grown six-fold in revenue terms and relative share to India's GDP has increased to 9.3%. In 2015, Indian IT industry accounted for over 45% of the country's total services exports. Rapid consumerisation of India's economy, coupled with a pervasive Government digital agenda, rapid advancement in technology infrastructure and increasingly competitive Indian organizations are key drivers for increased technology adoption in India. The government's expected investments in digitization, infrastructure improvement, implementing technology in healthcare, manufacturing and agriculture sectors is expected to provide an opportunity of around USD 5.9 billion to the IT services sector. The e-governance agenda of reforming government through technology by enabling customer services, providing electronic delivery of services through e-education, e-healthcare, etc. is expected to be a major demand driver. Digital technologies forecast to propel the addressable market for global technology services to USD 4 trillion by 2025.

The Indian IT-BPM sector is projected to grow 8.5% in FY2016 – from USD 132 billion in FY2015 to USD 143 billion (excluding e-Commerce), an addition of USD 11 billion. The aggregate growth rate has been affected due to the dollars strengthening against the rupee bringing down domestic market growth to 3.2%.

The Indian IT services sector has grown over 2X in the last five years and is expected to touch revenues worth USD 75 billion in FY2016, with a growth rate of 9% over FY2015. Of the total Indian IT services market in FY2016, contribution of the exports revenue is 81%, while the remaining 19% is attributed to domestic clients. The exports market grew at a faster pace compared to domestic market. The domestic market witnessed a growth of 3.9% to reach USD 14 billion in FY2016 while the exports market grew at 10.3% during the same period to reach USD 61 billion. ER&D and product development continued to be the fastest growing segment at 12.6% driven by trends around IoT/connected devices and customers' demands for disruptive innovation.

With increase in technology spending, Industry expects the double digit growth story to continue in FY2017. The IT-BPM industry export revenue is expected to grow by 10-12% in FY2017 reaching revenues of USD 119-121 billion. The domestic revenue is expected to grow by 11-13% and achieve revenue of INR 1,560-1,590 billion in FY2017. With this, the industry is marching steadily on the path to reach USD 350 billion by 2025, with digital revenues spearheading the growth. (Source: NASSCOM)

The US and UK are the leading customer markets with a combined share of nearly 80%. However, there is growing demand from APAC, LATAM and MEA.

Mastek in UK

The British Chambers of Commerce (BCC) has upgraded its UK GDP growth forecast for the next three years, from 2.3% to 2.6% in CY2015, from 2.6% to 2.7% in CY2016 and from 2.6% to 2.7% in CY2017. The principal driver for the leading business group's forecast upgrade is stronger than previously expected growth in both the UK's service sector and consumer spending. The service sector is forecast to report growth of 2.8% in CY2015, 2.9% in CY2016 and 2.9% in CY2017. In contrast, the manufacturing sector is expected to grow 0.8% in CY2015, 1.9% in CY2016, and 2.1% in CY2017.

According to Deloitte research report, the UK Software Development industry is in the growth stage of its life cycle. Industry value added (IVA), the contribution of the industry to the overall economy, is expected to grow at a CAGR of 8.4% over the 10 years through 2020-21. Compared with expected CAGR of 2.1% in UK GDP over the same period, the IVA growth indicates that the industry is growing as a share of the economy. The growth stage of the industry is characterized by innovation in products and services, significant technological change and the continuous entrance of new players in the market.

The UK economy appears to be on the cusp of a period of sustained good health. Average forecasts suggest GDP will grow at a rate of about 2.5% in 2016.

Mastek is positioned largely in the UK, as 96% of its business comes from this region. At the beginning of the year, the company acquired the IndigoBlue, a leading UK consultancy specializing in Agile programme and project management, has been successfully integrated with Mastek operations. The acquisition has opened up an opportunity to cross sell/up and go to market together for winning new deals. The acquisition has materialized in line with the company's expectation in terms of addition of new capabilities and new clients. During the year, IndigoBlue has witnessed strong deal momentum and added new clients. This has given a base for building up growth and profitability in the year ahead.

On a like for like basis, the financial results have been overall disappointing both from a revenue and a margin perspective. The main impact on margin has been due to overruns on a specific program due to the significant requirement of onsite security cleared resources.

Nevertheless, the underlying business is strong. Several key accounts performed very well in the health, government and Financial Services sectors – with revenue and/or margin growth. We also opened 10 new customers in the UK. We also registered our first UK banking customer, a challenger bank.

A decision was made jointly by Mastek and The Law Society to wind up the joint venture, Legal Practice Technologies (LPT). This was based on a review undertaken by the Board which demonstrated that the shape of the conveyancing market had radically changed since LPT was founded and also new providers were introducing free products to the market. All substantial matters have been concluded with some residual work requiring legal completion.

We continue to be registered with the G Cloud and the GDS frameworks, which has helped create a good pipeline of opportunities in the government sector. The direct customers in the government sector see value in their association with Mastek and we expect these accounts to be the foundation of our next year's business growth. Our Retail sector has been successful in opening up new accounts and the key challenge and opportunity for us is to develop this business further. Our Financial services division has been strengthened and we expect a strong showing in the coming fiscal year.

Mastek in North America

As you know, all our US business was demerged to Majesco, as part of the demerger exercise. Considering the tremendous growth opportunities, the US market presents to IT companies with Solutioning capabilities, Mastek has decided to enter the US market with its unique Solutions offerings. Towards this end, Mastek UK has incorporated a wholly-owned subsidiary in the US, called Digility Inc in November 2015. Digility is expected to be operational during the Financial year 2016-17.

Mastek in India and Asia Pacific

During the year, Mastek sold its 100% stake in Mastek Asia Pacific Pte.Ltd, Singapore to Majesco Sdn. Bhd.

India continued to do well though it is a small part of the Company's operation. There has been a good momentum in the e-governance space that we operate in India both in terms of revenues, and in terms of the gross margins from these lines of business.

Review of Financial and Operating Performance

Financial performance review

For the year ended March 31, 2016, our business performance in terms of revenue witnessed muted growth. Continuing on the trend of investing. Mastek UK Ltd acquired IndigoBlue Consulting Ltd, an award-winning Agile consultancy, on May 01, 2015. The acquisition is now well integrated into the Mastek operations. IndigoBlue will continue to operate as a standalone business unit.

Financials

On a consolidated basis, the Group registered total operating revenue of ₹ 52,693 lakhs in FY2016 as compared to ₹ 101,258 lakhs in FY2015 which was for combined operations before demerger. The Group registered a net profit of ₹ 1,374 lakhs in FY2016 as compared to ₹ 1,773 lakhs in FY2015.

Break up of Revenue by regions

Region	**Year ended March 31, 2016**		Year ended March 31, 2015	
	₹ in Lakhs	**% of Revenue**	₹ in Lakhs	% of Revenue
UK	**50,370**	**95.6**	52,788	52.1
North America	**-**	**-**	40,495	40.0
Others (India/ Asia Pacific)	**2,323**	**4.4**	7,975	7.9
Total Operating Revenue	**52,693**	**100**	**1,01,258**	**100**

Post demerger, the Insurance Products and Services business across various geographies was demerged into Majesco.

The U.K. operations contributed ₹ 50,370 lakhs in revenue for the year 2015-16, of which ₹ 27,785 lakhs (i.e. 55%) was contributed by the Government vertical and ₹ 7,117 lakhs by the Retail vertical.

The share of total operating revenue of other regions, i.e. India and Asia Pacific as a percentage of total operating revenue of the Group was 4.4%.

Break up of Revenue by verticals

Vertical	**2015-16 (₹ in Lakhs)**	**% of Revenue**	2014-15 (₹ in Lakhs)	% of Revenue
Insurance	**-**	**-**	45,716	45.70
Government	**29,151**	**55.40**	29,902	29.60
Financial Services	**9,977**	**19.00**	11,297	11.20
Retail Services	**7,115**	**13.50**	-	-
IT & Other Services	**6,450**	**12.30**	14,343	14.00
Total	**52,693**	**100.00**	101,258	100.00

Profitability

During the Year ended March 31, 2016, the Group earned a profit of ₹ 1,374 lakhs as compared to ₹ 1,773 lakhs for the year ended March 31, 2015. The profits for the year ended 2015-16 were impacted on account of the following:

1. Cost over-run of ₹ 3,200 lakhs on one customer account due to requirement of Onsite Security cleared resources.
2. Exceptional cost on account of reorganization and de-merger related expenses of ₹ 254 lakhs.
3. Share of loss from Legal Practice Technologies (LPT) JV in UK region of ₹ 1,084.63 lakhs.

Balance Sheet

Non-current Assets

A) Fixed Assets

Tangible assets as at March 31, 2016 were ₹ 4,351.79 lakhs as compared to ₹ 6,582.71 lakhs in the previous year. This included a gross addition of ₹ 948.81 lakhs for purchase of computers, furniture and fixtures, vehicles, etc. and after considering depreciation of ₹ 1,098.99 lakhs for the 12-month period ended March 31, 2016 and foreign exchange translation adjustment of ₹ 3.84 lakhs. Intangible assets as at March 31, 2016 were ₹ 2,225.55 lakhs as compared to ₹ 21,304.3 lakhs the previous year. This included ₹ 454.90 lakhs on account of purchase of computer software and after considering depreciation of ₹ 768.42 lakhs for the 12-month period ended March 31, 2016 and foreign exchange translation adjustment of ₹ 4.50 lakhs.

B) Long-term loans and advances

Long term loans and advances were ₹ 4,964 lakhs as compared to ₹ 5,004 lakhs as at the end of previous year.

Current Assets

A) Current Investments and Cash and Bank Balances

The total current investments and cash and bank balances as on March 31, 2016 was ₹ 11,985 lakhs as compared to ₹ 21,425 lakhs in the previous year.

B) Trade Receivables

Trade receivables as at March 31, 2016 stood at ₹ 9,713 lakhs as compared to ₹ 13,349 lakhs as at March 31, 2015 which reflects debt collection period of 61 days.

C) Short Term Loans and Advances and Other Current Assets

The short term loans and advances were at ₹ 1,574 lakhs as at March 31, 2016 as compared to ₹ 3,547 lakhs as at March 31, 2015. Other current assets were at ₹ 4,391 lakhs as at March 31, 2016 as compared to ₹ 8,899 lakhs as at March 31, 2015.

Shareholders' Funds

Total shareholders' funds as at March 31, 2016 stood at ₹ 31,932.9 lakhs as compared to ₹ 59,585.5 lakhs.

Non-current Liabilities

The total non-current liabilities stood at ₹ 607.9 lakhs as at March 31, 2016 as compared to ₹ 4,675.8 lakhs as at March 31, 2015.

Current Liabilities

The total of current liabilities as at March 31, 2016 was ₹ 10,253.1 lakhs as compared to ₹ 18,907.5 lakhs as at March 31, 2015.

Operations review

Operational delivery within Mastek has always been a core attribute. The Company aligned the delivery organization to focus on improving the overall productivity and efficiency levels within projects.

Client Wins during the year

Mastek added 31 clients during the year and we finished the year at 81 active clients. The client profile includes some marquee names across verticals in UK and India.

During the year, we won a multi-year contract from National Credit Guarantee Trustee Company (NCGTC) to deliver a 'digital guarantee-processing platform' thereby enabling Banks, FIs, referred to as MLIs (Member Lending Institutions) to participate in various credit guarantee schemes of Government of India. It is a nationwide initiative of extending collateral free loans to various underprivileged sections of the society.

With this win, Mastek once again poised to impact the lives of many and strengthen its position as prime IT – Solution player in e-governance.

Update on Board of Directors: The Mastek Board currently has 5 members, of which 3 are Independent Directors and the remaining 2 are Promoter Directors.

Update on De-merger: On April 30, 2015, the Hon. High Court of Gujarat and Hon. High Court of Bombay approved the Scheme of Arrangement, which was earlier approved by the Stock Exchange on December 09, 2014. The Scheme envisaged creation of independent listed Insurance business company by demerger of Insurance business of Mastek to MCPL (renamed as Majesco Limited – "Majesco"). Post demerger Majesco achieved automatic listing with stock exchanges and all the shareholders of Mastek as on June 15, 2015 were allotted shares in Majesco in the same proportion (shares entitlement being 1:1 pursuant to Part II of the Scheme of Arrangement in terms of clause 11.1.1).

People Strength: As on March 31, 2016, the Company had a total headcount of 1,298, of which about 30% were based on-site while the rest were at various offshore locations as compared to a total of 3,352 employees at the end of March 31, 2015. The Company continues to recruit fresh talent and intends to add more technical resources at various levels during the new fiscal.

Interim Dividend: The Company paid two Interim dividends totalling to ₹ 2.50 (i.e. 50%) per Equity Share for the year 2015-16. The Company has not proposed any Final Dividend for the year 2015-16.

Awards/Accolades - Mastek, either directly or through its clients was also recipient of many awards in India, notable among those being:

- Mastek ranked 71st in the Leader category in the 'The 2014 Global Outsourcing 100®' service providers list by The International Association of Outsourcing Professional (IOAP).
- Mastek U.K., named as one of the top 41 fastest growing Indian companies in the UK.
- Mastek chosen by TEST Magazine as one of the 20 leading software testing providers 2014.

BUSINESS OUTLOOK

This was first year post demerger where Mastek represented itself as a standalone company. During this period, the management was committed to remain focussed on its core business across key verticals - Government, Retail and Financial Services.

The key highlight during the year was acquisition of IndigoBlue, a leading UK consultancy specialising in Agile programme and project management. The acquisition brings together IndigoBlue's Agile consulting and programme management expertise with Mastek's world-class technology delivery capability. Together, these synergistic offerings provide a compelling proposition across combined client base. This will allow company to offer a fully end-to-end transformational service/ solution delivery to new as well as existing customer base of Mastek. IndigoBlue has a robust customer acquisition method which will help the company to build its business mainly in UK and the company will also look at leveraging IndigoBlue's capability in other parts of the world going forward. The company has successfully completed the acquisition and now it is fully integrated with Mastek. The company will continue to invest in agile methodologies to get through its aspiration of being involved in large and complex transformation programs which will help its customers to leverage digital opportunities in agile manner.

On Government side, it had been muted during the year, but post UK election, now it is in place and the UK Government is ready to restart on its IT initiatives. The pipeline will start building up and the company expects to see revenue growth and profitability in these verticals going forward next year.

Retail business has started picking up the growth momentum. The company has added new logos this year. A few small pilot programs with large retailers were seen and company expects them to start growing over a period of time.

On Financial Services with insurance exiting, the company had to re-strategize its position here. The company has an existing base of business with customers like IPF who are in the micro lending space, but have now brought in a new Financial Services head to re-strategize this business and spearhead the growth in this segment within UK.

From the India geography perspective, the growth momentum got a bit slowed down last year due to elections but now as new government is focused on IT, the company is bidding in quite a few large deals and expect to grow that part of the business in this financial year.

Company has started focusing more on digital capabilities and it might make some acquisitions in this area where it wants to establish and grow over a period of time.

Overall business focus that it has got by demerging, by completely focusing on digital solutions, deal momentum is going up and better pipeline is seen going forward. The company expects to have a very good growth in the business over the next 3 to 4 years.

INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT

Mastek's systems for internal control and risk management go beyond what is mandatorily required to cover best practice reporting matrices and to identify opportunities and risks with regard to its business operations.

Internal control systems

The Company has mechanisms in place to establish and maintain adequate internal controls over all operational and financial functions. The Company intends to undertake further measures as necessary in line with its intent to adhere to procedures, guidelines, and regulations as applicable in a transparent manner.

Mastek maintains adequate internal control systems that provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company assets. The Company uses an enterprise resource planning (ERP) package that enhances the efficiency of its internal control mechanism.

The Company's internal control systems are supplemented by an internal audit program and periodic reviews by the management. Mastek has appointed an independent audit firm as its Internal Auditors, and the Audit Committee reviews its findings and recommendations at periodic intervals. Mastek's internal control system is adequate considering the nature, size and complexity of its business. Mastek has also put in place a strong enterprise risk management function which oversees the risk management of the Company on an ongoing basis.

Enterprise Risk Management: The primary objective of the Enterprise Risk Management (ERM) function is to:

- Provide a framework that enhances risk response decisions
- Reduce operational surprises and thereby losses
- Identify and manage cross-enterprise risks

The ERM policy, approved by the Board, lays down the risk management process, expected outcomes, governance and reporting structure.

Risk Governance Structure: Mastek has put in place a strong risk governance model to ensure risk management principles are followed throughout the organization. This ERM process and policy is approved by the Governance Committee of the Board and is executed through the Risk Management Committee (RMC) represented by the business and functional heads within Mastek. Being the primary champion of risk management at strategic and operational level, the RMC is responsible for:

- setting policy and strategy for enterprise risk management
- ensuring that risk management policies are implemented with the right spirit through a monitoring mechanism

- building a risk aware culture within the organization including appropriate trainings
- informing the Board (through the Audit Committee) about the ERM status & top risks of the Company on a timely basis

Risk Champions: The RMC is supported by the risk champions who are responsible for:

- providing oversight to line managers who manage risk on a day-to-day basis
- promoting risk awareness within their operations
- ensuring that risk management is incorporated right from the conceptual stage of projects / opportunities
- ensuring compliance to the risk management procedures
- providing periodic reports to the RMC

A discussion of key risks and concerns, and measures aimed at mitigating them, are discussed in the following paragraphs.

Strategic risks: The Company could be susceptible to strategy, innovation, and business or product portfolio related risks if there is any significant and unfavorable shift in industry trends, customer preferences, or returns on R&D investments. Mastek does have the benefit of being very well entrenched with many of its customers, involved in their critical and strategic initiatives. Therefore, client concentration related risks are mitigated to an extent. The Company's investments in intellectual property creation too are being done in a measured manner and are focused more on extending and strengthening existing offerings rather than on new business or end-use/application areas.

Macro-economic risks: Risks emanating from changes in the global markets such as the recent financial meltdown, regulatory or political changes, and alterations in the competitive landscape could affect the Company's operations and outlook. Any adverse movements in economic cycles in the Company's target markets and volatility in foreign currency exchange rates could have a negative impact on the Company's performance. This risk is mitigated to some extent due to the Company's presence in United Kingdom and India. The Company also takes necessary steps such as forex hedging to mitigate exchange rate risks.

Competition-led risks: Mastek operates in a highly competitive industry, replete with much bigger competitors, in both India and abroad. Shifts in clients' and prospective clients' dispositions could affect its business. While the Company has strong domain expertise, robust delivery capabilities, and significant project experience, there is no guarantee that it will always get the better of competition.

Dependence on Key Personnel: Mastek has one of the best management teams in the industry and this has been a critical enabler of its operating successes. Any loss of personnel through attrition or other means may have an impact on the Company's performance. Mastek does endeavor to have an effective succession plan in place to mitigate these risks.

Client and account risks: The Company's strategy is to engage with a few strategic customers and build long-term relationships with them. Any shift in customer preferences, priorities, and internal strategies can have an adverse impact on the Company's operations and outlook. Mastek does have the benefit of being very well entrenched with many of its customers, involved in their critical and strategic initiatives. Therefore, client concentration related risks are mitigated to an extent.

Contractual, execution and delivery related risks: The Company's operating performance is subject to risks associated with factors that may be beyond its control, such as the termination or modification of contracts and non-fulfillment of contractual obligations by clients due to their own financial difficulties or changed priorities or other reasons. Mastek does have mechanisms in place to try and prevent such situations, as well as insurance cover as necessary.

Acquisition/M&A related risk: Well-considered, properly evaluated and strategic acquisitions form part of the Company's growth strategy. There is no guarantee, however that an acquisition will produce the business synergies, revenues and profits anticipated at the time of entering into the transaction although the Company would undertake all due care and diligence in the process of making any acquisition.

In addition to the aforementioned issues, there are multiple other risk factors that the Company believes it will need to take cognizance of and manage. The Board and management team continually assess the operations and operating environment to identify potential risks and take meaningful mitigation actions.

The Company does take necessary insurance or related cover in cases as necessary.

Shareholders and investors are advised to go through the section on Management Discussion & Analysis and Investor information provided in the Report on Corporate Governance, as these and other parts of this Annual Report provide substantial information about the Company that you may find relevant and useful.

1. WHEN WAS MASTEK LTD INCORPORATED AND WHEN DID IT HAVE ITS INITIAL PUBLIC OFFER?

Mastek Ltd. was incorporated in the name and style of Management and Software Technology Private Limited on May 14, 1982. The first public offering was made in December 1992 at a price of ₹ 70/- (premium ₹ 60/-) followed by another public issue in 1996 at a price of ₹ 190/- (premium of ₹ 180/-). The Company issued bonus shares in the ratio of 1:1 in January 2000. The Company's shares were sub divided from ₹ 10/- to ₹ 5/- in November 2000. The Company issued bonus shares in the ratio of 1:1 in April 2006.

2. NAME OF THE SUBSIDIARIES OF MASTEK LIMITED AND WHERE ARE THEY LOCATED?

Mastek Limited has the following subsidiaries located in United Kingdom:

a) Mastek (UK) Limited in UK.

b) IndigoBlue Consulting Ltd in UK- Step down subsidiary of Mastek (UK) Limited.

c) Digility Inc in USA - Step down subsidiary of Mastek (UK) Limited.

3. WHAT IS THE CORE BUSINESS OF MASTEK LIMITED?

Mastek is an IT solutions player with global operations providing new technology and intellectual property led enterprise solutions to Government, Retail and Financial services organizations worldwide. Mastek's strengths are in architecting solutions for large, complex and mission critical business problems, and delivering these solutions with high levels of predictability.

4. WHAT IS THE EMPLOYEE STRENGTH OF MASTEK GROUP?

As on March 31, 2016, the Mastek Group had 1298 employees.

5. HOW MANY SOFTWARE DEVELOPMENT CENTRES DOES MASTEK HAVE?

Mastek has five development centers out of which three are located in around Mumbai, India and one each in Pune and Chennai, India.

6. HOW MANY MARKETING OFFICES DOES MASTEK HAVE?

Mastek has 4 Marketing offices: 2 in UK and domestic marketing offices in Mumbai and New Delhi, India.

7. WHAT IS THE FISCAL YEAR FOR MASTEK?

The Fiscal Year of the Company is April 01-March 31 every year.

8. WHAT IS THE DIVIDEND TRACK RECORD OF MASTEK LIMITED?

Fiscal Year	Share Outstanding ₹ in Mn	Dividend per share	Total Dividend ₹ in Lakhs
1993*	3.00	2.50	46.88
1994*	3.00	3.50	104.98
1995*	3.06	3.50	105.30
1996*	3.46	3.50	109.93
1997*	3.46	3.50	120.98
1998*	3.46	3.50	120.98
1999*	3.46	4.00	138.26
2000*	6.91	4.00	276.53
2001	13.88	2.00	277.67
2002	13.97	3.00	419.07
2003	14.11	3.00	423.42
2004	13.88	3.00	416.40
2005	13.87	7.50	1036.11
2006	28.14	6.50	1403.12
2007	28.46	7.50	2132.34
2008	27.62	10.00	2557.70
2009	26.90	10.00	2679.34
2010	26.94	3.25	876.30
2011	26.95	-	-

Fiscal Year	Share Outstanding ₹ in Mn	Dividend per share	Total Dividend ₹ in Lakhs
2012	27.02	-	-
2013	24.64	3.00	739.15
2014	22.16	4.50	1040.59
2015	22.55	2.50	563.94
2016	23.00	2.50	574.41

*indicates dividend on face value of ₹ 10 per share.

9. HOW DOES ONE GET THE ANNUAL REPORT AND QUARTERLY RESULTS OF MASTEK?

The Annual Report as well as quarterly results along with analysis are available on our website www.mastek.com in the "Investors" section.

10. WHO IS THE REGISTRAR AND SHARE TRANSFER AGENT (RTA)?

The Registrar and Share Transfer Agent (RTA) of Mastek is:
Karvy Computershare Private Limited
Registered Office: Karvy Selenium Tower-B,
Plot No. 31 & 32, Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad - 500 032.
Phone: Tel: +91 40 6716 1500 Fax: +91 40 2331 1968
E-Mail: einward.ris@karvy.com
Contact Person: Mr. K.V. Jayaraman

11. HOW DOES ONE TRANSFER HIS/HER SHARES OR CHANGE THE ADDRESS WITH THE TRANSFER AGENT?

For the transfer of shares in physical form and noting your change of address, you need to write to our share transfer agent at the above mentioned address.

Transfer of shares in the electronic mode is effected through your depository participant.

12. WHOM DOES ONE CONTACT IN CASE OF NON-RECEIPT OF DIVIDEND, LOSS OF SHARE CERTIFICATES, ETC?

You may contact KARVY COMPUTERSHARE PRIVATE LIMITED (RTA), who will advise you accordingly.

You may also communicate with the Company in the event of any unresolved issues via Email at investor_grievances@mastek.com

13. IS ELECTRONIC CLEARING SERVICE (ECS) FACILITY AVAILABLE FOR PAYMENT OF DIVIDEND?

Mastek extends ECS facility to all its shareholders. The dividend amount of shareholders availing ECS facility is directly credited to their bank accounts. Shareholders holding shares in physical form have to submit an ECS Mandate form to Karvy Computershare Private Limited (RTA), whose address is given above.

14. WHICH ARE THE STOCK EXCHANGES WHERE MASTEK SHARES ARE LISTED?

Mastek's shares are listed in India on National Stock Exchange of India Limited and BSE Limited.

15. HOW CAN THE SHARES BE DE-MATERIALIZED AND WHO ARE THE DEPOSITORY PARTICIPANTS (DP)?

Mastek's shares are traded only in electronic form with effect from June 2000. Shares can be dematerialized by opening the demat account with the depository participant (DP). DPs are some of the banks, brokers and institutions who have been registered with National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL). A comprehensive list of DPs is available at www.nsdl.com and www.cdslindia.com

16. HOW DOES ONE INFORM THE COMPANY TO SEND THE ANNUAL REPORT, OR ANY OTHER CORRESPONDENCE TO BE SENT IN ELECTRONIC FORM TO SAVE THE TIME AND HAVE SPEEDY COMMUNICATION?

The following application form can be filled and sent to the Registrar and Share Transfer Agent of the Company.

Form for registering e-mail id for receiving documents/notices by electronic mode

(with reference to the circular no. 17/2011 dated 21st Day of April, 2011 issued by the Ministry of Corporate Affairs, Govt. of India)

To,
Karvy Computershare Private Limited
Unit:- Mastek Limited
Registered Office: Karvy Selenium Tower-B,
Plot No. 31 & 32, Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad - 500 032.
Phone: Tel: +91 40 6716 1500 Fax: +91 40 2331 1968
E-Mail: einward.ris@karvy.com

I agree to receive all documents/ notices from the Company in electronic mode. Please register my e-mail id in your records for sending communication through e-mail. The required details are as under:-

Folio No. (for Physical Shares)	
DP ID	
Client ID	
PAN	
Name of 1st Registered holder	
Name of Joint Holder (s)	
Registered Address	
Email ID	

FAQs ON DE-MERGER

1. From which date the share price was adjusted following the De-merger?

On June 12, 2015, the Mastek share price was adjusted for De-merger.

2. Any update on de-merger event?

On April 30, 2015, the Hon. High Court of Gujarat and Hon. High Court of Bombay approved the Scheme of Arrangement, which was earlier approved by the Stock Exchanges on December 09, 2014. The Scheme envisaged creation of independent listed Insurance business company by demerger of Insurance business of Mastek to MCPL (renamed as Majesco Limited – "Majesco"). Post demerger Majesco achieved automatically listing with stock exchanges and all the shareholders of Mastek as on June 15, 2015 were allotted shares in Majesco in the same proportion (share entitlement being 1:1, pursuant to Part II of the Scheme of Arrangement in terms of clause 11.1.1).

3. What was the rationale/reasons for such an arrangement/demerger

Insurance Products & Services business is an IP driven business model and is largely US centric. This business needs investments to capitalize on the large opportunity in US market. At the same time, Vertical Solutions business which is focused in the UK market, needs to address newer opportunities and expand the client footprint. Restructuring will enable both the businesses to function independently and focus on their growth plans.

4. Why had the company felt the need to restructure?

- Businesses are different in terms of business model, growth opportunities, investment required and staff profile.
  - o While the Insurance Products & Services business offers us tremendous growth potential, it has high investment requirements in terms of R&D, Brand Building and sales.
  - o The Vertical Solutions business offers steady growth which is more profitable with less investment.
- Combining these businesses under one umbrella made it difficult for each of these businesses to perform to full potential.
- The differing risk-reward profiles of these two businesses led to sub-optimal overall performance of the company.
- In order to mitigate these challenges, management decided to restructure the business.

5. What benefits were expected out of restructuring?

- Insurance Products & Services business with higher R&D investment and specialized skillsets will be able to gain market leadership. This will lead to higher license revenue and higher profitability.
- Solution enjoys good reputation for delivering complex, green-field programs within UK and Indian government. This restructuring presents an opportunity to focus on building new capabilities and addressing new markets within the vertical solutions business.
- Restructuring will provide an opportunity to the shareholders to participate in the business of their choice based on their risk reward profile.
- Demerger would facilitate independent value discovery of both the businesses leading to maximization of value for shareholders.

6. What was the share entitlement ratio?

Every shareholder of Mastek will get 1 share in Majesco for every share held in Mastek and the shareholder will continue to hold the original Mastek share.

7. What was the appointed date for the transaction?

The appointed date for the demerger is April 01, 2014.

8. What was the effective date for the transaction?

Post High Court approval, the scheme of arrangement was filed with the Registrar of Companies on June 01, 2015, which was the effective date of the transaction.

9. Why was the appointed date for the demerger retrospective?

Appointed date for the demerger was kept as April 01, 2014 for convenience from an accounting perspective.

10. When did Majesco Limited got listed?

Majesco Limited got listed on August 19, 2015.

11. What was the capital structure of Majesco Limited, on the date the De-merger became effective?

The share capital of Majesco Limited was the same as Mastek, on the date, the De-merger became effective.

DIRECTORS' REPORT

Clarification Note: With respect to the financial results for the year ended March 31, 2016 for Mastek Limited, please note that the current year figures are not comparable with the previous year, consequent to demerger of Insurance Products and Services business of Mastek Limited into "Majesco Limited" effective April 01, 2014.

Dear Shareholders,

The Board of Directors has pleasure to forward the following Report for the year ended March 31, 2016.

1. FINANCIAL RESULTS – CONSOLIDATED RESULTS OF MASTEK LIMITED AND ITS SUBSIDIARIES

₹ In Lakhs

PARTICULARS	Year Ended March 31, 2016	Year Ended March 31, 2015
Revenue		
Income from IT Services	**52,526.65**	100,196.28
Other operating revenue	**166.58**	1,062.11
Total Operating Revenue	**52,693.23**	101,258.39
Other Income	**1,738.82**	1,711.34
Total Revenue	**54,432.05**	102,969.73
Expenses	**50,873.27**	95,695.96
Depreciation and amortization expenses	**1,605.31**	3,733.43
Finance costs	**50.31**	147.10
Exceptional items	**254.28**	1,166.12
Profit before tax	**1,648.87**	2,227.12
Tax expense	**274.41**	454.07
Profit after tax	**1,374.46**	1,773.05

FINANCIAL RESULTS – MASTEK LIMITED

PARTICULARS	Year Ended March 31, 2016	Year Ended March 31, 2015
Revenue		
Income from IT services	**37,843.96**	66,048.24
Other operating revenue	**22.81**	463.73
Other Income	**1,647.49**	2,305.40
Total Revenue	**39,514.26**	68,817.37
Expenses	**35,633.73**	58,769.70
Depreciation and amortization expenses	**1,488.51**	2,702.38
Finance costs	**23.68**	27.43
Exceptional Items – gain / (loss), net	**(300.20)**	494.95
Profit before tax	**2,068.14**	7,812.81
Tax expense	**731.57**	374.06
Profit after Tax	**1,336.57**	7,438.75
Add: Profit brought forward from Previous Year	**36,037.15**	29,311.97
Profit available for appropriation	**37,373.71**	36,750.72
Adjustment & Pursuant to Scheme of Arrangement	**(21,879.69)**	-
Dividend	**(577.07)**	(563.94)
Dividend Distribution Tax	**70.66**	(30.37)
Transfer to General Reserves	**-**	180
Balance carried to Balance Sheet	**14,846.30**	36,037.15

2. RESULTS OF OPERATIONS

A) Mastek Consolidated Operations

Financials

On a consolidated basis, the Group registered total operating revenue of ₹ 52,693 lakhs for the year ended March 31, 2016 as compared to ₹ 101,258 lakhs for the year ended March 31, 2015. The Group registered a net profit of ₹ 1,374 lakhs in the year ended March 31, 2016 as compared to ₹ 1,773 lakhs in the year ended March 31, 2015.

Breakup of the Operating Revenue by regions

Region	Year ended March 31, 2016		Year ended March 31, 2015	
	₹ in Lakhs	**% of Revenue**	₹ in Lakhs	% of Revenue
UK	**50,370**	**95.6**	52,788.6	52.1
North America	**-**	**-**	40,494.7	40.0
Others (India/ Asia Pacific)	**2,323**	**4.4**	7,975.0	7.9
Total Operating Revenue	**52,693**	**100**	1,01,258.4	100

Post demerger, the Insurance Products and Services business across various geographies was demerged into Majesco.

The U.K. operations contributed ₹ 50,370 lakhs in revenue for the year 2015-16, of which ₹ 27,785 lakhs (i.e. 55%) was contributed by the Government vertical and ₹ 7,117 lakhs by the Retail vertical.

The share of total operating revenue of other regions, i.e. India and Asia Pacific as a percentage of total operating revenue of the Group was 4.5%.

Breakup of the Operating Revenue by Verticals

Vertical	2015-16 ₹ in Lakhs	% of Revenue	2014-15 ₹ in Lakhs	% of Revenue
Insurance	**-**	**-**	45,716	45.1
Government	**29,151**	**55.1**	29,902	29.6
Financial Services	**9,977**	**19.0**	11,297	11.2
Retail Services	**7,115**	**13.5**	-	-
IT & Other Services	**6,450**	**12.3**	14,343	14.0
Total	**52,693**	**100**	101,258	100

Profitability

During the Year ended March 31, 2016, the Group earned a profit of ₹ 1,374 lakhs as compared to ₹ 1,773 lakhs for the year ended March 31 2015. The profits for the year ended 2015-16 were on account of the following:

1. Cost over-run of ₹ 3,200 lakhs on one customer account due to requirement of Onsite Security cleared resources

2. Exceptional cost on account of reorganization and de-merger related expenses of ₹ 254 lakhs.

3. Share of loss from Legal Practice Technologies (LPT) JV in UK region of ₹ 1,071.5 lakhs.

Mastek standalone operations

On a standalone basis, Mastek reported an operating income of ₹ 37,867 lakhs for the year ended March 31, 2016, as compared to ₹ 66,512 lakhs for the year ended March 31, 2015. The Company made a Net profit of ₹ 1,337 lakhs for the year ended March 31, 2016 as compared to Net Profit of ₹ 7,439 lakhs for the year ended March 31, 2015.

Update on progress of Demerger

On April 30, 2015, the Hon. High Court of Gujarat and Hon. High Court of Bombay approved the Scheme of Arrangement, which was earlier approved by the Stock Exchanges on December 09, 2014. The Scheme envisaged creation of independent listed Insurance business company by demerger of Insurance business of Mastek to MCPL (renamed as Majesco Limited – "Majesco"). Post demerger Majesco achieved automatically listing with stock exchanges and all the shareholders of Mastek as on June 15,2015 were allotted shares in Majesco in the same proportion (shares entitlement being 1:1 pursuant to Part II of the Scheme of Arrangement in terms of clause 11.1.1).

3. HOLDING AND SUBSIDIARIES

Your Company continues to be the Holding Company of Mastek (UK) Limited, which in turn has IndigoBlue Consulting Ltd, UK and Digility Inc. USA as its subsidiaries.

During the year under review, Mastek Ltd sold its entire shareholding in Mastek Asia Pacific Pte, Ltd. to Majesco Sdn Bhd, Malaysia for a consideration of SGD 380,000. Mastek Asia Pacific Pte Limited ceased to be a Subsidiary of your Company effective October 31, 2015.

Your Company has one direct subsidiary, and two step down subsidiaries as at March 31, 2016 and the statement containing salient features of the financial statement of the subsidiary, in Form AOC-1 is given in **Annexure 1**.

4. INDUSTRY SCENARIO

According to NASSCOM strategic Review 2016, Indian IT Services and BPM industry is expected to grow at 10-12% in FY17 in constant currency terms. By 2020, India's IT-BPM sector is projected to reach $ 200-225 billion revenue and $ 350-400 billion by 2025. Digital Technologies is expected to increase the addressable market for global technology services to $ 4 trillion by 2025. Over 80% of incremental expenditures over the next decade will be driven by digital technologies, such as platforms, cloud-based applications, big data analytics, mobile systems, social media, cyber security, and integration services with legacy technologies. Digital technologies will continue to drive the sector and reach 23%/>38% share by 2020/ 2025.

According to Gartner's latest report, worldwide IT spending is forecast to total $3.54 trillion in CY2016, marginal increase of 0.6% over CY2015 spending of $3.52 trillion; largest U.S. dollar drop in IT spending since Gartner began tracking IT spending mainly impacted due to currency headwinds. By CY2019, spending is forecast to exceed $3.8 trillion. Global revenue in the business intelligence (BI) and analytics market is forecast to reach $16.9 billion in CY2016, an increase of 5.2% from CY2015.

According to Gartner, Software market in India is expected to grow at 12.8% to reach $5.3 billion in CY2016. The enterprise software marketplace is dynamic and ever-changing. The growth is being driven by trends like increasing adoption of Software as a service (SaaS) and open source software (OSS), changing buying behaviours, Digital India initiative of the Indian government, mobility, influence of other emerging markets, cloud-based implementations and new consumption models.

BI and Data Analytics Trends:

According to Gartner, the BI and analytics market is in the final stages of a multiyear shift from IT-led, system-of-record reporting to business-led, self-service analytics. As a result, the modern business intelligence and analytics (BI&A) platform has emerged to meet new organizational requirements for accessibility, agility and deeper analytical insight.

According to 451 research report, 'Software 2016: Analytics, Acceleration and Agility', data analytics will become more prevalent throughout the layers of technology businesses use, from development to IT management, and databases to customer experience management. This is happening as the natural result of the increasing digitization of business, which throws off massive amounts of new data. Along with that, new tools, techniques, and architectures provide the opportunity to analyze what could not previously be analyzed, and the chance exists for companies to differentiate themselves based on how they take advantage of that opportunity, the report says.

Data Analytics will surge further ahead in the form of contextual analytics, according to 451 Research – that is, the combination of text and advanced analytics with Machine Learning to uncover insight from a combination of structured and unstructured data. Applying advanced analytics with Machine Learning has been an industry goal for the last decade, the report says. Adoption will kick into higher gear now that algorithms are better at understanding unstructured data like text, so that intelligence can be derived from it in context with existing structured data.

IT Spending: Market Size

Worldwide IT spending is forecast to total $3.54 trillion in 2016, marginal increase of 0.6% over CY2015 spending of $3.52 trillion impacted mainly due to currency volatility. In 2015 U.S. multinationals' faced currency headwinds however, in 2016 experts expect to go away these headwinds and they expect an additional 5% growth.

Spending in the IT services is expected to return to growth in 2016, following a decline of 4.5% in 2015. IT services spending is projected to reach $940 billion in 2016, up 3.1% from 2015. This is due to accelerating momentum in cloud infrastructure adoption and buyer acceptance of the cloud model.

According to a study released by Computer Economics, based on projections of IT spending plans by 86 organizations in the US and Canada, indicated that IT operational budgets appear to be growing at slower rate at about 2% in 2016 as compared to 3% growth rate in 2015.

The Computer Economics study also looked at what areas of IT organizations plan to invest money. A net of 46% of IT organizations plan to spend more on business applications in CY2016. The trend of investing more heavily in business applications has been growing for several years and appears to be accelerating, researchers said. A net 53% of organizations said they plan to spend more on cloud applications and 37% plan to spend more on cloud infrastructure.

The IT industry is increasingly turning to cloud-based services. While this means that businesses have a much greater ability to scale and procure the infrastructure and software that they need when they need it, it also means that the channel is ultimately selling less physical infrastructure than before. This trend is particularly prominent in the UK, with the country spending 33% of total IT spend on IT services compared to the global average of 18%.

BMI research report has maintained a relatively robust growth outlook for UK IT spending over the medium term in the Q1CY2016 update, with spending growth expected to outperform most other developed European markets with a CAGR of 3.4% over 2016-2019. The stronger economic environment is a key differentiator with other Western European markets, while the large financial sector will also make the UK a lucrative market for advanced software and services vendors. Market development will however be uneven, and researchers envisage a stagnant hardware market, while growth will be driven by areas such as the app economy, cloud computing and digitization.

5. BUSINESS OUTLOOK

This was first year post demerger where Mastek represented itself as a standalone company. During this period, the management was committed to remain focused on its core business across key verticals - Government, Retail and Financial Services.

The key highlight during the year was acquisition of IndigoBlue, a leading UK consultancy specialising in Agile programme and project management. The acquisition brings together IndigoBlue's Agile consulting and programme management expertise with Mastek's world-class technology delivery capability. Together, these synergistic offerings provide a compelling proposition across combined client base. This will allow company to offer a fully end-to-end transformational service/solution delivery to new as well as existing customer base of Mastek. Indigoblue has a robust customer acquisition method which will help the company to build its business mainly in UK and the company will also look at leveraging Indigo's capability in other parts of the world going forward. The company has successfully completed the acquisition and now it is fully integrated with Mastek. The company will continue to invest in agile methodologies to get through its aspiration of being involved in large and complex transformation programs which will help its customers to leverage digital opportunities in agile manner.

On Government side, it had been muted during the year, but post UK election, now it is in place and the UK Government is ready to restart on its IT initiatives. The pipeline will start building up and the company expects to see revenue growth and profitability in these verticals going forward next year.

Retail business has started picking up the growth momentum. The company has added new logos this year. A few small pilot programs with large Retailers were seen and company expects them to start growing over a period of time.

On Financial Services with insurance exiting, the company had to re-strategize its position here. The company has an existing base of business with customers like IPF who are in the micro lending space but have now brought in a new Financial Services head to re-strategize this business and spearhead the growth in this segment within UK.

From the India geography perspective, the growth momentum got a bit slowed down last year due to elections but now as new government is focused on IT, the company is bidding in quite a few large deals and expect to grow that part of the business in this financial year.

Company has started focusing more on digital capabilities and it might make some acquisitions in this area where it wants to establish and grow over a period of time.

Overall business focus that has got by demerging, by completely focusing on digital solutions, deal momentum is going up and better pipeline is seen going forward. The company expect to have a very good growth in the business over the next 3 to 4 years.

6. DIVIDEND & RESERVES

The Board of Directors approved payment of First Interim Dividend of ₹ 1.50 per Equity share and was paid on February 04, 2016. The Board of Directors also approved payment of Second Interim Dividend of ₹ 1/- per Equity share and was paid on March 29, 2016. Having declared two Interim Dividends, your Board has not recommended payment of Final Dividend for the year ended March 31, 2016.

During the year, under review, no amount from profit was tansferred to General Reserves.

7. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT UNDER SECTION 186.

Details of Loans, Guarantees, Investments covered under provisions of Section 186 of the Companies Act 2013 are given in the notes to the financial statements.

8. DISCLOSURES UNDER THE COMPANIES ACT, 2013

i) Extract of Annual Return:

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is Annexed as **Annexure 2**.

ii) Number of Board Meetings:

The Board of Directors met 9 (Nine) times during the financial year 2015-16. The details of the board meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report, appearing elsewhere as a separate section in this Annual Report.

iii) Change in Share Capital:

During the year, the Company allotted 4,50,602 Equity Shares of face value of ₹ 5/- each for a total nominal value of ₹ 22,53,010/- to the eligible employees of the Company, who exercised their vested Employee Stock Options. These Equity Shares rank pari passu in all respects with the existing Equity Shares of the Company.

As on March 31, 2016, the issued, subscribed and paid up share capital of your Company stood at ₹ 11,49,86,370/- comprising 2,29,97,274 Equity shares of ₹ 5/- each.

iv) Composition of Audit Committee

Mastek has an Audit Committee that currently comprises of three Independent Directors, one Non-Executive and one

Executive Promoter Director. The Chairman of the Audit Committee is an Independent Director. The Independent Directors are accomplished professionals from the corporate fields. The Chief Financial Officer of the Company attends the meetings on invitation. The Company Secretary is the Secretary of the Committee.

During the year ended March 31, 2016 the Committee met 6 (Six) times. The attendance of the members at the meetings is stated below:

Name of Member	Status	No. of Meetings attended
Mr. S. Sandilya	Chairman	5
Mr. Ashank Desai	Member	6
Ms. Priti Rao	Member	6
Mr. Venkatesh Chakravarty Resigned w.e.f. June 19, 2015	Member	2
Mr. Atul Kanagat		
Inducted w.e.f. October 15, 2015	Member	1
Mr. Sudhakar Ram Inducted w.e.f. October 15, 2015	Member	2

The other details of the Audit Committee are given in the Corporate Governance Report, appearing elsewhere as a separate section in this Annual report.

During the year all the recommendations of the Audit Committee were accepted by the Board.

v) Related Party Transactions:

All the Related Party Transactions are entered into on an arm's length basis and are in compliance with the applicable provisions of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Regulations'). There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the Company at large.

All the Related Party Transactions are presented to the Audit Committee and Board for their approval. Omnibus approval is given by Audit Committee for the transactions which are foreseen and are repetitive in nature. A statement of all Related Party Transactions is presented before the Audit Committee and the Board on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. The said transactions are approved by the Audit Committee as well as by the Board.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at the web link:www.mastek.com/Related-Party-Transactions-Policy. Detailed explanation on transactions with related parties given in **Annexure 3**.

9. MANAGEMENT OF RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES

Whistle Blower Policy / Vigil mechanism

In compliance with the requirement of the Companies Act, 2013 and Listing Regulations, the Company has established a Whistle Blower Policy / Vigil mechanism policy and the same is placed on the web site of the Company. viz www.mastek.com/investors/corporate-governance.

The employees of the company are made aware of the said policy at the time of joining the Company.

10. AWARDS AND RECOGNITION

Mastek, either directly or through its clients was also recipient of many awards in India, notable among those being:

- Mastek ranked 71st in the Leader category in the 'The 2014 Global Outsourcing 100(R)' service providers list by The International Association of Outsourcing Professional (IOAP);
- Mastek U.K., named as one of the top 41 fastest growing Indian companies in the UK;
- Mastek chosen by TEST Magazine as one of the 20 leading software testing providers 2014.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

(b) that such accounting policies as mentioned in Note 1 of the Notes to the Financial statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 and of the profit of the company for the year ended on that date;

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) that the annual financial statements have been prepared on a going concern basis;

(e) that proper internal financial controls to be followed by the company have been laid down and that such internal financial controls are adequate and were operating effectively; and

(f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

At the 32nd Annual General Meeting (AGM) held on July 23, 2014, M/s. Price Waterhouse, Chartered Accountants, LLP, were appointed as the Statutory Auditors of the Company for a period of 3 years. Ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM for the third year.

Further, the report of the Statutory Auditors along with notes to Schedules is enclosed to this report. The observations made in the Auditors' Report are self-explanatory and does not contain any qualification. Therefore it does not call for any further comments.

13. SECRETARIAL AUDIT

In terms of Section 204 of the Act and Rules made thereunder, M/s. V. Sundaram & Co., Practicing Company Secretary, Mumbai have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure 4** to this report. The report is self-explanatory and does not contain any qualification. Therefore it does not call for any further comments.

14. HUMAN RESOURCES

Mastek Group deploys its intellectual capability to create and deliver intellectual property (IP)-led solutions that make a business impact for its global clients. For this, the key success enabler and most vital resource is world-class talent. Mastek Group continually undertakes measures to attract and retain such high quality talent.

As on March 31, 2016 Mastek Group had a total Head count of 1298. The Directors wish to place on record their appreciation for the contributions made by employees to the Company during the year under review.

Information as per Section 197 of the Companies Act, 2013 and the rules thereunder forms part of this report. However, as per the provisions of Section 136 (1) of the Companies Act, 2013 the report and accounts, excluding the Statement of Particulars are being sent to all members. Any member interested in obtaining a copy of the Statement of Particulars may write to the Company Secretary at its Registered Office.

The other disclosure required under Section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Perquisites (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure 5** and forms on report of this part.

15. EMPLOYEE STOCK OPTIONS

The Board of Directors confirms that there is no material change in the ESOP Scheme and all the ESOP Schemes are in compliance with the SEBI Guidelines. The required disclosures are enclosed as **Annexure 6**.

16. RISK MANAGEMENT POLICY

In terms of the requirement of the Act, the Company has developed and implemented the Risk Management Policy and the Audit Committee, Governance Committee of the Board quarterly reviews the risks and remedial measures taken.

The risks are identified and discussed by Risk Committee at its meeting at regular intervals. The various risks are categorized as High risk, Medium risk and Low risk and appropriate mitigation steps/measures are taken/initiated to mitigate the identified risks from time to time.

17. CHANGES AMONG DIRECTORS AND DECLARATION BY INDEPENDENT DIRECTORS

Mr. S. Sandilya, Ms. Priti Rao, and Mr. Atul Kanagat have been the Independent Directors on the Board of your Company as at March 31, 2016.

In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in section 149 of the Companies Act, 2013 and the Rules made thereunder about their status as Independent Directors of the Company.

Dr. Rajendra Sisodia (Independent Director), resigned from the Directorship of Mastek Ltd. with effect from April 17, 2015.

Due to the De-merger of the Insurance Products and Services business to Majesco Ltd, the following Directors resigned from the Directorship of Mastek Ltd:

Dr. Arun Maheshwari, Indepenendent Director - effective June 01, 2015;

Mr. Radhakrishnan Sundar, Executive Director - effective June 01, 2015;

Mr. Ketan Mehta, Non-Executive Director - effective June 01, 2015; and

Mr. Venkatesh Chakravarty, Independent Director - effective June 19, 2015.

The Board places on record its sincere appreciation of the valuable services rendered by the above Board members during their tenure as Board members.

18. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION

The Company has a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination & Remuneration Committee and the Board. The policy covers:

1. Directors' appointment and remuneration; and
2. Remuneration of Key Managerial Personnel and other employees.

Details on the same are given in the Corporate Governance Report.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations.

20. INTERNAL CONTROL SYSTEM

A strong internal control system is pervasive in the Company. The Company has documented a robust and comprehensive internal control system for all the major processes to ensure reliability of financial reporting.

21. INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations.

During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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.

The Company has adopted accounting policies which are in line with the Accounting Standards and the Act. These are in accordance with generally accepted accounting principles in India. Changes in policies, if required, are made in consultation with the Auditors and are approved by the Audit Committee.

The Company has a robust financial closure, certification mechanism for certifying adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

22. INDIAN ACCOUNTING STANDARDS (IND AS) - IFRS CONVERGED STANDARDS

The Ministry of Corporate affairs vide its notification dated February 16, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of this notification , the Company will adopt IND AS with effect from April 01, 2017, with the comparatives for the periods ending March 31, 2016.

The implementation of IND AS is a major change process for which the Company has established a project team and is dedicating considerable resources. The impact of the change on adoption of IND AS is being assessed.

23. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Mr. Ashank Desai, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

The Shareholders at the Extra Ordinary General Meeting held on March 05, 2015 had approved the appointment of Mr. S. Sandilya, Ms. Priti Rao and Mr. Atul Kanagat as Independent Directors of the company for a term of four (4) years from April 01, 2015 to March 31, 2019.

The information relating to remuneration paid to director as required under section 197(12) of the Act, is given in the notes to accounts.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 the following changes took place in the KMPs during the year under review:

Mr. Farid Kazani, Group CFO and Finance Director's services were transferred to Majesco Limited as a result of the De-merger on June 01, 2015. Mr. Jamshed Jussawalla was appointed as Chief Financial Officer effective June 01, 2015. Mr. Bhagwant Bhargawe, Company Secretary retired during the year effective from August 31, 2015 and Mr. Dinesh Kalani was appointed as Company Secretary effective September 01, 2015.

24. EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with Companies Act, 2013 and Listing Regulations, the performance evaluation of the Board as a whole and of the individual Directors was carried out during the year under review.

With the help of an Expert, a structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters of contribution to Board Processes and Outcomes including independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The Directors expressed satisfaction with the evaluation process.

25. PUBLIC DEPOSITS

Your Company has not accepted any deposits from public in terms of Section 73 and/or 74 of the Companies Act, 2013.

26. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis comprising an overview of the financial results, operations / performance and the future prospects of the Company forms part of this Annual Report.

27. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Conservation of energy

Conservation of Energy: As a software Company, energy costs constitute a small portion of the total cost and there is not much scope for energy conservation.

(i)	the steps taken or impact on conservation of energy.	Not Applicable
(ii)	the steps taken by the company for utilizing alternate sources of energy.	
(iii)	the capital investment on energy conservation equipments.	

(b) Technology absorption: Not Applicable

(i)	the efforts made towards technology absorption.	Not Applicable
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution.	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -	
	(a) the details of technology imported;	
	(b) the year of import;	
	(c) whether the technology been fully absorbed;	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	
(iv)	the expenditure incurred on Research and Development	

(c) Foreign exchange earnings and outgo

Total foreign Exchange used and earned by Mastek Limited is as follows

₹ in Lakhs

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Exchange used	**22,722.22**	28,896.99
Exchange Earned	**35,490.75**	63,172.14

28. CORPORATE GOVERNANCE

The Company has complied with Corporate Governance requirement under the Companies Act, 2013 and as per Listing Agreement and SEBI Listing Regulations. A separate section on Corporate Governance practices followed by the Company together with the Certificate from M/s. V. Sundaram & Co. Practicing Company Secretary, Mumbai, appearing elsewhere in this report, forms an integral part of this report.

29. CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of Section 135 of the Companies Act, 2013 the Board of Directors of the Company have already formed a Corporate Social Responsibility (CSR) Committee. The committee met four times during the year and a detailed report about CSR is given in **Annexure 7**.

The Committee has formulated a Corporate Social Responsibility Policy. The contents of the policy are as follows:-

Mastek CSR programmes shall fall under the following categories:

1. Promoting education, enhancing skills of children, and development of children and women working in red-light areas. We are also involved in special education and employment-enhancing vocation skills especially among women, elderly and the differently abled, and livelihood enhancement projects.
2. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making safe drinking water available.
3. Promoting gender equality and empowering women: Activities include setting up homes / hostels for women and orphans, old age homes and other such facilities for senior citizens, day care centres, and measures to reduce inequalities faced by socially and economically backward groups.
4. Protection and up gradation of environmental conditions: These include ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining the quality of soil, air and water.
5. Any other projects with the approval of the Board.

Corpus:

The corpus of the CSR policy includes:

- 2% of the average net profit of the preceding three years
- Any income arising there from
- Surplus arising out of the above activities
- Payroll contribution from the employees
- Fund-raising events

Mastek may pool its resources and CSR spending with other groups or associate companies on collaborative efforts that qualify as CSR spending.

Roles and Responsibilities:

- Decide CSR projects or programmes or activities to be taken up by the company.
- Place before the board the CSR activities proposed to be taken up by the company for approval each year.
- Oversee the progress of the initiatives rolled out under this policy every quarter.
- Define and monitor the budgets for carrying out the initiatives.
- Submit a report to the Board of Directors on all CSR activities during the financial year. This will be displayed on the company's website - www.mastek.com
- Monitor and review the implementation of the CSR policy.

CSR Committee Composition:

The Chairperson of the Committee is Ms. Priti Rao, an Independent director. The other members are, Mr. Sudhakar Ram and Mr. Ashank Desai. The Company Secretary is the Secretary of the Committee. Dr. Rajendra Sisodia ceased to be a member during the year w.e.f. April 17, 2015.

During the year ended March 31, 2016 the Board approved Donations of ₹ 94.36 Lakhs. Of this, a sum of ₹ 74.51 Lakhs was spent on Projects approved under Section 135 of the Companies Act, 2013 on CSR activity and ₹ 19.85 lakhs was towards the salary and other Administrative Expenses of Mastek Foundation, relating to CSR activities of the Company.

As per provision of Section 135 of the Companies Act, 2013, the Company has to spend, in every financial year, at least 2% of the average net profits of the Company made during three immediately preceding financial years, pursuant to Corporate Social Responsibility policy.

Based on the Average net profit of the Company for three immediately preceding financial years, the amount to be spent on CSR activities during the year 2015-16 was ₹ 94.03 Lakhs. The amount of ₹ 94.03 lakhs was arrived at based on the net profit of the Company for 2012-13, 2013-14 and of the continuing operations of the company for 2014-15, since the Company's Insurance Products and Services business was demerged effective April 01, 2014.

The Company has spent ₹ 85.36 lakhs (including ₹ 19.85 lakhs was towards the salary and other Administrative Expenses of Mastek Foundation) on various projects approved under Section 135 of the Companies Act, 2013.

The shortfall is due to the following reasons:

a) ₹ 6.00 lakhs donation made to a very well-known non-profit organization, Goonj, located in Mumbai for victims of earthquake in Nepal, cannot be considered as an eligible expenditure under Section 135, since the relief work was done outside India.

b) ₹ 3.00 lakhs was unspent on establishment of shelter home - Suraksha under Aasara Trust at Neral, Maharashtra, since the milestone of the project was not achieved by March 31, 2016.

30. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company has transferred a sum of ₹ 11,41,859/- during the financial year 2015-16 to Investor Education and Protection Fund (IEPF), established by Central Government in compliance with section 205C of the Companies Act, 1956. The said amount represents unclaimed Dividends which were lying with the company for a period of 7 (seven) years from their respective due dates of initial payment.

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. August 17, 2015), with the Ministry of Corporate Affairs.

31. NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has zero tolerance towards any action on the part of any executive which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every women employee working in the Company. The Company's Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. During the year, no such cases were reported.

32. ACKNOWLEDGEMENT

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments, and other statutory authorities for their continued support.

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non- Executive Chairman and
Independent Director

Date : April 19, 2016
Place : Mumbai

Annexure 1

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient features of the financial statements of the company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures are given below.

Further, brief about the business of the each of the Subsidiaries and Associates is given hereunder:-

Mastek (UK) Ltd - It is a provider of Software Solutions which enable customers to solve their complex, mission critical business problems with innovative solutions that sustain and grow their business in the UK market.

IndigoBlue Consulting Ltd. - During the year, the company acquired the IndigoBlue, a leading UK consultancy specializing in Agile programme and project management, has been successfully integrated with Mastek operations.

A decision was made jointly by Mastek UK and The Law Society to wind up the joint venture, Legal Practice Technologies (LPT). This was based on a review undertaken by the board of Legal Practice Technologies Limited which demonstrated that the shape of the conveyancing market had radically changed since LPT was founded and also new providers were introducing free products to the market. All substantial matters have been concluded with some residual work requiring legal completion.

All our US business was demerged to Majesco, as part of the demerger exercise. Considering the tremendous growth opportunities, the US market presents to IT companies with Solutioning capabilities, Mastek has decided to enter the US market with its unique Solutions offerings. Towards this end, Mastek UK has incorporated a wholly-owned subsidiary in the US, called Digility Inc in November 2015. Digility is expected to be operational during the Financial year 2016-17.

Enterprises where control exists

Mastek (UK) Limited

IndigoBlue Consulting Limited (w.e.f May 01, 2015)

Digility Inc. (w.e.f November 17, 2015)

Mastek Asia Pacific Pte Ltd. (upto October 31, 2015)

Majesco (Formerly - Majesco Mastek) (upto March 31, 2015)

Majesco UK Limited (upto March 31, 2015)

Majesco Software and Solutions India Private Limited (upto March 31, 2015)

Majesco Sdn. Bhd. (Formerly - Mastek MSC Sdn. Bhd.) (upto March 31, 2015)

Majesco (Thailand) Co. Ltd. (Formerly - Mastek MSC (Thailand) Co. Ltd.) (upto March 31, 2015)

Majesco Software and Solutions Inc. (Formerly - Majesco Mastek Insurance Software and Solutions Inc.) (upto March 31, 2015)

Majesco Canada Limited (Formerly - MajescoMastek Canada Limited) (upto March 31, 2015)

Majesco Limited (Formerly - Minefields Computers Limited) (upto March 31, 2015)

Part "A": Subsidiaries

Name of Companies		**Mastek UK Limited**	**IndigoBlue Consulting Ltd.**	**Digility Inc.**
Reporting period for the subsidiary concerned, if different from holding company's reporting period		Reporting periods of all the Subsidiaries are the same as of the Holding Company which is March 31		
Reporting currency		GBP	GBP	USD
Exchange rate on the last date of the Financial Year in the case of foreign subsidiaries		95.47	95.47	-
Share Capital	₹ Lakhs	855.37	9.47	-
Reserves & Surplus	₹ Lakhs	13,059.29	292.36	-
Total Assets	₹ Lakhs	23,166.66	1,640.55	-
Total Liabilities	₹ Lakhs	9,243.19	1,338.72	-
Investments	₹ Lakhs	6,309.60	NIL	-
Turnover	₹ Lakhs	44,023.47	5,944.76	-
Profit/(Loss) before Taxation	₹ Lakhs	(2,811.73)	38.87	-
Provision for Taxation	₹ Lakhs	-	(10.82)	-
Profit/(Loss) after Taxation	₹ Lakhs	(2,811.73)	28.05	-
Proposed Dividend		NIL	NIL	-
% shareholding		100%	100%	-

Other information:

1. Names of subsidiaries which are yet to commence operations: Digility Inc USA - Stepdown Subsidiary
2. Names of subsidiaries which have been liquidated or sold during the year- Mastek Asia Pacific Pte. Ltd. Singapore

Part "B": Joint Venture

Name of Joint Venture	**Legal Practice Technologies Limited, UK**
1. Latest audited Balance Sheet Date	Legal Practice Technologies Ltd UK is a Joint Venture between The Law Society, UK and Mastek (UK) Ltd. The Joint Venture was incorporated on May 14, 2014 under the laws of England and its first Accounting Year was from May 14, 2014 to October 31, 2015.
2. Shares of Associate/Joint Ventures held by the company on the year end Amount of Investment in Associates/Joint Venture Extend of Holding %	5,075,200 Ordinary shares of GBP 1 each of Legal Practice Technologies Ltd. are held by Mastek UK Limited. The value of Investment made in Legal practice Technologies Ltd by Mastek UK Ltd till March 31, 2016 was ₹ 4,873.91 lakhs, following the decision that Legal Practice Technologies was not going to be viable, the business ceased and consequently the Investment was impaired. Holding Percentage (40%)
3. Description of how there is significant influence	40%
4. Reason why the associate/joint venture is not consolidated	40% of the Board of Legal Practice Technologies Ltd are appointed by Mastek UK Ltd. Also, there are strategic, operating and financial decisions which need consent from both the parties.
5. Networth attributable to Shareholding as per latest audited Balance Sheet	The Consolidation has been done to the extent of 40% share held by Mastek UK Ltd as per Accounting Standard 27.
6. Loss for the period April 01, 2015 to March 31, 2016:	(₹ 4,168.62) lakhs
i. Considered in Consolidation	₹ 1,071.68 lakhs
ii. Not Considered in Consolidation	₹ 1,607.52 lakhs

Other information:

1. Names of associates or joint ventures which are yet to commence operations - NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year -

   The following subsidiaries/step down subsidiaries of Mastek Limited were hived-off to Majesco Limited as a part of De-merger under the scheme of arrangement approved by the Hon'ble High Courts of Gujarat and Bombay which was effective from June 01, 2015 & appointed date was April 1, 2014.

   Majesco UK Ltd – It is a provider of Information Technology Services for Life & Annuity Insurers in the UK market.

   Majesco, USA – It is a provider of Consultancy services and Information Technology Services for Life & Annuity Insurers in the US market.

   Majesco Software & Solutions Inc, USA- It is a provider of technology solutions for Property & Casualty insurers primarily in North America markets.

   Majesco Canada Limited, Canada – It is a provider of Technology Solutions for Life & Annuity and Property & Casualty Insurers and Financial Services in the Canada market.

   Majesco Sdn Bhd. Malaysia – It is a provider of Information Technology Services for Life & Annuity Insurers and Financial Services providers in the Malaysia market.

   Majesco (Thailand) Co. Ltd, Thailand – It is a provider of Information Technology Services for Life & Annuity Insurers in the Thailand market

   Majesco Limited (earlier known as Minefields Computers Ltd) –– It is a provider of Consultancy and Information Technology Services for Life & Annuity Insurers in the Indian Market.

   Majesco Software & Solutions India Pvt Ltd - It is a provider of Information Technology Services for insurers in the US, Canada, UK, Malaysia, Thailand and Singapore Markets.

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non- Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Date : April 19, 2016
Place : Mumbai

Annexure 2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

[Pursuant to Section 92 (1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L74140GJ1982PLC005215	
2.	Registration Date	May 14, 1982	
3.	Name of the Company	MASTEK LIMITED	
4.	Category / Sub-Category of the Company	Public Company Limited by Shares	
5.	Address of the Registered Office and contact details	804/805, President House, Opp. C. N. Vidyalaya, Nr. Ambawadi Circle, Ahmedabad - 380006 Tel No. +91 79 2656 4337	
6.	Whether listed company	Yes	
7.	Name, Address and contact details of Registrar & Transfer Agents (RTA)	Sharepro Services (India) Pvt. Ltd. Samhita Warehousing Complex, 13AB, Gala No. 52, Near Sakinaka Telephone Exchange, Off Andheri Kurla Road, Andheri (East), Mumbai - 400 072. Phone: Tel: 6772 0300 Fax: 28591568 E-mail Id: saritam@shareproservices.com (upto April 03, 2016)	Karvy Computershare Private Limited Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032. Tel. : +91 40 6716 2222 Fax : +91 40 2300 1153 E-mail: einward.ris@karvy.com (w.e.f. April 04, 2016)

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Computer Programming, Consultancy and Related Activities	62011	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Mastek (UK) Limited	Foreign Company	Subsidiary	100.00%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/ HUF	11,506,660	NIL	11,506,660	51.03	11,506,660	NIL	11,506,660	50.03	NIL
b. Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c. State Govt. (s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d. Bodies Corp	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e. Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f. Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A)	**11,506,660**	**NIL**	**11,506,660**	**51.03**	**11,506,660**	**NIL**	**11,506,660**	**50.03**	**1.00**
(2) Foreign									
a. NRIs Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b. Other – Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c. Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d. Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e. Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**11,506,660**	**NIL**	**11,506,660**	**51.03**	**11,506,660**	**NIL**	**11,506,660**	**50.03**	**1.00**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	401,378	1,200	40,2578	1.79	70,400	1,200	71,600	0.31	1.48
b. Banks / FI	20,033	NIL	20,033	0.09	36,207	NIL	36,207	0.16	0.07
c. Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d. State Govt (s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e. Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f. Insurance Companies	112,1532	NIL	112,1532	4.97	112,1532	NIL	112,1532	4.88	0.09
g. FIIs	287,7852	1,600	287,9452	12.77	2,167,689	1,600	2,169,289	9.43	3.34
h. Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i. Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-Total (B)(1)	**4,420,795**	**2800**	**4,423,595**	**19.62**	**3,395,828**	**2,800**	**3,398,628**	**14.78**	**4.84**
2. Non-Institutions									
a. Bodies Corporate									
i. Indian	1,595,899	2,800	1,598,699	7.09	1,181,030	2,400	1,183,430	5.15	1.94
ii. Overseas	200	NIL	200	0.00	NIL	200	200	NIL	0.00
b. Individuals									
i. Individual shareholders holding nominal share capital upto ₹ 2 lakh	375,0611	259,958	4,010,569	17.79	5,460,811	201,495	5,662,306	24.62	6.83
ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	631,486	51,944	683,430	3.03	589,006	NIL	589,006	2.56	0.47
c. Others	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i. Non Resident Individuals	297,836	11,273	309,109	1.37	603,187	13,273	616,460	2.68	1.31
ii. Foreign National	14,410	NIL	14,410	0.06	20,685	NIL	20,685	0.09	0.03
iii. NBFCs registered with RBI	NIL	NIL	NIL	NIL	15,799	NIL	15799	0.07	0.07
iv. Trust	NIL	NIL	NIL	NIL	4100	NIL	4100	0.02	0.02
Sub-total (B)(2):-	**6,290,242**	**326,175**	**6,616,417**	**29.35**	**7,874,618**	**217,638**	**8,091,986**	**35.19**	**5.84**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**10,711,037**	**328,975**	**11,040,012**	**48.97**	**11,270,446**	**220,168**	**11,490,614**	**49.97**	**1.00**
C. Shares held by Custodian for GDRs & ADRs	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
Grand Total (A+B+C)	**22,217,697**	**328,975**	**22,546,672**	**100**	**22,777,106**	**220,168**	**22,997,274**	**100**	**0.00**

(ii) Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Ashank Desai	3,099,552	13.99	NIL	3,099,552	13.82	NIL	0.17
2.	Sudhakar Ram	2,791,680	12.60	NIL	2,791,680	12.45	NIL	0.15
3.	Ketan Mehta	2,519,100	11.37	NIL	2,519,100	11.23	NIL	0.07
4.	Radhakrishnan Sundar	1,445,800	6.52	NIL	1,445,800	6.45	NIL	0.03
5.	Rupa Mehta	480,800	2.17	NIL	480,800	2.14	NIL	0.03
6.	Usha Sundar	460,000	2.08	NIL	460,000	2.05	NIL	0.01
7.	Girija Ram	163,600	0.74	NIL	163,600	0.73	NIL	0.01
8.	Padma Desai	155,200	0.70	NIL	155,200	0.69	NIL	0.01
9.	Samvitha Ram	103,328	0.47	NIL	103,328	0.46	NIL	0.01
10.	Avanthi Desai	81,600	0.37	NIL	81,600	0.36	NIL	0.01
11.	Chinmay Ashank Desai	71,600	0.32	NIL	71,600	0.32	NIL	NIL

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
12.	Varun Sundar	64,000	0.29	NIL	64,000	0.29	NIL	NIL
13.	Shankar Sundar	64,000	0.29	NIL	64,000	0.29	NIL	NIL
14.	Tanay Mehta	6,400	0.00	NIL	6,400	0.00	NIL	NIL

Note: - There is no change in the number of shares held by the Promoter & Promoter Group. However, the percentage of the Shareholding has changed during the year due to allotment of shares on exercise of vested ESOP's.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund						
	At the beginning of the year			1,650,000	7.32%		
	Changes during the year	15/01/2016	Sale	(32,364)	0.29%	1,617,636	7.03%
		22/01/2016	Sale	(67,636)	0.30%	1,550,000	6.73%
		29/01/2016	Sale	(60,409)	0.26%	1,489,591	6.47%
		05/02/2016	Sale	(47,783)	0.21%	1,441,808	6.26%
		12/02/2016	Sale	(28,912)	0.12%	1,412,896	6.14%
		19/02/2016	Sale	(42,896)	0.19%	1,370,000	5.95%
		31/03/2016	Sale	(95,000)	0.41%	1,275,000	5.54%
	At the end of the year					1,275,000	5.54%
2.	Life Insurance Corporation of India P & GS Fund						
	At the beginning of the year			589,781	2.62%		
	Changes during the year	-	NA	-	-	589,781	2.62%
	At the end of the year					589,781	2.62%
3.	Life Insurance Corporation of India						
	At the beginning of the year			518,435	2.30%		
	Changes during the year	-	NA	-	-	518,435	2.30%
	At the end of the year					518,435	2.30%
4.	Fidelity Northstar Fund						
	At the beginning of the year			400,000	1.77%		
	Changes during the year	19/02/2016	Sale	(50,000)	0.25%	350,000	1.52%
		26/02/2016	Sale	(25,000)	0.11%	325,000	1.41%
	At the end of the year					325,000	1.41%
5.	Sun Super Pooled Superannuation Trust						
	At the beginning of the year			210,645	0.93%		
	Changes during the year	10/04/2015	Sale	(210,645)	0.93%	-	-
	At the end of the year					-	-
6.	DSP Blackrock Technology.com Fund						
	At the beginning of the year			157,278	0.70%		
	Changes during the year	10/07/2015	Sale	(76,027)	0.35%	81,251	0.35%
		17/07/2015	Sale	(81,251)	0.35%	-	-
	At the end of the year					-	-

Sr. No.	For Each of the Top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7.	Natixis International Funds (Lux) I A/C Natixis International Funds (Lux) I - IDFC India Equities Fund						
	At the beginning of the year			156,202	0.69%		
	Changes during the year	24/04/2015	Sale	(156,202)	0.69%	-	-
	At the end of the year					-	-
8.	Sundaram Mutual Fund A/C Sundaram Smile Fund						
	At the beginning of the year			110,000	0.49%		
	Changes during the year	10/04/2015	Sale	(68,655)	0.31%	41,345	0.18%
		17/04/2015	Sale	(41,345)	0.18%	-	-
		19/06/2015	Purchase	211,909	0.92%	211,909	0.92%
		26/06/2015	Purchase	121,398	0.53%	333,307	1.45%
		30/06/2015	Purchase	353,804	1.54%	687,111	2.99%
		10/07/2015	Purchase	1,165	0.00%	688,276	2.99%
		28/08/2015	Purchase	10,000	0.05%	698,276	3.04%
		09/10/2015	Purchase	25,000	0.11%	723,276	3.15%
		16/10/2015	Sale	(723,276)	3.15%	-	-
	At the end of the year					-	-
9.	Stichting Pension funds Abp						
	At the beginning of the year			106,380	0.47%		
	Changes during the year	01/05/2015	Sale	(58,438)	0.26%	47,942	0.21%
		15/05/2015	Sale	(47,942)	0.21%	-	-
	At the end of the year					-	-
10.	Goldman Sachs (Singapore) Pte						
	At the beginning of the year			105,941	0.47%		
	Changes during the year	10/04/2015	Sale	(785)	0.01%	105,156	0.46%
		12/06/2015	Purchase	696	0.00%	105,852	0.46%
		19/06/2015	Purchase	24,913	0.11%	130,765	0.57%
		10/07/2015	Sale	(2,167)	0.01%	128,598	0.56%
		17/07/2015	Purchase	653	0.00%	129,251	0.56%
		31/07/2015	Purchase	26,281	0.11%	155,532	0.68%
		07/08/2015	Sale	(678)	0.00%	154,854	0.67%
		14/08/2015	Sale	(31,162)	0.14%	123,692	0.54%
		21/08/2015	Sale	(66,693)	0.29%	56,999	0.25%
		28/08/2015	Purchase	20,954	0.09%	77,953	0.34%
		04/09/2015	Purchase	26,430	0.11%	104,383	0.45%
		04/12/2015	Purchase	1,734	0.01%	106,117	0.46%
		25/12/2015	Purchase	32,777	0.14%	138,894	0.60%
		31/12/2015	Purchase	30,721	0.13%	169,615	0.74%
		08/01/2016	Purchase	3,918	0.02%	173,533	0.75%

Sr. No.	For Each of the Top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		15/01/2016	Sale	(40,469)	0.18%	133,064	0.58%
		22/01/2016	Sale	(25,363)	0.11%	107,701	0.47%
		19/02/2016	Sale	(11,046)	0.05%	96,655	0.42%
		26/02/2016	Sale	(17,016)	0.07%	79,639	0.35%
		04/03/2016	Sale	(47,907)	0.21%	31,732	0.14%
		11/03/2016	Sale	(31,227)	0.14%	505	0.00%
		18/03/2016	Purchase	45,205	0.20%	45,710	0.20%
	At the end of the year					45,710	0.20%
11.	D. Sathyamoorthi						
	At the beginning of the year			100,000	0.44%		
	Changes during the year	05/06/2015	Sale	(11,000)	0.05%	89,000	0.39%
		26/06/2015	Sale	(89,000)	0.39%	-	-
		19/02/2016	Purchase	100,000	0.43%	100,000	0.43%
	At the end of the year					100,000	0.43%
12.	Arun Kumar Maheshwari						
	At the beginning of the year			89,584	0.40%		
	Changes during the year	01/05/2015	Purchase	61,701	0.26%	151,285	0.66%
		19/06/2015	Purchase	72,660	0.32%	223,945	0.97%
		18/09/2015	Purchase	2,943	0.01%	226,888	0.99%
		25/09/2015	Purchase	3,112	0.01%	230,000	1.00%
	At the end of the year					230,000	1.00%
13.	Shalini Desai						
	At the beginning of the year			80,000	0.35%		
	Changes during the year	-	NA	-	-	80,000	0.35%
	At the end of the year					80,000	0.35%
14.	Merrill Lynch Capital Markets Espana S A S V						
	At the beginning of the year			13,047	0.06%		
	Changes during the year	22/05/2015	Sale	(13,047)	0.06%	-	-
		23/10/2015	Purchase	1,427	0.01%	1,427	0.01%
		06/11/2015	Sale	(1,427)	0.01%	-	-
		04/03/2016	Purchase	163,000	0.71%	163,000	0.71%
		11/03/2016	Purchase	656	0.00%	163,656	0.71%
		31/03/2016	Purchase	110,344	0.48%	274,000	1.19%
	At the end of the year					274,000	1.19%
15.	Premier Investment Fund Limited						
	At the beginning of the year			-	-		
	Changes during the year	19/06/2015	Purchase	56,000	0.24%	56,000	0.24%
		26/06/2015	Purchase	17,250	0.08%	73,250	0.32%
		30/06/2015	Purchase	106,544	0.46%	179,794	0.78%
		10/07/2015	Purchase	19,200	0.09%	198,994	0.87%
		17/07/2015	Purchase	33,900	0.14%	232,894	1.01%
		30/09/2015	Purchase	1,500	0.01%	234,394	1.02%
		16/10/2015	Sale	(1,500)	0.01%	232,894	1.01%
	At the end of the year					232,894	1.00%

Sr. No.	For Each of the Top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
16.	B. N. Nagamani						
	At the beginning of the year			-	-		
	Changes during the year	27/11/2015	Purchase	99,990	0.43%	99,990	0.43%
		04/12/2015	Purchase	10	0.00%	100,000	0.43%
	At the end of the year					100,000	0.43%
17.	Farid Lalji Kazani						
	At the beginning of the year			-	-		
	Changes during the year	15/05/2015	Purchase	35,000	0.15%	35,000	0.15%
		05/06/2015	Purchase	124,273	0.54%	159,273	0.69%
		12/06/2015	Sale	(84,315)	0.36%	74,958	0.33%
		26/02/2016	Purchase	39	0.00%	74,997	0.33%
		04/03/2016	Purchase	6,461	0.02%	81,458	0.35%
		18/03/2016	Purchase	6,250	0.03%	87,708	0.38%
	At the end of the year					87,708	0.38%

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year - April 01, 2015		Shareholding at the end of the year March 31, 2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Sudhakar Ram	2,791,680	12.60	2,791,680	12.14
2.	Mr. Radhakrishnan Sundar (Resigned as Executive Director w.e.f. June 01, 2015)	1,445,800	6.52	1,445,800	6.29
3.	Mr. Ashank Desai	3,099,552	13.75	3,099,552	13.48
4.	Mr. Ketan Mehta (Resigned as Non-Executive Director w.e.f. June 01, 2015)	2,519,100	11.17	2,519,100	10.95
5.	Mr. S. Sandilya	19,500	0.09	26,000	0.11
6.	Mr. Atul Kanagat	NIL	NIL	NIL	NIL
7.	Ms. Priti Rao	7,400	0.03	29,600	0.13
8.	Mr. Arun kumar Maheshwari (Resigned as an Independent Director w.e.f. June 01, 2015)	89,584	0.40	NA	NA
9.	Dr. Rajendra Sisodia (Resigned as an Independent Director w.e.f. April 17, 2015)	26,994	0.12	NA	NA
10.	Mr. Venkatesh Chakravarty (Resigned as an Independent Director w.e.f. June 19, 2015)	NIL	NIL	NA	NA
11.	Mr. Farid Kazani (Resigned as Group CFO and Finance Director w.e.f. May 31, 2015)	35,000	0.16	NA	NA
12.	Mr. Bhagwant Bhargawe (Retired as a Company Secretary w.e.f. August 31, 2015)	-	-	NA	NA
13.	Jamshed Jussawallla (Appointed as an Group CFO and Finance Director w.e.f. June 01, 2015)	NA	NA	485	0.002
14.	Dinesh Kalani Appointed as a (Company Secretary w.e.f. September 01,2015)	NA	NA	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits ₹	Unsecured Loans ₹	Deposits ₹	Total Indebtedness ₹
Indebtedness at the beginning of the financial year April 01, 2015				
i) Principal Amount	13,521,892	NIL	NIL	13,521,892
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	13,521,892	NIL	NIL	13,521,892
Change in Indebtedness during the financial year				
+ Addition	1,072,651	NIL	NIL	1,072,651
- Reduction	5,874,277	NIL	NIL	5,874,277
Net Change	8,720,266	NIL	NIL	8,720,266
Indebtedness at the end of the financial year March 31, 2016				
i) Principal Amount	4,801,626	NIL	NIL	4,801,626
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	4,801,626	NIL	NIL	4,801,626

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Sudhakar Ram	Mr. Radhakarishnan Sundar (Resigned as Executive Director w.e.f. June 01, 2015)	
1.	Gross salary	₹	₹	₹
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11,750,000	400,000	12,150,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	46,017	6,600	52,617
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	- Commission - as % of profit - others, specify	-	-	-
5.	Others, please specify			
	Provident Fund & Other Fund	750,000	48,000	798,000
	Performance Bonus	NIL	NIL	NIL
	Total	12,546,017	454,600	13,000,617
	Ceiling as per the Act	12,000,000	-	-

B. **Remuneration to other directors:**

I. **Independent Directors -**

Particulars of Remuneration All figures in (₹)	Name of Directors						Total Amount ₹
	Mr. S. Sandilya	**Mr. Venkatesh Chakravarty**	**Dr. Rajendra Sisodia**	**Mr. Atul Kanagat**	**Ms. Priti Rao**	**Dr. Arun Maheshwari**	
Fee for Attending Board meetings and Audit Committee Meetings	830,000	30,000	NIL	NIL	730,000	NIL	2,420,000
Commission	900,000	-	-	-	900,000	-	1,800,000
Others	-	-	-	-	-	-	-

II. **Other Non-Executive Directors:-**

Particulars of Remuneration	Name of Directors		Total Amount ₹
	Mr. Ashank Desai	**Mr. Ketan Mehta**	
Fee for Attending Board meetings and Audit Committee meetings	830,000	NIL	830,000
Commission	-	-	-
Others (Perquisites/Benefits)	134,499	-	134,499

C. **Remuneration to Key Managerial Personnel other than MD / Manager / WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (KMP)		
		Mr. Farid Kazani* (ceased to be KMP w.e.f. June 01, 2015)	**Mr. Bhagwant Bhargawe (ceased to be KMP w.e.f. August 31, 2015)**	**Total**
1.	Gross salary	₹	₹	₹
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	1,549,636	1,516,930	3,066,566
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,600	NIL	6,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	-	-	-
2	Stock Option	26,424,140	114,135	26,538,455
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-
5	Others, please specify	-	-	-
	Contribution to Provident Fund	60,000	45,870	105,870
	Performance Bonus	NIL	NIL	NIL
	Total	28,040,376	1,677,115	29,792,491

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (KMP)		
		Mr. Jamshed Jussawalla (appointed as KMP w.e.f. June 01, 2015)	Mr. Dinesh Kalani (appointed as KMP w.e.f. September 01, 2015)	Total
1.	Gross salary	₹	₹	₹
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	4,246,715	1,540,490	5,787,205
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	33,000	NIL	33,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-
5.	Others, please specify	-	-	-
	Contribution to Provident Fund	140,882	60,984	201,866
	Performance Bonus	-	-	-
	Total	4,420,597	1,601,474	6,022,071

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : There were no penalties, punishments or compounding of offences during the year ended March 31, 2016.

Annexure 3

DETAILS OF RELATED PARTY TRANSACTIONS (FORM NO. AOC - 2)

Pursuant to Clause (4) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

A. Company has not entered into any material contracts or arrangements or transactions which are not on arm's length basis.

B. Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of material contracts or arrangement or transactions not at arm's length basis:-NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship:

Mastek Ltd has entered into Contracts with the following companies:

Mastek (UK) Ltd

Majesco Ltd

Majesco Software and Solution India Pvt Ltd (MSSIPL)

Cashless Technologies India Pvt Ltd

(b) Nature of contracts/arrangements/transactions: (1) IT & related services Contracts

(2) Leave & License Agreements

(c) Duration of the contracts / arrangements/transactions IT & related services contracts are for a duration of one year and are automatically renewed annually.

Leave & License Agreements are entered into for a period of 11 months to 5 years.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

IT & related Services are provided by Mastek Ltd. on an ongoing basis.

Office space at Mahape and Ahmedabad have been given on Leave & license basis for a period of 11 months to Cashless Technologies India Pvt Ltd and MSSIPL respectively; and Pune office has been given on leave and license basis for a period of 5 years to MSSIPL

(e) Date(s) of approval by the Board, if any:

- IT & related services with Mastek UK Limited – 16.07.2015

- IT & related services with Majesco Ltd and MSSIPL – 01.06.2015

- IT & related services with MSSIPL – 01.06.2015

- Leave & License Agreement with MSSIPL–

a. December 01, 2015 to October 31, 2016. (Ahmedabad): 14.01.2016

b. June 01, 2015 to May 31, 2020. (Pune): 01.06.2015

-Leave & license Agreement with Cashless Technologies India Pvt Ltd- February 02, 2016 to January 01, 2017 dated 25.02.2016

(f) Amount paid as advances, if any: NIL

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non- Executive Chairman and Independent Director

Date : April 19, 2016
Place : Mumbai

Annexure 4

SECRETARIAL AUDIT REPORT

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the financial year ended March 31, 2016

To,
The Members,
Mastek Limited
CIN: L74140GJ1982PLC005215

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Mastek Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon:

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Mastek Limited ("the Company") for the financial year ended on March 31, 2016 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment as applicable to Mastek Limited in India;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Upto May 14, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (w.e.f. May 15, 2015);
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable during the audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding Companies Act dealing with the company.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable during the audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable during the audit period)

(vi) We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company. The list of major heads/groups of Acts, laws and Regulations as applicable to the Company are listed below:

- a. The Information Technology Act, 2000;
- b. The Special Economic Zone Act, 2005;
- c. Policy relating to Software Technology Parks of India and its regulations;
- d. The Trade Marks Act, 1999;
- e. Indian Stamp Act, 1999;
- f. Negotiable Instruments Act, 1881;
- g. Registration Act, 1908;
- h. All applicable Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc;
- i. Income Tax Act and other Indirect Tax laws
- j. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

k. Bombay Shops and Establishments Act, 1948

l. Electricity Act, 2003

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

To the best of our knowledge and belief, during the period under review, the company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non Executive Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the year under review.

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under review, the Company had following major events:

1) Demerger:

Mastek Ltd (the company) has demerged its Insurance Product and Services business through a court scheme to Majesco Limited (resulting Company) and slump sale of the offshore insurance operations to Majesco Software and Solutions India Private Limited.

The company had two distinct business verticals:

a) Insurance vertical which is Intellectual property centric, domain intensive and largely caters to the US insurance market, with some customers in other countries like Canada, Malaysia, Thailand and UK.

b) Vertical business solutions delivers large unique complex programmes, leveraging information technology service capabilities. This business largely caters to UK markets, serving government, financial service and retail customers.

The prime objective for such a restructuring of the company was mainly to focus towards maximizing of shareholder value as under:

a) To give shareholders opportunity to participate in the business of their choice.

b) To facilitate each business to independently pursue their growth.

c) To enhance management focus and operational flexibility.

d) To enhance financial flexibility to pursue next stage of growth.

This scheme of arrangement for the demerger of the company was approved by Bombay High Court and Gujarat High Court. The Ratio of Demerger was 1:1 and requisite forms, returns were filed with ROC. At the time of demerger, assets were divided between Mastek Ltd and Majesco Ltd in the ratio of 33:67.

2) Interim Dividends:

The Board of Directors approved payment of two interim dividends during the year and the required formalities were complied with.

We further report that during the audit period, the company has co-operated with us and has produced before us, all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

V Sundaram
Name of Company Secretary in practice / Firm:
FCS No.: 2023
C P No.:3373

Place : Mumbai
Date : April 19, 2016

Annexure 5

Disclosure in Directors' Report pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1)of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014

Sr. No.	Requirements	Disclosure	
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	**Name of the Director**	**Ratio**
		Mr. Sudhakar Ram	21.59X
		Mr. Radhakrishnan Sundar (Resigned as Executive Director w.e.f. June 01, 2015)	NA
		Mr. Ashank Desai	0.23*X
		Mr. S. Sandilya	1.59X
		Mr. Atul Kanagat	-
		Ms. Priti Rao	1.59X
		* Mr. Ashank Desai's remuneration consist of certain benefits and perquisites as approved by the shareholder 1. The median remuneration of employees of the Company was ₹ 5,81,157.62 2. For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.	
2.	The percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary in the financial year	**Name of the Director**	**Percentage (%)**
		Mr. Sudhakar Ram	5.1%
		Mr. Radhakrishnan Sundar (Resigned as Executive Director w.e.f. June 01, 2015)	NA
		Mr. Ashank Desai	42.7%
		Mr. Ketan Mehta (Resigned as Non-Executive Director w.e.f. June 01, 2015)	NA
		Mr. S. Sandilya*	-
		Mr. Atul Kanagat	NA
		Ms. Priti Rao*	-
		Mr. Arunkumar Maheshwari (Resigned as an Independent Director w.e.f. June 01, 2015)	NA
		Dr. Rajendra Sisodia (Resigned as an Independent Director w.e.f. April 17, 2015)	NA
		Mr. Venkatesh Chakravarty (Resigned as an Independent Director w.e.f. June 19, 2015)	NA
		Mr. Farid Kazani (Resigned as Group CFO and Finance Director w.e.f. May 31, 2015)	NA
		Mr. Bhagwant Bhargawe (Retired as a Company Secretary w.e.f. August 31, 2015)	NA
		Jamshed Jussawallla (Appointed as CFO w.e.f. June 01, 2015)	NA
		Dinesh Kalani (Appointed as Company Secretary w.e.f. September 01, 2015)	NA
		* Mr. Ashank Desai's remuneration consist of certain benefits and perquisites as approved by the shareholder **Commission of ₹ 9 lacs is for the year 2015-16 vs. NIL for 2014-15. 1. For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration. 2. Figures have been rounded off wherever necessary.	
3.	The percentage increase in the median remuneration of employees in the financial year:	Percentage of increase in the median remuneration of employees in the Financial Year March 31, 2016 (12.5%)	
4.	The number of permanent employees on the rolls of company	1102	
5.	The explanation on the relationship between average increase in remuneration and company performance:	The average increase in remuneration was 5.6%. This was arrived at after bench-marking the salaries of the employees with peer companies, achievement of Company Targets, etc. The Revenues of the Company decreased by 12.5% and Net profits by 78% in 2015-16 vis a vis 2014-15.	

<table>
<tr><td>6.</td><td>Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the company</td><td>The remuneration paid to Mr. Sudhakar Ram was based on the Employment Agreement entered into by the Company with him. Further, the variation in remuneration of Key Managerial Personnel was arrived at by the Company based on industry bench-marks and the achievement of individual and Company Targets vis a vis the Plan. The Revenues of the Company increased by 4.6% and Net profits by 78% in 2015-16 vis a vis 2014-15</td></tr>
<tr><td>7.</td><td>Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies;</td><td>
<table>
<tr><th></th><th>As on March 31, 2016</th><th>As on March 31, 2015</th><th>% Change</th></tr>
<tr><td>Market Capitalization of the Company</td><td>3,29,43,59,500</td><td>9,61,84,10,275</td><td>Decreased by 48.98%*</td></tr>
<tr><td>Price Earning ratio</td><td>24.45</td><td>13.42</td><td></td></tr>
</table>
*There is variation in the Market cap and PE ratio due to De-merger happened during the year.

The Company had come out with a Follow-on Offering in 1996. It had issued shares of ₹ 10/- each at a premium of ₹ 180 per share. Adjusting for Stock-split and Bonus Issues, the price works out to ₹ 23.75 per share. The closing price of the Company share as on March 31, 2016 was ₹ 143.25 on NSE. Thus the percentage increase works out to 603.16%.</td></tr>
<tr><td>8.</td><td>Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.</td><td>Average percentage increase made in the salaries of the Employees other than the Managerial personnel in the Financial Year 2016 was (24.9%) vis a vis increase of 4.8% in the salaries of Managerial Personnel.</td></tr>
<tr><td>9.</td><td>Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;</td><td>
<table>
<tr><th>Particulars</th><th>Remuneration for FY 2015-16</th><th>% of Revenue for FY 2015-16</th><th>% of Profit for FY 2015-16</th></tr>
<tr><td>Mr. Sudhakar Ram</td><td>12,546,017</td><td>0.32%</td><td>9.39%</td></tr>
<tr><td>Mr. Radhakrishnan Sundar Executive Director upto May 31, 2015</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><td>Mr. Bhagwant Bhargawe Retired as Company Secretary w.e.f. August 31, 2015</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><td>Mr. Farid Kazani Resigned as a Group CFO and Finance Director w.e.f. May 31, 2015</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><td>Dinesh Kalani Appointed as a Company Secretary w.e.f. September 01, 2015</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><td>Jamshed Jussawalla Appointed as CFO w.e.f. June 01, 2015</td><td>NA</td><td>NA</td><td>NA</td></tr>
</table></td></tr>
<tr><td>10.</td><td>The key parameters for any variable component of remuneration availed by the directors</td><td>For corporate function, the variable pay is determined on basis of company performance – Company PBT achievement as against the budgeted Company PBT</td></tr>
<tr><td>11.</td><td>The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.</td><td>Not applicable</td></tr>
<tr><td>12.</td><td>Affirmation that the remuneration is as per the remuneration policy of the Company</td><td>Yes, the remuneration is as per the remuneration policy of the company</td></tr>
</table>

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non- Executive Chairman and Independent Director

Date : April 19, 2016
Place : Mumbai

Annexure 6

DISCLOSURE AS REQUIRED UNDER SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON MARCH 31, 2016

A. Employee Stock Option Scheme

Sr. No	Particulars	Plan IV	Plan V	Plan VI	Plan VII
1	Date of Shareholders' Approval	August 09, 2007	March 20, 2009	October 02, 2010	July 17, 2013
2	Total number of options approved under the scheme	1,000,000	1,500,000	2,000,000	2,500,000
3	Vesting Requirements	The first vesting of the stock options shall happen only on completion of one year from the date of grant. Maximum vesting period is four years from the date of Grant	The first vesting of the stock options shall happen only on completion of one year from the date of grant. Maximum vesting period is four years from the date of Grant	The first vesting of the stock options shall happen only on completion of one year from the date of grant. Maximum vesting period is four years from the date of Grant	The first vesting of the stock options shall happen only on completion of one year from the date of grant. Maximum vesting period is four years from the date of Grant
4	Exercise Price or Pricing Formula	Market Price	The exercise price as may be determined by the Compensation Committee and such price may be the face value of the share from time to time or may be the Market Price or any price as may be decided by the Committee	The exercise price as may be determined by the Compensation Committee and such price may be the face value of the share from time to time or may be the Market Price or any price as may be decided by the Committee	The exercise price as may be determined by the Compensation Committee and such price may be the face value of the share from time to time or may be the Market Price or any price as may be decided by the Committee
5	Maximum Term of Options Granted	11 years from the date of Grant	11 years from the date of Grant	11 years from the date of Grant	11 years from the date of Grant
6	Source of Shares	Primary	Primary	Primary	Primary
7	Variation in terms of Options	During the year ended June 30, 2011, the Company has extended the vesting period from two years to seven years. The company has entered into the scheme of arrrangement in the financial year 2015-16. Mastek limited got split into Mastek Ltd. & Majesco Ltd. Subject to this arrangement, the exercise price has been revised for the options outstanding on the date of arrangement	The company has entered into the scheme of arrrangement in the financial year 2015-16. Mastek limited got split into Mastek Ltd. & Majesco Ltd. Subject to this arrangement, the exercise price has been revised for the options outstanding on the date of arrangement	The company has entered into the scheme of arrrangement in the financial year 2015-16. Mastek limited got split into Mastek Ltd. & Majesco Ltd. Subject to this arrangement, the exercise price has been revised for the options outstanding on the date of arrangement	The company has entered into the scheme of arrrangement in the financial year 2015-16. Mastek limited got split into Mastek Ltd. & Majesco Ltd. Subject to this arrangement, the exercise price has been revised for the options outstanding on the date of arrangement

B. Option Movement During the year

Sr. No	Particulars	Plan IV	Plan V	Plan VI	Plan VII	Total
1	Options outstanding at the beginning of the year					
	For the year 2015-16**	371,025	308,939	1,315,439	897,373	2,892,776
	Weighted Average Exercise Price**	288.07	213.89	122.45	170.01	
	For the year 2014-15*	411,707	673,514	1,892,300	-	2,977,521
	Weighted Average Exercise Price*	285.23	249.29	127.30	-	
2	Options Granted during the year					
	April 01, 2015 - March 31, 2016**	-	-	353,275	223,850	577,125
	Weighted Average Exercise Price**	-	-	188	174.21	
	April 01, 2014 - March 31, 2015*	-	-	326,957	1,069,373	1,396,330
	Weighted Average Exercise Price*	-	-	59.81	171.45	
3	Number of options vested and exercisable					
	As on March 31, 2016**	276,117	143,825	456,443	157,219	1,033,604
	Weighted Average Exercise Price**	105.36	64.93	45.39	61.71	
	As on March 31, 2015*	371,025	276,025	358,783	-	1,005,833
	Weighted Average Exercise Price*	288.07	224.33	123.59	-	
4	Number of options exercised during the year					
	April 01, 2015 - March 31, 2016**	19,162	116,864	252,576	62,000	450,602
	Weighted Average Exercise Price**	146.37	208.01	89.67	87.83	
	April 01, 2014 - March 31, 2015*	15,118	91,575	279,299	-	385,992
	Weighted Average Exercise Price*	192.68	217.21	118.43	-	-
5	Total number of shares arising during the year as a result of exercise of options					
	April 01, 2015 - March 31, 2016**	19,162	116,864	252,576	62,000	450,602
	April 01, 2014 - March 31, 2015*	15,118	91,575	279,299	-	385,992
6	Number of options lapsed during the year					
	April 01, 2015 - March 31, 2016**	75,496	-	-	-	75,496
	Weighted Average Exercise Price**	111	-	-	-	-
	April 01, 2014 - March 31, 2015*	-	-	-	-	-
	Weighted Average Exercise Price*	-	-	-	-	-
7	Number of options cancelled during the year					
	April 01, 2015 - March 31, 2016**	250	48,250	73,826	81,850	204,176
	Weighted Average Exercise Price**	117	215.87	105	89.48	-
	April 01, 2014 - March 31, 2015*	25,564	273,000	624,519	172,000	1,095,083
	Weighted Average Exercise Price*	298.78	300.11	106.15	179.00	-
8	Money realised by exercise of options during the year					
	April 01, 2015 - March 31, 2016	2,646,159	22,344,089	21,624,438	5,445,404	52,060,090
	April 01, 2014 - March 31, 2015	2,912,956	19,890,760	33,076,467	-	55,880,183

Sr. No	Particulars	Plan IV	Plan V	Plan VI	Plan VII	Total
9	Options outstanding at the outstanding of the year					
	As on March 31, 2016**	276,117	143,825	1,342,312	977,373	2,739,627
	Weighted Average Exercise Price**	105.36	64.93	80.69	87.49	-
	As on March 31, 2015*	371,025	308,939	1,315,439	897,373	2,892,776
	Weighted Average Exercise Price*	288.07	213.89	122.45	170.01	-
10	Loan repaid by the trust during the year from the exercise price received	NA	NA	NA	NA	NA

C. Employee-wise details of options granted to:

(i)	Senior managerial personnel	Plan IV	Plan V	Plan VI	Plan VII
	Ravindra K. Kadam	-	-	10,000	-
	Sanjeev Vishnupant Jagtap	-	-	10,000	-
	Jamshed Burjor Jussawalla	-	-	5,000	-
	Sanjay T. Mudnaney	-	-	5,000	-
	Hiren Ramesh Shah	-	-	15,000	-
	R. Venkatraman	-	-	15,000	-
	Prahlad Koti	-	-	20,000	-
	Anant Thakrar	-	-	10,000	-
	Benjamin Charles Davison	-	-	20,000	-
	Rob Stanger	-	-	5,000	-
	Andy Hicketts	-	-	10,000	-
	Nigel Anthony M. Heller	-	-	10,000	-
	Anthony Flack	-	-	-	5,000
	Jason Smith	-	-	-	10,000
	Robert Smith	-	-	-	20,000
	William Yoxall	-	-	-	10,000
(ii)	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year	No employees have been granted more than 5% of the total options granted during the year			
(iii)	Identified employees who were granted option, during any one year, equal or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL			

D.	Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20	5.47

E.	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options by Black & Scholes Model, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed	April 01, 2015 - March 31, 2016 The Company has adopted the intrinsic value method as permitted by the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of stock options granted. The Company's net profit and earnings per share would have been as under, had the compensation cost for employees stock options been recognised based on the fair value at the date of grant in accordance with Black Scholes model.	April 01, 2014 - March 31, 2015 The Company has adopted the intrinsic value method as permitted by the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of stock options granted. The Company's net profit and earnings per share would have been as under, had the compensation cost for employees stock options been recognised based on the fair value at the date of grant in accordance with Black Scholes model.
		₹ In Lacs	₹ In Lacs
	Profit as reported	1,336.70	7,438.75
	Add - Intrinsic Value Cost	-	13.39
	Less - Fair Value Cost	398.83	90.18
	Profit as adjusted	937.87	7,361.96
	Earning per share (Basic) as reported	5.85	33.33
	Earning per share (Basic) adjusted	5.47	31.75
	Earning per share (Diluted) as reported	5.47	31.75
	Earning per share (Diluted) adjusted	3.84	31.43

F.	For stock options exercised during the period the weighted average share price on the date of exercise (₹)*				
		Plan IV	**Plan V**	**Plan VI**	**Plan VII**
	April 01, 2015 - March 31, 2016**	205.39	389.96	289.40	217.83
	April 01, 2014 - March 31, 2015*	409.39	301.84	260.69	0.00

G.	For stock options outstanding at the end of the period, the range of exercise prices and weighted average remaining contractual life (Vesting period + exercise period)*	**As on March 31, 2016**			
		Plan IV	**Plan V**	**Plan VI**	**Plan VII**
	Range of Exercise Price (₹)	Weighted Average Contractual Life (years)			
	5-150	3.49	4.46	6.69	7.72
	Number of Options Outstanding	276,117	143,825	1,010,737	758,623
	151-250	-	-	8.79	8.79
	Number of Options Outstanding	-	-	331,575	218750
	251-350	-	-	-	-
	Number of Options Outstanding	-	-	-	-
	351-450	-	-	-	-
	Number of Options Outstanding	-	-	-	-
		As on March 31, 2015			
	Range of Exercise Price (₹)	Weighted Average Contractual Life (years)			
	5-150	2.50	5.49	7.43	8.65
	Number of Options Outstanding	31,250	123,339	1,215,439	46,373
	151-250	-	4.00	8.07	8.65
	Number of Options Outstanding	-	117,600	30,000.00	851,000
	251-350	1.73	3.20	9.07	-
	Number of Options Outstanding	339,775	48,000	70,000.00	-
	351-450	-	4.41	-	-
	Number of Options Outstanding	-	20,000	-	-

H.	Weighted average exercise price of Options granted during the year whose	**April 01, 2015 - March 31, 2016**			
	(a) Exercise price equals market price	Nil	Nil	Nil	Nil
	(b) Exercise price is greater than market price	Nil	Nil	188.00	174.21
	(c) Exercise price is less than market price	Nil	Nil	Nil	Nil
	Weighted average fair value of Options granted during the year whose	**April 01, 2015 - March 31, 2016**			
	(a) Exercise price equals market price	Nil	Nil	Nil	Nil
	(b) Exercise price is greater than market price	Nil	Nil	94.78	85.93
	(c) Exercise price is less than market price	Nil	Nil	Nil	Nil
	Weighted average exercise price of Options granted during the year whose	**April 01, 2014 - March 31, 2015***			
	(a) Exercise price equals market price	Nil	Nil	Nil	Nil
	(b) Exercise price is greater than market price	Nil	Nil	261.00	179.00
	(c) Exercise price is less than market price	Nil	Nil	5.00	5.00
	Weighted average fair value of Options granted during the year whose	**April 01, 2014 - March 31, 2015***			
	(a) Exercise price equals market price	Nil	Nil	Nil	Nil
	(b) Exercise price is greater than market price	Nil	Nil	128.89	82.76
	(c) Exercise price is less than market price	Nil	Nil	151.72	150.38

I.	Method and Assumptions used to estimate the fair value of options granted during the year				
	The fair value has been calculated using the Black Scholes Option Pricing model. The assumptions used in the model are as follows	**April 01, 2015 - March 31, 2016**			
		Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions
	Stock Price (₹)	Nil	Nil	187.05	173.56
	Volatility	Nil	Nil	48.37%	48.89%
	Risk free Rate	Nil	Nil	7.90%	7.56%
	Exercise Price (₹)	Nil	Nil	188.00	174.21
	Time To Maturity (In Years)	Nil	Nil	6.00	5.87
	Dividend yield	Nil	Nil	1.34%	1.44%
		April 01, 2014 - March 31, 2015*			
		Plan IV	**Plan V**	**Plan VI**	**Plan VII**
		Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions	Weighted Average Assumptions
	Stock Price (₹)	Nil	Nil	197.08	178.35
	Volatility	Nil	Nil	47.75%	47.81%
	Risk free Rate	Nil	Nil	8.69%	8.75%
	Exercise Price (₹)	Nil	Nil	59.81	171.45
	Time To Maturity (In Years)	Nil	Nil	6.00	6.00
	Dividend yield	Nil	Nil	2.34%	2.52%

ESOP Plan VI Grant date wise assumptions used in the model are as follows:

Variables	July 15, 2015
Number of Options	353,275
Stock Price (₹)	187.05
Volatility	48.37%
Risk free Rate	7.90%
Exercise Price (₹)	188.00
Time To Maturity (in years)	600.27%
Dividend yield	1.34%

ESOP Plan VII Grant date wise assumptions used in the model are as follows:

Variables	October 14, 2015	January 13, 2016
Number of Options	212,350	11,500
Stock Price (₹)	173.35	177.50
Volatility	48.72%	52.15%
Risk free Rate	7.56%	7.51%
Exercise Price (₹)	174.00	178.00
Time To Maturity (in years)	600.27%	350.62%
Dividend yield	1.44%	1.41%

Note: The company has entered into the scheme of arrangement in the financial year 2015-16. Mastek Limited got split into Mastek Ltd. & Majesco Ltd. Subject to this arrangement, the exercise price has been revised for the options outstanding on the date of arrangement. Ratio of split up was 37:63.

** Figures are post demerger numbers

* Figures are pre demerger numbers

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non- Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Date : April 19, 2016
Place : Mumbai

Annexure 7

ANNUAL REPORT DETAILS ON CSR ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. A brief outline of the company's CSR policy, including overview of projects or programme proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

   The CSR policy is being developed for the organisation to comply with the provisions of section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014. We at Mastek are committed to spending up to 2% of the average net profit for the preceding three financial years on CSR projects or programmes related to activities specified in Schedule VII to the Act or such activities as may be notified from time to time. A CSR committee was constituted as per board resolution dated April 26, 2014 to meet the requirements of the Act.

   The web link is given below:

   Web link: http://www.mastek.com/images/pdf/csr-policy/Final-CSR-Policy-Document-04-08-2014.pdf

2. The Composition of the CSR Committee:

   a. Ms. Priti Rao (Independent Director)
   b. Mr. Ashank Desai (Non-Executive Director)
   c. Mr. Sudhakar Ram (Managing Director & Group CEO)

3. Average net profit of the company for last three financial years: ₹ 4701.72 Lakhs

4. Prescribed CSR Expenditure (two per cent. Of the amount as in item 3 above): ₹ 94.03 Lakhs

5. Details of CSR spent during the financial year:

   During the year ended March 31, 2016 the Board approved Donations of ₹ 94.36 Lakhs. Of this, a sum of ₹ 74.51 Lakhs was spent on Projects approved under Section 135 of the Companies Act 2013 on CSR activity and ₹ 19.85 lakhs was towards the salary and other Administrative Expenses of Mastek Foundation, relating to CSR activities of the Company.

   As per provision of Section 135 of the Companies Act, 2013, the Company has to spend, in every financial year, at least 2% of the average net profits of the Company made during three immediately preceding financial years, in pursuant of Corporate Social Responsibility policy.

   Based on the Average net profit of the Company for three immediately preceding financial years, the amount to be spent on CSR activities during the year 2015-16 was ₹ 94.03 Lakhs. The amount of ₹ 94.03 lakhs was arrived at based on the net profit of the Company for 2012-13, 2013-14 and the continuing operations of the company for 2014-15, since the Company's insurance products and services business was demerged effective April 01, 2014. The Company has spent ₹ 85.36 lakhs (including ₹ 19.85 lakhs was towards the salary and other Administrative Expenses of Mastek Foundation) on various projects approved under Section 135 of the Companies Act, 2013.

a. Manner in which the amount was spent during the financial year is detailed below.

Sr No.	Projects/Activities	Sector	Locations	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs	Cumulative Expenditure Up to reporting period	Amount spent: Direct or through implementing agency*
			Districts (State)	₹ in Lakh	₹ In Lakh	₹ In Lakh	
1.	Supporting pre-school establishment and one learning centres for 600 migrant children, Supporting learning centres for slum dwelling children, Supporting 90 children residing in Ashalaya orphanage; Supporting 55 children in residential home.	Education	Turbhe -Navi Mumbai, Dahisar, Mumbai, Kharghar-Navi Mumbai, Alibaug Maharashtra	13.45	13.45	13.45	
2.	Supporting Tribal hospital reaching out to 6000 patients, awareness generation for health workers, farmers, and villagers on health and sanitation, Supporting the Thalassemia Prevention program, Kitchen gardening projects for 170 families at the foothills of Assam.	Health Care and Eradicating Malnutrition	Melgahat Amravati District, Wada District Maharashtra, Mumbai, Chirang Assam.	15.73	15.73	15.73	
3.	Supporting of establishment Suraksha - a open shelter home for 19 girls.	Women Empowerment	Neral Raigad district.	20.00	17.00	17.00	
4.	Providing speciality surgeries to street animals, Donation of ambulance.	Animal welfare	Thane, Maharashtra, Dombivali	5.13	5.13	5.13	
5.	Donation during earthquake and flood	Disaster	Nepal	6.00	6.00	6.00	

Sr No.	Projects/Activities	Sector	Locations	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs	Cumulative Expenditure Up to reporting period	Amount spent: Direct or through implementing agency*
			Districts (State)	₹ in Lakh	₹ In Lakh	₹ In Lakh	
6.	Supporting training and education for mentally and differently abled children, supporting training of physically differently abled children.	Special Education	Badlapur and Kolhapur	7.70	7.70	7.70	
7.	Supporting vocational training programme of youth in Mumbai, Supporting mobile training of orthopedically handicapped students	Vocational training	Mumbai, Chennai	6.50	6.50	6.50	
	Total					71.51	

* Donations are given to Mastek Foundation, who gets the project implemented through the following agencies:

Details of Implementing Agencies: Aarmbh, Navi Mumbai, Aasara, Neral Thane district, Helpers for Handicapped Kolhapur Maharashtra, Mahan Trust Melghat, Prasad Chiktsa Wada district Maharashtra, Sangopita Badlapur Maharashtra, SPCA Thane, Maharashtra, Think Foundation Mumbai Maharashtra, Kherwadi Social Welfare Agency Maharashtra, Help Youth Trust Chennai, The Action Northeast Trust Assam, Plant and Animal Society, Dombivali, Touching Lives, Dahisar, Mumbai, SOS Children's Village, Alibaug, Maharashtra.

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

   The shortfall is due to the following reasons:

   a) ₹ 6.00 lakhs donation made to a very well-known non-profit organization, Goonj, located in Mumbai for victims of earthquake in Nepal, cannot be considered as an eligible expenditure under Section 135, since the relief work was done outside India.

   b) ₹ 3.00 lakhs was unspent on establishment of shelter home - Suraksha under Aasara Trust at Neral, Maharashtra, since the milestone of the project was not achieved by March 31, 2016.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

   The CSR projects are monitored on a quarterly basis. The monitoring report has been prepared as per the policy. The monitoring of projects has been done keeping in mind the CSR Objectives of the Company.

Priti Rao	Ashank Desai	Sudhakar Ram
Chairperson	Member	Member

Date : April 19, 2016
Place : Mumbai

MASTEK LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Mastek Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10)of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

(e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

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

i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its standalone financial statements – Refer Notes 21 and 34;

ii. The Company has made provision as at March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7;

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 March 31, 2016.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number 39985

Mumbai
April 19, 2016

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Mastek Limited on the standalone financial statements for the year ended March 31, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Mastek Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Pradip Kanakia
Partner
Membership Number 39985

Mumbai
April 19, 2016

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Mastek Limited on the standalone financial statements as of and for the year ended March 31, 2016.

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

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties, as disclosed in Note 11 on fixed assets to the standalone financial statements, are held in the name of the Company.

ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub- section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service-tax and duty of customs which have not been deposited on account of any dispute. The particulars of dues of sales tax, value added tax and Stamp duty as at March 31, 2016 which have not been deposited on account of a dispute are as follows:

Name of the statute	Nature of dues	Amount in ₹ Lakhs*	Period to which the amount relates	Forum where the dispute is pending
The Maharashtra Value Added Tax Act, 2002	Demand of VAT on provision of software services including interest	152.34 (including interest of 57.14)	F.Y. 09-10	Joint Commissioner of Sales-Tax (Appeals), Mumbai
The Central Sales Tax Act, 1956	Demand of CST on provision of software services including interest	21.43 (including interest of 8.04)	F. Y. 09-10	Joint Commissioner of Sales-Tax (Appeals), Mumbai
The Maharashtra Value Added Tax Act, 2002	Demand of VAT on provision of software services including interest	9.73 (including interest of 6.13)	F.Y. 06-07	Joint Commissioner of Sales-Tax (Appeals), Mumbai
The Central Sales Tax Act, 1956	Demand of CST on provision of software services including interest	54.73 (including interest of 30.82)	F. Y. 06-07	Joint Commissioner of Sales-Tax (Appeals), Mumbai
The Gujarat Stamp Act, 1958	Demand of Stamp Duty on Demerger	173.40	F.Y. 14-15	Chief Controlling Revenue Authority, Gujarat

* Net of amount paid under protest.

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order 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, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number 39985

Mumbai
April 19, 2016

BALANCE SHEET AS AT MARCH 31, 2016

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note	**As at March 31, 2016**	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	**1,149.86**	1,127.33
Reserves and surplus	4	**18,639.24**	42,655.58
		19,789.10	43,782.91
Non-current liabilities			
Long-term borrowings	5	**17.79**	85.66
Other long-term liabilities	6	**97.07**	-
Long-term provisions	7	**493.06**	1,206.12
Current liabilities			
Trade payables	8	**382.26**	604.30
Other current liabilities	9	**3,221.86**	4,675.56
Short-term provisions	10	**550.62**	1,062.44
Total		**24,551.76**	51,416.99
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11 (i)	**4,252.66**	6,141.71
Intangible assets	11 (ii)	**343.20**	785.54
Capital work-in-progress		**13.70**	131.10
Non-current investments	12	**215.81**	15,227.45
Deferred tax assets	13	**1,453.12**	1,926.43
Long-term loans and advances	14	**4,407.51**	4,840.09
Other non-current assets	15	**256.92**	309.58
Current assets			
Current investments	16	**3,114.11**	5,121.20
Trade receivables	17	**5,225.00**	7,464.04
Cash and bank balances	18	**3,543.19**	4,978.89
Short-term loans and advances	19	**378.10**	1,106.04
Other current assets	20	**1,348.44**	3,384.92
Total		**24,551.76**	51,416.99
Summary of significant accounting policies	2		
Contingent liabilities, capital and other commitments	21, 22		

The accompanying notes are an integral part of these financial statements.
In terms of our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number: 39985

Mumbai, April 19, 2016

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non-Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Mumbai, April 19, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note	**Year ended March 31, 2016**	Year ended March 31, 2015
Revenue from operations	23	**37,866.77**	66,511.97
Other income	24	**1,647.49**	2,305.40
Total Revenue		**39,514.26**	68,817.37
Expenses			
Employee benefits expenses	25	**21,495.74**	37,684.24
Finance costs	26	**23.68**	27.43
Depreciation and amortization expenses	27	**1,488.51**	2,702.38
Other expenses	28	**14,137.99**	21,085.46
Total Expenses		**37,145.92**	61,499.51
Profit before exceptional item and tax		**2,368.34**	7,317.86
Exceptional items - loss / (gain), net	29	**300.20**	(494.95)
Profit before tax		**2,068.14**	7,812.81
Profit from continuing operations before tax		**2,068.14**	5,905.95
Tax expense from continuing operations			
Current tax		**655.31**	1,340.94
Deferred tax charge / (credit)		**95.82**	(86.69)
Income tax refund / write back for earlier years		**(19.56)**	(1,527.60)
Profit from continuing operations after tax		**1,336.57**	6,179.30
Profit from discontinuing operations before tax	44	**-**	1,906.86
Tax expense from discontinuing operations		**-**	647.41
Profit from discontinuing operations after tax		**-**	1,259.45
Profit for the year		**1,336.57**	7,438.75
Earnings per equity share	30		
Basic (Face value of ₹ 5 each)		**₹ 5.85**	₹ 33.33
Diluted (Face value of ₹ 5 each)		**₹ 5.47**	₹ 31.75
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these financial statements.
In terms of our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number: 39985

Mumbai, April 19, 2016

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non-Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Mumbai, April 19, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
Cash flows from operating activities		
Profit before exceptional item and tax, including discontinuing operations	**2,368.34**	7,317.86
Adjustments for :		
Interest income	**(212.80)**	(537.57)
Reversal of accrued revenue	**86.47**	79.83
Employee stock compensation expenses	**-**	13.39
Interest on finance lease	**15.56**	21.63
Depreciation and amortization	**1,750.61**	2,702.38
(Reversal) / Provision for doubtful debts and loans and advances, net	**(206.42)**	220.30
Bad debts written off	**380.49**	10.79
Provision / (Reversal) of cost overrun on contracts, net	**9.58**	(1.92)
Dividend from subsidiary	**(239.59)**	(820.88)
Profit on sale of fixed asset, net	**(13.45)**	(14.85)
Profit on sale of current investments	**(428.07)**	(789.18)
Rental income	**(161.26)**	(44.32)
Operating profit before working capital changes	**3,349.46**	8,157.46
Increase in trade receivables	**(210.70)**	(4,326.35)
Decrease / (Increase) in loans and advances and other current and non current assets	**2,076.95**	(2,394.20)
(Decrease) in trade payables, other liabilities and provisions	**(801.78)**	(223.88)
Cash generated from operations	**4,413.93**	1,213.03
Income taxes refunds (paid) / received, net	**(146.28)**	280.11
Net cash generated from operating activities before exceptional items	**4,267.65**	1,493.14
Amount paid for restructuring expenses	**(120.88)**	(199.59)
Amount paid for demerger expenses	**(184.27)**	(344.45)
Net cash generated from operating activities	**3,962.50**	949.10
Cash flows from investing activities		
Proceeds from sale of tangible assets	**78.70**	60.88
Purchase of tangible and intangible assets, net of capital work-in-progress capitalised	**(1,188.43)**	(1,985.46)
Interest received	**350.20**	583.03
Dividend from subsidiary	**239.59**	820.88
Investment in subsidiaries	**-**	(3,029.79)
Rental income	**161.26**	44.32
Realisation / (Investment) of bank deposits having original maturity over three months	**1,755.00**	(3,850.00)
Sale proceeds of current investments, net	**2,435.16**	3,807.98
Net cash generated from / (used in) investing activities before exceptional items	**3,831.48**	(3,548.16)
Proceeds from sale of investments in subsidiaries	**180.49**	2,482.41
Net cash generated from / (used in) investing activities	**4,011.97**	(1,065.75)
Cash flows from financing activities		
Proceeds from issue of shares under the employee stock option schemes	**552.07**	558.80
Repayment of finance lease obligation	**(57.02)**	(45.74)
Dividends paid including dividend distribution tax	**(920.39)**	(973.90)
Interest paid on finance lease	**(15.56)**	(21.63)
Net cash (used in) financing activities	**(440.90)**	(482.47)
Net increase / (decrease) in cash and cash equivalents during the year	**7,533.57**	(599.12)
Cash and cash equivalents at the beginning of the year	**1,087.52**	1,686.64
Cash and cash equivalents transferred pursuant to a scheme of arrangement (Refer note 44)	**(7,211.52)**	-
Cash and cash equivalents at the end of the year	**1,409.57**	1,087.52

Notes :

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
2. The above cash flow statement reflects cash flow movements after considering the impact of demerger pursuant to a scheme of arrangement under which certain assets and liabilities of the Company were transferred to the demerged company (Refer note 44).
3. Cash and cash equivalents - Refer notes 2.17 and note 18
4. Figures in brackets indicate cash outgo.
5. Previous year figures have been regrouped or reclassified wherever necessary.

In terms of our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number: 39985

Mumbai, April 19, 2016

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non-Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Mumbai, April 19, 2016

(All amounts in ₹ Lakhs, unless otherwise stated)

1 General information :

Mastek Limited (the 'Company') is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is a provider of vertically-focused enterprise technology solutions.

The Company's offering portfolio includes business and technology services comprising IT Consulting, Application Development, Systems Integration, Application Management Outsourcing, Testing, Data Warehousing and Business Intelligence, Application Security, CRM services and Legacy Modernisation. The Company carries out its operations through its subsidiaries and branch in the UK and has its offshore software development centres at Mumbai, Pune, Chennai and Mahape.

2 Summary of significant accounting policies:

2.1 Basis of preparation

These financial statements have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets / inputs for processing and their realisation in cash and cash equivalents, the Group has ascertained its normal operating cycle as 12 months for the purpose of current / non current classification of assets and liabilities.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30 March 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standard) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1 April, 2016.

2.2 Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates.

2.3 Tangible assets and depreciation

Tangible assets are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalized until the assets are ready for use and include inward freight, duties, taxes and expenses incidental to acquisition and installation. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on tangible assets is provided on the straight line method, on a pro rata basis, over the estimated useful lives of assets which are not longer than the useful lives prescribed under Schedule II to the Companies Act, 2013, in order to reflect the period over which the depreciable asset is expected to be used by the company. The estimates of useful lives of the assets based on a technical evaluation, have not undergone a change on account of transition to the Companies Act, 2013.

Assets	Useful Life
Buildings	25 - 30 years
Computers	2 years
Plant and equipment	5 years
Furniture and fixtures	5 years
Vehicles	5 years
Office equipment	2 - 5 years
Leasehold land	Lease Term ranging from 95-99 years
Leasehold improvements	5 years or the primary period of lease whichever is less

2.4 Intangible assets and amortization

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line method over their estimated useful lives as follows:

Assets	Useful Life
Goodwill	3 years
Computer software	1 - 5 years

Expenditure on research is recognised as an expense when it is incurred. Development costs of products are also charged to the Statement of Profit and Loss unless all the criteria for capitalisation as set out in paragraph 44 of AS 26 - 'Intangible Assets' have been met by the Company.

2.5 Impairment of assets

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, management estimates the recoverable amount. Recoverable amount is higher of an asset's net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of the its useful life. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss to the extent carrying amount exceeds recoverable amount. Assessment is also done at each Balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or many have decreased.

2.6 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non-current investments. Current investments are carried at cost or fair value, whichever is lower. Non-current investments are carried at cost. However, provision for other than temporary decline in value is made to recognise a decline, other than temporary, in the value of non-current investments, such reduction being determined and made for each investment individually.

Investment property: Investment in buildings that are not intended to be occupied substantially for use by, or in the operations of, the Company, have been classified as investment property. Investment properties are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Refer note 2.3 for depreciation rate used for buildings.

2.7 Foreign currency transactions and translation

Foreign currency transactions of the Company and of its integral foreign branch are accounted at the exchange rates prevailing on the date of the transaction or at an average rate that approximates the actual rate at the date of the transaction. Monetary assets and liabilities are translated at the rate prevailing on the Balance Sheet date whereas non-monetary assets and liabilities are translated at the rate prevailing on the date of the transaction. 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 Statement of Profit and Loss.

In case of forward exchange contracts which are open on the balance sheet date and are backed by receivables, the premium or discount arising at the inception of such a forward exchange contract is amortized as expense or income over the life of the contract. The exchange difference on such contracts is computed by multiplying the foreign currency amount of the forward exchange contract by the difference between a) the foreign currency amount of the contract translated at the exchange rate at the reporting date or the settlement date where the transaction is settled during the reporting period, and b) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date. The exchange difference so computed on such contracts is recognised in the Statement of Profit and Loss. Any profit or loss arising on cancellation or renewal of such forward exchange contracts is recognised as income or expense for the year.

2.8 Derivative instruments and hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitment and forecasted transactions. The Company designates these hedging instruments as cash flow hedges.

The use of hedging instruments is governed by the policies of the Company which are approved by its Board of Directors.

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in the hedging reserve and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

For derivative financial instruments that do not qualify for hedge accounting, the premium or discount arising at the inception of the contract is amortized as expense or income over the life of the contract. Gains/losses on settlement of transaction arising on cancellation or renewal of such a forward exchange contract are recognized as income or expense for the year.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in shareholders' funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in hedging reserve is transferred to the Statement of Profit and Loss for the year.

2.9 Employee benefits

(i) Long-term employee benefits

(a) Defined contribution plans

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). The Company also makes contributions towards defined contribution plans in respect of its branch in foreign jurisdiction, as applicable. Under the defined contribution plans, the Company has no further obligation beyond making the contributions. Such contributions are charged to the Statement of Profit and Loss as incurred.

(b) Defined benefit plans

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 Life Insurance Corporation of India (LIC). Liability for defined benefit plans is provided 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 for measuring the liability is the projected unit credit method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss as income or expense.

(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. Leave encashment vests to employees on an annual basis for leave balance above the upper limit as per the Company's policy. At the time of retirement, death while in employment or on termination of employment, leave encashment vests equivalent to salary payable for number of days of accumulated leave balance subject to an upper limit as per the Company's policy. Liability for such benefit is provided 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 for measuring the liability is the projected unit credit method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss as income or expense.

(ii) 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 comprise compensated absences such as paid annual leave and performance incentives.

(iii) Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or those arising from restructuring, are recognised in the 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.

2.10 Revenue recognition

The Company derives revenues primarily from information technology services. Revenue is recognised in accordance with the terms of the contracts with customers as the service is performed by the proportionate completion method and when it is reasonably certain that the ultimate collection will be made. Revenues on time and material contracts are recognised when services are rendered and related costs are incurred. Revenues on fixed price, fixed time bound contracts are recognised over the life of the contract measured by the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such contracts are made during the period in which a loss becomes probable and can be reasonably estimated. When the uncertainty, relating to the collectability arises subsequent to the rendering of the service, a separate provision is made to reflect the uncertainty and the amount of revenue originally recorded is not adjusted.

Revenues from maintenance contracts are recognised on a straight line basis over the period of the contract.

Revenues from resale of software and hardware are recognised upon delivery of products to the customer, when the significant risks and rewards of ownership are transferred to the buyer and the ultimate collection is reasonably certain.

Accrued revenue included in 'Other current assets', represents amounts in respect of services performed in accordance with contract terms, not yet billed to customers at the year end. Unearned revenue included in 'Other current liabilities' represents amounts received/billed in excess of the value of work performed in accordance with the terms of the contracts with customers.

2.11 Other income

Dividend income from subsidiaries and on other investments is recognised when the right to receive payment is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable rate of interest. Rental income is recognised on a straight line basis over the term of the lease as per the terms of the base contract.

2.12 Leases

Assets taken on leases which transfer substantially all the risks and rewards incidental to ownership of the assets to the lessee i.e. finance leases, in terms of provisions of Accounting Standard (AS) 19 – 'Leases', are capitalised. The assets acquired under finance leases are capitalised at the lower of the fair value at the inception of the lease and the present value of minimum lease payments and a liability is created for an equivalent amount. Such assets are disclosed as leased assets under tangible assets and are depreciated in accordance with the Company's depreciation policy described in note 2.3. Each lease rental paid on the finance lease is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. Other leases are classified as operating leases and rental payments in respect of such leases are charged to the Statement of Profit and Loss on a straight line basis over the lease term. Assets given under operating leases are capitalised in the Balance Sheet under tangible assets and are depreciated as per the Company's depreciation policy described in note 2.3.

2.13 Earnings per share

Basic earnings per share (EPS) are calculated by dividing the net loss / profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by adjusting the number of shares used for basic EPS with the weighted average number of shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value i.e. average market value of outstanding shares. The number of shares and potentially dilutive shares are adjusted for share splits and bonus shares, as appropriate. In calculating diluted earnings per share, the effects of anti dilutive potential equity shares are ignored. Potential equity shares are anti-dilutive when there conversion to equity shares would increase earnings per share or decrease loss per share.

(All amounts in ₹ Lakhs, unless otherwise stated)

2.14 Income Taxes

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 income and the taxable income for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognised and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unabsorbed depreciation or carry forward losses are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each balance sheet date for any write down or reversal, as considered appropriate.

Minimum Alternative Tax (MAT) credit is recognised as an assets only when and to the extent their is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent their is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Current 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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing the current tax and where the deferred tax assets and liabilities relate to taxes on income levied by the same governing taxation laws.

2.15 Accounting for Employee Stock Options

Stock options granted to employees of Mastek Limited and its subsidiaries under the stock option schemes established after June 19, 1999 are accounted as per the treatment prescribed by the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognised as deferred employee compensation with a credit to share options outstanding account. The Expense on deferred employee compensation is charged to Statement of Profit and Loss on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to Expense on Employee Stock Option Scheme, equal to the amortized portion of value of lapsed portion and a debit to share options outstanding account equal to the un-amortised portion.

2.16 Provisions and Contingent Liabilities

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 recognized as a separate asset, only when such reimbursement is virtually certain.

2.17 Cash and Cash Equivalents

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.

3 Share capital

	As at March 31, 2016	As at March 31, 2015
Authorised:		
40,000,000 (March 31, 2015: 40,000,000) equity shares of ₹ 5/- each	**2,000.00**	2,000.00
2,000,000 (March 31, 2015: 2,000,000) preference shares of ₹ 100/- each	**2,000.00**	2,000.00
Total	**4,000.00**	4,000.00
Issued, subscribed and fully paid up :		
22,997,274 (March 31, 2015 : 22,546,672) equity shares of ₹ 5/- each fully paid	**1,149.86**	1,127.33
Total	**1,149.86**	1,127.33

(a) Reconciliation of the number of shares

	As at March 31, 2016		As at March 31, 2015	
	No. of shares	**Amount**	No. of shares	Amount
Equity Shares				
Balance as at the beginning of the year	**22,546,672**	**1,127.33**	22,160,680	1,108.03
Add: Addition on account of exercise of employee stock option plans [Refer note 32 (c)]	**450,602**	**22.53**	385,992	19.30
Balance as at the end of the year	**22,997,274**	**1,149.86**	22,546,672	1,127.33

(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in 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, in proportion to their shareholding.

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

	As at March 31, 2016		As at March 31, 2015	
	No. of shares	**% of holding**	No. of shares	% of holding
Equity Shares of ₹ 5 each held by:				
Ashank Desai	**3,099,552**	**13.48%**	3,099,552	13.75%
Sudhakar Ram	**2,791,680**	**12.14%**	2,791,680	12.38%
Ketan Mehta	**2,519,100**	**10.95%**	2,519,100	11.17%
Fidelity Purita Trust Fidelity Low Priced	**1,275,000**	**5.54%**	1,650,000	7.32%
Radhakrishnan Sundar	**1,445,800**	**6.29%**	1,445,800	6.41%

(d) Shares reserved for issue under options

	As at March 31, 2016	As at March 31, 2015
Number of shares to be issued under the Employee Stock Option Plans	**2,739,627**	2,892,776

[Refer note 32(a) for details of shares to be issued under the Employee Stock Option Scheme.]

(e) Shares bought back (during 5 years immediately preceding March 31, 2016)

	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	June 30, 2012
Equity Shares bought back	**-**	-	2,484,007	2,388,000	-

4. Reserves and surplus

	As at March 31, 2016	As at March 31, 2015
Capital reserve		
Balance as at the beginning of the year	**106.07**	106.07
Less: Adjustments pursuant to a scheme of arrangement (Refer note 44)	**(106.07)**	-
Balance as at the end of the year	**-**	106.07
Capital redemption reserve account		
Balance as at the beginning of the year	**1,538.87**	1,538.87
Balance as at the end of the year	**1,538.87**	1,538.87
Securities premium account		
Balance as at the beginning of the year	**545.16**	5.66
Add : Addition on account of exercise of shares under the employee stock option plans	**529.54**	539.50
Add: Transferred from Employee stock options outstanding account on account of exercise of shares under the employee stock option plans	**6.40**	-
Balance as at the end of the year	**1,081.10**	545.16

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
Employee stock options outstanding account		
Balance as at the beginning of the year	**131.75**	-
Addition on account of employee stock option plans	**33.38**	131.75
Less: Transferred pursuant to a scheme of arrangement (Refer note 44)	**(84.07)**	-
Less: Transferred to Securities premium account on account of exercise of shares under the employee stock option plans	**(6.40)**	-
Balance as at the end of the year [Refer note 32(f)]	**74.66**	131.75
General reserve		
Balance as at the beginning of the year	**2,415.67**	2,235.67
Less: Adjustments pursuant to a scheme of arrangement (Refer note 44)	**(2,415.67)**	-
Add : Transfer from surplus in statement of profit and loss during the year	**-**	180.00
Balance as at the end of the year	**-**	2,415.67
Hedging reserve account		
Balance as at the beginning of the year	**1,880.91**	31.20
Add: Changes in the fair value of the effective cash flow hedges	**(594.64)**	1,849.71
Less: Transferred pursuant to a scheme of arrangement (Refer note 44)	**(187.96)**	-
Balance as at the end of the year (Refer note 35)	**1,098.31**	1,880.91
Surplus in statement of profit and loss		
Balance as at the beginning of the year	**36,037.15**	29,311.97
Less: Adjustments pursuant to a scheme of arrangement (Refer note 44)	**(21,879.69)**	-
Profit for the year	**1,336.57**	7,438.75
Less: Appropriations		
Interim dividend ₹ 2.50/- per share (Previous year ₹ 1.50/- per share)	**(577.07)**	(336.64)
Proposed final dividend (Previous year ₹ 1/- per share)	**-**	(227.30)
Dividend distribution tax, net*	**(70.66)**	30.37
Transfer to general reserve during the year	**-**	(180.00)
Balance as at the end of the year	**14,846.30**	36,037.15
Total	**18,639.24**	42,655.58

*Dividend Distribution Tax (DDT) net, pertaining to the current year comprises the DDT liability of ₹ 117.48 (previous year ₹ 73.20) on interim dividend / proposed final dividend and a credit of ₹ 46.82 (previous year ₹ 103.57) in respect of tax paid u/s 115 BBD of the Indian Income Tax Act, 1961 by the Company on dividend received from a foreign subsidiary during the year.

5. Long-term borrowings

	As at March 31, 2016	As at March 31, 2015
Secured :		
Long term maturities of finance lease obligations in respect of vehicles [Refer note 33(ii)]	**17.79**	85.66

(a) Nature of security and terms of repayment for secured borrowings

Nature of Security	Terms of Repayment
Finance lease obligations are secured by hypothecation of assets underlying the leases.	Monthly payment of Equated monthly instalments beginning from the month subsequent to taking the lease.

(All amounts in ₹ Lakhs, unless otherwise stated)

6. Other long-term liabilities

	As at March 31, 2016	As at March 31, 2015
Security and other deposits	**97.07**	-

7. Long-term provisions

	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits		
Provision for leave encashment [Refer note 31(c)]	**467.71**	1,190.36
Other provisions		
Provision for cost overrun on contracts *	**25.35**	15.76
Total	**493.06**	1,206.12

* Movement in Long term other provisions represents an additional provision for cost overrun on contracts made during the year (Refer note 28)

8. Trade payables

	As at March 31, 2016	As at March 31, 2015
Trade payables (Refer note 38)	**382.26**	604.30

9. Other current liabilities

	As at March 31, 2016	As at March 31, 2015
Current maturities of finance lease obligations in respect of vehicles [Refer note 33(ii)]	**30.23**	49.56
Unearned revenue	**286.06**	232.86
Unpaid dividends [Refer note (a) below]	**38.62**	41.37
Security and other deposits	**0.48**	1.58
Other payables		
Employee benefits payable	**669.88**	1,501.23
Accrued expenses	**1,779.47**	2,194.46
Capital creditors	**24.59**	149.83
Statutory dues including provident fund and tax deducted at source	**392.53**	504.67
Total	**3,221.86**	4,675.56

(a) There is no amount due for payment to Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.**

** Section 125 of Companies Act, 2013 which corresponds to section 205C of Companies Act, 1956 has not yet been enforced.

10. Short-term provisions

	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits		
Provision for leave encashment [Refer note 31(c)]	**550.62**	789.78
Others		
Provision for proposed final dividend (Previous year ₹ 1.00/- per share) on equity shares of face value of ₹ 5/- each	**-**	225.47
Provision for dividend distribution tax on proposed final dividend on equity shares	**-**	47.19
Total	**550.62**	1,062.44

(All amounts in ₹ Lakhs, unless otherwise stated)

11. Fixed assets

(i) Tangible assets

	Gross Block (at cost)					Depreciation					Net Block	
	As at April 1, 2015	Additions	Transfer on Demerger (Refer note 44)	Deductions	**As at Mar 31, 2016**	As at April 1, 2015	For the year	Transfer on Demerger (Refer note 44)	Deductions	**As at Mar 31, 2016**	**As at Mar 31, 2016**	As at March 31, 2015
a. Own assets :												
Buildings	5,891.77	-	(1,142.86)	-	**4,748.91**	1,921.27	109.29	(322.32)	-	**1,708.24**	**3,040.67**	3,970.50
Computers	3,262.58	257.65	(881.46)	(362.87)	**2,275.90**	2,568.67	524.83	(767.66)	(348.72)	**1,977.12**	**298.78**	693.91
Plant and equipment	4,310.22	34.72	(1,551.80)	(160.88)	**2,632.26**	4,062.38	106.76	(1,510.78)	(156.98)	**2,501.38**	**130.88**	247.84
Furniture and fixtures	5,965.16	331.00	(1,910.50)	(56.54)	**4,329.12**	5,565.98	132.96	(1,675.55)	(56.29)	**3,967.10**	**362.02**	399.18
Vehicles	344.72	43.95	(113.27)	(29.43)	**245.97**	256.48	19.82	(95.00)	(25.67)	**155.63**	**90.34**	88.24
Office equipment	1,952.92	183.15	(498.40)	(47.65)	**1,590.02**	1,790.96	49.47	(334.01)	(40.85)	**1,465.57**	**124.45**	161.96
Total (A)	**21,727.37**	**850.47**	**(6,098.29)**	**(657.37)**	**15,822.18**	**16,165.74**	**943.13**	**(4,705.32)**	**(628.51)**	**11,775.04**	**4,047.14**	5,561.63
b. Leased assets :												
Leasehold land	558.45	-	(172.71)	-	**385.74**	166.47	59.53	-	-	**226.00**	**159.74**	391.98
Leasehold improvements	400.42	-	-	(66.19)	**334.23**	398.56	1.86	-	(66.19)	**334.23**	**-**	1.86
Vehicles	237.87	11.51	(72.13)	(79.93)	**97.32**	51.63	47.74	(4.29)	(43.54)	**51.54**	**45.78**	186.24
Total (B)	**1,196.74**	**11.51**	**(244.84)**	**(146.12)**	**817.29**	**616.66**	**109.13**	**(4.29)**	**(109.73)**	**611.77**	**205.52**	580.08
Total (A + B)	**22,924.11**	**861.98**	**(6,343.13)**	**(803.49)**	**16,639.47**	**16,782.40**	**1,052.26**	**(4,709.61)**	**(738.24)**	**12,386.81**	**4,252.66**	6,141.71

(ii) Intangible assets

	Gross Block (at cost)					Depreciation					Net Block	
	As at April 1, 2015	Additions	Transfer on Demerger (Refer note 44)	Deductions	**As at Mar 31, 2016**	As at April 1, 2015	For the year	Transfer on Demerger (Refer note 44)	Deductions	**As at Mar 31, 2016**	**As at Mar 31, 2016**	As at March 31, 2015
Goodwill	130.32	-	(130.32)	-	**-**	130.32	-	(130.32)	-	**-**	**-**	-
Computer software	4,739.30	454.55	(1,502.22)	-	**3,691.63**	3,953.76	698.35	(1,303.68)	-	**3,348.43**	**343.20**	785.54
Total	**4,869.62**	**454.55**	**(1,632.54)**	**-**	**3,691.63**	**4,084.08**	**698.35**	**(1,434.00)**	**-**	**3,348.43**	**343.20**	**785.54**

Notes:

(a) Own buildings include subscription towards share capital of Co-operative societies amounting to Rupees Two Hundred and Fifty only (Previous year Rupees Two Hundred and Fifty only).

11 Fixed assets for previous year ended March 31, 2015

(i) Tangible assets

	Gross Block (at cost)					Depreciation					Net Block	
	As at April 1, 2014	Additions	Transfer on Demerger (Refer note 44)	Deductions	As at March 31, 2015	As at April 1, 2014	For the year	Transfer on Demerger (Refer note 44)	Deductions	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
a. Own assets :												
Buildings	5,891.77	-	-	-	5,891.77	1,771.11	150.16	-	-	1,921.27	3,970.50	4,120.66
Computers	2,572.44	690.60	-	(0.46)	3,262.58	1,952.32	616.55	-	(0.20)	2,568.67	693.91	620.12
Plant and equipment	4,280.75	107.37	-	(77.90)	4,310.22	3,881.37	258.89	-	(77.88)	4,062.38	247.84	399.38
Furniture and fixtures	5,819.74	147.67	-	(2.25)	5,965.16	5,248.58	319.65	-	(2.25)	5,565.98	399.18	571.16
Vehicles	407.46	58.50	-	(121.24)	344.72	242.99	96.02	-	(82.53)	256.48	88.24	164.47
Office equipment	1,905.86	49.94	-	(2.88)	1,952.92	1,725.71	67.73	-	(2.48)	1,790.96	161.96	180.15
Total (A)	20,878.02	1,054.08	-	(204.73)	21,727.37	14,822.08	1,509.00	-	(165.34)	16,165.74	5,561.63	6,055.94
b. Leased assets :												
Leasehold land	558.45	-	-		558.45	105.10	61.37	-	-	166.47	391.98	453.35
Leasehold improvements	400.42	-	-	-	400.42	391.06	7.50	-	-	398.56	1.86	9.36
Vehicles	262.12	7.38	-	(31.63)	237.87	60.62	16.00	-	(24.99)	51.63	186.24	201.50
Total (B)	1,220.99	7.38	-	(31.63)	1,196.74	556.78	84.87	-	(24.99)	616.66	580.08	664.21
Total (A + B)	22,099.01	1,061.46	-	(236.36)	22,924.11	15,378.86	1,593.87	-	(190.33)	16,782.40	6,141.71	6,720.15

(ii) Intangible assets

	Gross Block (at cost)					Depreciation					Net Block	
	As at April 1, 2014	Additions	Transfer on Demerger (Refer note 44)	Deductions	As at March 31, 2015	As at April 1, 2014	For the year	Transfer on Demerger (Refer note 44)	Deductions	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Goodwill	130.32	-	-	-	130.32	130.32	-	-		130.32	-	-
Computer software	3,920.23	819.07	-	-	4,739.30	2,859.17	1,094.59	-	-	3,953.76	785.54	1,061.06
Total	**4,050.55**	**819.07**	**-**	**-**	**4,869.62**	**2,989.49**	**1,094.59**	**-**	**-**	**4,084.08**	**785.54**	**1,061.06**

(All amounts in ₹ Lakhs, unless otherwise stated)

12. Non-current investments

	As at March 31, 2016	As at March 31, 2015
(A) Investment property (at cost less accumulated depreciation)		
Gross block		
Opening	**389.41**	389.41
Less: Transferred pursuant to a scheme of arrangement (Refer note 44)	**(387.62)**	-
Closing	**1.79**	389.41
Less : Accumulated depreciation		
Opening	**148.57**	134.65
Depreciation for the year	**-**	13.92
Less: Transferred pursuant to a scheme of arrangement (Refer note 44)	**(146.78)**	-
Closing	**1.79**	148.57
Net block	**-**	240.84
(B) Trade investments		
Investment in subsidiaries - fully paid equity shares (Unquoted, at cost)		
Majesco, USA		
Nil (Previous year - 153,180,750) Equity Shares of US $ 0.002 each, fully paid up (Refer notes 42 and 44)	**-**	14,590.26
Mastek Asia Pacific Pte Ltd., Singapore (Refer note 45)		
Nil (Previous year - 2,850,000) Equity Shares of US $ 1 each, fully paid up		
(net of provision for other than temporary decline in value ₹ 542.44 in the previous year)	**-**	175.54
Mastek (UK) Ltd., UK		
200,000 (Previous year - 200,000) Equity Shares of £ 1 each, fully paid up	**215.81**	215.81
Minefields Computers Limited, India (Refer notes 40 and 44)	**-**	5.00
Nil (Previous year - 50,000) Equity Shares of ₹ 10 each, fully paid up		
Total	**215.81**	14,986.61
Total (A + B)	**215.81**	15,227.45
Aggregate amount of investment property	**-**	240.84
Aggregate amount of unquoted investments	**215.81**	14,986.61
Aggregate provision for other than temporary decline in value of unquoted investments	**-**	(542.44)

13. Deferred tax assets

	As at March 31, 2016	As at March 31, 2015
Deferred tax assets in respect of:		
Depreciation	**886.87**	1,053.29
Provision for gratuity and leave encashment	**352.42**	631.58
Provision for doubtful debts and advances	**51.34**	134.62
Other timing differences	**162.49**	106.94
Total	**1,453.12**	1,926.43

(All amounts in ₹ Lakhs, unless otherwise stated)

14. Long-term loans and advances

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good, unless otherwise stated		
Capital advances	**71.51**	25.48
Security deposits	**108.71**	139.62
Prepaid expenses	**2.25**	12.94
Other loans and advances		
Advance income tax, net of provision for tax	**1,729.87**	1,961.68
MAT credit entitlement [Refer note 34(a)]	**2,436.59**	2,694.26
Advances to employees	**0.78**	6.11
Other advances	**57.80**	-
Total	**4,407.51**	4,840.09

15. Other non-current assets

	As at March 31, 2016	As at March 31, 2015
Mark-to-market gains receivable on outstanding derivative contracts (Refer note 35)	**256.92**	309.58

16. Current investments

	As at March 31, 2016	As at March 31, 2015
At cost or market value, whichever is less:		
Investment in Mutual Funds (quoted):		
Baroda Pioneer Liquid Fund - Plan A - Growth (37,027 units, Previous year - Nil units)	**640.64**	
Birla Sun Life Cash Plus Fund - Growth (246,814 units, Previous year - Nil units)	**596.47**	
ICICI Prudential Money Market Fund - Regular - Growth (71,787 units, Previous year - Nil units)	**150.00**	
Kotak Floater Short Term Fund - Growth (8,064 units, Previous year - Nil units)	**200.00**	
Franklin India TMA - Super IP - Growth (9,282 units, Previous year - Nil units)	**203.10**	
Kotak Treasury Advantage Fund - Reg - Growth (8.40%) (1,764,200 units, Previous year - Nil units)	**423.90**	
Sundaram Ultra Short Term - Reg – Growth (8.20 to 8.25%) (2,186,228 units, Previous year - Nil units)	**450.00**	
ICICI Prudential Ultra Short Term Plan - Growth (8.25 to 8.35%) (2,988,941 units, Previous year - Nil units)	**450.00**	
HDFC Cash Management Fund - Savings Plan - Growth (Nil units, Previous year - 4,500,000 units)	**-**	450.00
UTI Banking & PSU Fund - Regular Plan - Growth (Nil units, Previous year - 5,000,000 units)	**-**	500.00
UTI - Fixed Term Income Fund Series - XIX - IX - (369 days) - Growth (Nil units, Previous year - 13,011,960 units)	**-**	1,301.20
Birla Sun Life Fixed Term Plan Series LC (369 days) - Regular - Growth (Nil units, Previous year - 3,700,000 units)	**-**	370.00
HDFC FMP 376D May 2014 (1) - Series 31 - Regular - Growth (Nil units, Previous year - 5,000,000 units)	**-**	500.00
ICICI Prudential FMP series 74 - (368 days) Plan Y Regular Plan Cumulative (Nil units, Previous year - 5,000,000 units)	**-**	500.00
HDFC FMP 370D April 2014 (1) - Series 31 - Regular - Growth (Nil units, Previous year - 15,000,000 units)	**-**	1,500.00
Total	**3,114.11**	5,121.20
Aggregate amount of quoted investments	**3,114.11**	5,121.20
Market value of quoted investments	**3,137.98**	5,453.71

(All amounts in ₹ Lakhs, unless otherwise stated)

17. Trade receivables

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they were due for payment	-	58.70
Others	5,225.00	7,405.34
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they were due for payment	148.34	345.46
Others	-	50.60
Less: Provision for doubtful debts	(148.34)	(396.06)
Total	5,225.00	7,464.04

18. Cash and bank balances

	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents		
Cash on hand	3.49	2.00
Bank balances		
In current accounts	428.31	400.07
Fixed deposits (with original maturity of less than 3 months)	977.77	685.45
	1,409.57	1,087.52
Other bank balances		
Fixed deposits (with original maturity more than 3 months but less than 12 months)	2,095.00	3,850.00
Unpaid dividend account	38.62	41.37
	2,133.62	3,891.37
Total	3,543.19	4,978.89

19. Short-term loans and advances

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good, unless otherwise stated:		
Other Loans and Advances		
Security deposits	14.38	19.45
Surplus contribution to employee benefit plan - gratuity [Refer note 31(b)(iii)]	29.23	122.00
Prepaid expenses	91.44	771.75
Service tax credit receivable	55.50	150.90
Advances to suppliers		
Considered good	144.57	2.65
Considered doubtful	-	7.26
Less: Provision for doubtful advances	-	(7.26)
Advances to employees	42.98	39.29
Total	378.10	1,106.04

20. Other current assets

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good, unless otherwise stated:		
Interest accrued on fixed deposits	88.62	157.33
Interest accrued on income tax refunds	54.02	122.71
Margin money deposit	1.65	1.65
Accrued revenue	225.59	814.18
Reimbursable expenses receivable	137.17	717.72
Mark-to-market gains receivable on outstanding derivative contracts (Refer note 35)	841.39	1,571.33
Total	1,348.44	3,384.92

(All amounts in ₹ Lakhs, unless otherwise stated)

21. Contingent liabilities

	As at March 31, 2016	As at March 31, 2015
Corporate performance guarantees given by the Company on behalf of the following subsidiaries:		
(a) Majesco Canada Limited (Formerly - Majesco Mastek Canada Limited)	**-**	7,354.88
(b) Majesco (Thailand) Co. Ltd. [Formerly -Mastek MSC (Thailand) Co. Ltd.]	**-**	1,562.50
(c) Mastek (UK) Limited	**2,500.30**	8,386.12
Corporate guarantees given by the Company on behalf of the following subsidiary:		
(a) Majesco, USA for its term loan	**-**	1,875.00
Standby letter of credit given by the Company on behalf of following subsidiary:		
(a) Majesco, USA for its Line of credit for working capital loan from Bank	**-**	918.75
Claims against Company not acknowledged as debts		
(a) Sales tax matter	**238.23**	173.77
(b) Stamp Duty matter	**231.20**	-

(i) The Company does not expect any cash outflows or any reimbursements in respect of the above contingent liabilities.

(ii) 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.

22. Capital and other commitments

	As at March 31, 2016	As at March 31, 2015
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account not provided for	**295.24**	84.87

23. Revenue from operations

	Year ended March 31, 2016	Year ended March 31, 2015
Information technology services	**37,843.96**	66,048.24
Other operating revenue		
Reimbursement of expenses from customers	**-**	43.21
Secondment fees	**-**	335.22
Resale of software and hardware	**-**	49.85
Doubtful debts recovered	**22.81**	35.45
Total	**37,866.77**	66,511.97

24. Other income

	Year ended March 31, 2016	Year ended March 31, 2015
Interest income		
On fixed deposits	**161.61**	212.98
On income tax refunds	**39.64**	310.58
On others	**11.55**	14.01
Dividend income from subsidiary	**239.59**	820.88
Profit on sale of tangible assets, net	**13.45**	14.85
Profit on sale of current investments	**428.07**	789.18
Rental income [Refer note 33(i)]	**161.26**	44.32
Net gain on foreign currency transactions and translation	**128.00**	-
Miscellaneous income	**464.32**	98.60
Total	**1,647.49**	2,305.40

(All amounts in ₹ Lakhs, unless otherwise stated)

25. Employee benefits expenses

	Year ended March 31, 2016	Year ended March 31, 2015
Salaries, wages and performance incentives	**20,711.60**	35,336.74
Gratuity [Refer note 31(b)(iv)]	**92.81**	773.07
Contribution to provident and other funds [Refer note 31(a)]	**396.39**	995.18
Employee stock compensation expenses	**-**	13.39
Staff welfare expense	**294.94**	565.86
Total	**21,495.74**	37,684.24

26. Finance costs

	Year ended March 31, 2016	Year ended March 31, 2015
Interest on finance lease	**15.56**	21.63
Bank charges	**7.67**	5.80
Other finance charges	**0.45**	-
Total	**23.68**	27.43

27. Depreciation and amortization expenses

	Year ended March 31, 2016	Year ended March 31, 2015
Depreciation on tangible assets	**1,052.26**	1,593.87
Amortization on intangible assets	**698.35**	1,094.59
Depreciation on investment property	**-**	13.92
Less: Reimbursement of common cost received from Majesco Limited and Majesco software and Solutions India Private Limited	**(262.10)**	
Total	**1,488.51**	2,702.38

28. Other expenses

	Year ended March 31, 2016	Year ended March 31, 2015
Hire charges	**84.29**	249.92
Recruitment and training expenses	**105.28**	250.00
Travelling and conveyance	**1,549.39**	2,069.37
Communication charges	**175.95**	278.39
Electricity	**401.25**	736.80
Consultancy and sub-contracting charges	**9,002.92**	13,868.18
Purchase of hardware and software	**-**	343.75
Rates and taxes	**113.74**	307.44
Repairs to buildings	**314.94**	453.10
Repairs : others	**818.92**	964.58
Insurance	**69.47**	95.47
Printing and stationery	**35.95**	73.17
Professional fees (Refer note (a) below)	**665.98**	481.80
Rent [Refer note 33(i)]	**213.38**	127.40
Advertisement and publicity	**80.05**	171.24
Expenditure towards corporate social responsibility (CSR) activities	**85.36**	84.94
Net loss on foreign currency transactions and translation	**-**	47.44

(All amounts in ₹ Lakhs, unless otherwise stated)

28. Other expenses (contd.)

	Year ended March 31, 2016	Year ended March 31, 2015
(Reversal) / Provision for doubtful debts and loans and advances, net	**(206.42)**	220.30
Bad debt written off	**380.49**	10.79
Provision / (Reversal) for cost overrun on contracts, net	**9.58**	(1.92)
Reversal of accrued revenue	**86.47**	79.83
Miscellaneous expenses	**151.00**	173.47
Total	**14,137.99**	21,085.46

(a) Professional fees include payment to auditors :

		Year ended March 31, 2016	Year ended March 31, 2015
i.	As auditor		
	Statutory audit	**25.00**	46.00
	Limited review	**15.00**	24.00
	Other services	**8.30**	9.50
ii.	For reimbursement of expenses	**3.02**	4.40

(b) Other expenses shown above are net of reimbursable expenses recovered from subsidiaries under appropriate line items.

29. Exceptional Items, net

	Year ended March 31, 2016	Year ended March 31, 2015
Profit on sale of investments in subsidiaries (Refer notes 41, 43 and 45)	**(4.95)**	(1,038.99)
Restructuring expenses - Salaries, wages and performance incentives	**120.88**	199.59
Demerger expenses		
Professional fees	**65.30**	270.29
Salaries, wages and performance incentives	**-**	65.00
Others	**118.97**	9.16
	300.20	(494.95)

30. Earnings Per Share (EPS)

	Year ended March 31, 2016	Year ended March 31, 2015
The components of basic and diluted earnings per share for total operations are as follows:		
(a) Net profit attributable to equity shareholders	**1,336.57**	7,438.75
(b) Weighted average number of outstanding equity shares		
Considered for basic EPS	**22,831,685**	22,320,332
Add : Effect of dilutive potential equity shares arising from outstanding stock options	**1,607,892**	1,106,757
Considered for diluted EPS	**24,439,577**	23,427,089
(c) Earnings per share in ₹		
Basic	**₹ 5.85**	₹ 33.33
Diluted	**₹ 5.47**	₹ 31.75
(Face value per share ₹ 5/- each)		

(All amounts in ₹ Lakhs, unless otherwise stated)

31. Employee benefits

The disclosures required as per the revised Accounting Standard (AS) 15 -Employee Benefits (revised 2005) are as under:

	Year ended March 31, 2016	Year ended March 31, 2015
(a) Defined contribution plans		
The Company has recognised the following amounts in Statement of Profit and Loss for the year:		
Contribution to provident fund	**344.85**	906.50
Contribution to Employees' State Insurance Corporation	**0.45**	5.26
Contribution to Maharashtra Labour Welfare Fund	**0.50**	1.37
Superannuation contribution	**9.93**	34.93
Contribution plans (branch outside India)	**40.66**	47.12
Total (Refer note 25)	**396.39**	995.18

(b) Defined benefit plan (Gratuity)

As per the independent actuarial valuation carried out as at March 31, 2016

	As at March 31, 2016	As at March 31, 2015
(i) Change in defined benefit obligations (DBO) :		
Projected benefit obligation - opening	**3,661.62**	2,883.96
Service cost	**259.49**	383.95
Interest cost	**174.34**	292.96
Actuarial (gain) / loss	**(166.62)**	337.41
Benefits paid	**(200.91)**	(236.66)
Transferred pursuant to a scheme of arrangement (Refer note 44)	**(1,963.71)**	-
Projected benefit obligation - closing	**1,764.21**	3,661.62
(ii) Change in fair value of assets:		
Fair value of plan assets - opening	**3,783.62**	2,156.78
Expected return on plan assets	**205.57**	211.10
Employer’s contribution	**0.04**	1,622.25
Transferred pursuant to a scheme of arrangement (Refer note 44)	**(1,963.71)**	-
Benefit paid	**(200.91)**	(236.66)
Actuarial gain	**(31.17)**	30.15
Fair value of plan assets - closing	**1,793.44**	3,783.62
(iii) Amount recognized in the Balance Sheet		
Present value of obligations	**1,764.21**	3,661.62
Less: Fair value of plan assets	**(1,793.44)**	(3,783.62)
Net assets recognized	**(29.23)**	(122.00)
Recognised under:		
Short-term loans and advances (Refer note 19)	**(29.23)**	(122.00)
Total	**(29.23)**	(122.00)

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended March 31, 2016	Year ended March 31, 2015
(iv)	Net gratuity cost for the year		
	Service cost	**259.49**	383.95
	Interest cost	**174.34**	292.96
	Expected return on plan assets	**(205.57)**	(211.10)
	Net actuarial (gain) / loss recognized in the current year	**(135.45)**	307.26
	Net gratuity cost (Refer note 25)	**92.81**	773.07
(v)	Asset information		
	Life Insurance Corporation of India	**100%**	100%
(vi)	Assumptions used in accounting for the gratuity plan:		
	Discount rate (p.a.)	**8.00%**	7.95%
	Return on Plan Assets (p.a.)	**8.85%**	8.85%
	Salary escalation rate (p.a.)	**10.00%**	10.00%
	Retirement age	**60 years**	60 years

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

(vii) Expected Contribution to the fund in the next year

	Year ended March 31, 2016	Year ended March 31, 2015
Gratuity	**200.00**	600.00

(viii) Amounts recognised in current year and previous four years:

	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	June 30, 2012
Defined benefit obligation	**1,764.21**	3,661.62	2,883.96	2,968.23	2,493.54
Plan assets	**1,793.44**	3,783.62	2,156.78	1,302.88	876.95
Surplus / (Deficit)	**29.23**	122.00	(727.18)	(1,665.35)	(1,616.59)
Experience adjustments					
On plan liabilities	**(157.05)**	(166.77)	(145.51)	(9.25)	(143.20)
On plan assets	**(31.17)**	30.15	66.76	2.74	(18.40)

		As at March 31, 2016	As at March 31, 2015
(c)	Provision for Leave encashment		
	Opening balance	**1,980.14**	1,812.96
	Charge during the year	**546.99**	955.08
	Transferred pursuant to a scheme of arrangement (Refer note 44)	**(872.92)**	-
	Amount paid during the year	**(635.89)**	(787.90)
	Closing balance [Disclosed under Long-term provisions (Refer note 7) and Short-term provisions (Refer note 10)]	**1,018.32**	1,980.14

(All amounts in ₹ Lakhs, unless otherwise stated)

32. Employee Stock Option Scheme

(a) Nature and extent of employee share-based payment plans that existed during the year:

i. Plan IV

"The Shareholders of the Company through Postal Ballot on August 9, 2007 approved the allocation of 1,000,000 stock options to the eligible employees of the Company and its subsidiaries.

The Company subsequently established a new scheme in 2007 for granting 1,000,000 stock options to the employees referred to above, each option representing one equity share of the Company. The exercise price is as governed by the guidelines issued by SEBI. The scheme is governed by the Employee Stock Option Scheme and Employee Stock Purchase Guidelines issued in 1999 by SEBI and as amended from time to time. The first vesting of the stock options shall happen only on completion of one year from the date of grant and the options are exercisable within two years from the date of vesting. During the year ended June 30, 2011, the Company has extended the vesting period from two years to seven years. As per the SEBI guidelines, the excess of market price of the underlying equity shares as of the date of the grant of the options over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period. No options have been granted under the scheme at below market price and consequently, there is no compensation cost in the current year. "

(No of Options)

	Year ended March 31, 2016	Year ended March 31, 2015
Opening Balance	**371,025**	411,707
Granted during the year	**-**	-
Exercised during the year	**(19,162)**	(15,118)
Cancelled during the year	**(75,746)**	(25,564)
Balance unexercised options	**276,117**	371,025

ii. Plan V

The Company introduced a new scheme in 2008 for granting 1,500,000 stock options to the employees, each option representing one equity share of the Company. The exercise price as may be determined by the Nomination & Remuneration Committee ("Committee") and such price may be the face value of the share from time to time or may be the Market Price or any price as may be decided by the Committee and will be governed by the guidelines issued by SEBI. The scheme is governed by the Employee Stock Option Scheme and Employee Stock Purchase Guidelines issued in 1999 by SEBI and as amended from time to time. The first vesting of the stock options shall happen only on completion of one year from the date of grant and the options are exercisable within seven years from the date of vesting. As per the SEBI guidelines, the excess of market price of the underlying equity shares as of the date of the grant of the options over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

(No of Options)

	Year ended March 31, 2016	Year ended March 31, 2015
Opening Balance	**308,939**	673,514
Granted during the year	**-**	-
Exercised during the year	**(116,864)**	(91,575)
Cancelled during the year	**(48,250)**	(273,000)
Balance unexercised options	**143,825**	308,939

iii. Plan VI

The Company introduced a new scheme in 2010 for granting 2,000,000 stock options to the employees, each option representing one equity share of the Company. The exercise price as may be determined by the Committee and such price may be the face value of the share from time to time or may be the Market Price or any price as may be decided by the Committee and will be governed by the guidelines issued by SEBI. The scheme is governed by the Employee Stock Option Scheme and Employee Stock Purchase Guidelines issued in 1999 by SEBI and as amended from time to time. The first vesting of the stock options shall happen only on completion of one year from the date of grant and the options are exercisable within seven years from the date of vesting. As per the SEBI guidelines, the excess of market price of the underlying equity shares as of the date of the grant of the options over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

(All amounts in ₹ Lakhs, unless otherwise stated)

(No of Options)

	Year ended March 31, 2016	Year ended March 31, 2015
Opening Balance	**1,315,439**	1,892,300
Granted during the year	**353,275**	326,957
Exercised during the year	**(252,576)**	(279,299)
Cancelled during the year	**(73,826)**	(624,519)
Balance unexercised options	**1,342,312**	1,315,439

iv. Plan VII

The Company introduced a new scheme in 2013 for granting 2,500,000 stock options to its employees, employees of its subsidiaries and its Independent Directors, each option giving a right to apply for one equity share of the Company on its vesting. The exercise price as may be determined by the Committee and such price may be the face value of the share from time to time or may be the Market Price or any price as may be decided by the Committee and will be governed by the guidelines issued by SEBI. The scheme is governed by the Employee Stock Option Scheme and Employee Stock Purchase Guidelines issued in 1999 by SEBI and as amended from time to time. The first vesting of the stock options shall happen only on completion of one year from the date of grant and the options are exercisable within seven years from the date of vesting. As per the SEBI guidelines, the excess of market price of the underlying equity shares as of the date of the grant of the options over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

(No of Options)

	Year ended March 31, 2016	Year ended March 31, 2015
Opening Balance	**897,373**	-
Granted during the year	**223,850**	1,069,373
Exercised during the year	**(62,000)**	-
Cancelled during the year	**(81,850)**	(172,000)
Balance unexercised options	**977,373**	897,373

(b) The Company has adopted the intrinsic value method as permitted by the SEBI Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of stock options granted.

The Company's net profit and earnings per share would have been as under, had the compensation cost for employees stock options been recognised based on the fair value at the date of grant in accordance with Black Scholes model.

	Year ended March 31, 2016	Year ended March 31, 2015
Profit after taxation	**1,336.57**	7,438.75
Less : Employee stock compensation expenses based on fair value	**(398.70)**	(90.18)
Add: Employee stock compensation expenses based on intrinsic value	**-**	13.39
Profit after taxation as per Fair value method	**937.87**	7,361.96
Basic Earning per share (EPS)		
Number of shares	**22,831,685**	22,320,332
Basic EPS as reported (₹)	**₹ 5.85**	₹ 33.33
Proforma Basic EPS (₹)	**₹ 4.11**	₹ 32.98
Diluted Earning per share (EPS)		
Number of shares	**24,439,577**	23,427,089
Diluted EPS as reported (₹)	**₹ 5.47**	₹ 31.75
Proforma Diluted EPS (₹)	**₹ 3.84**	₹ 31.43

(All amounts in ₹ Lakhs, unless otherwise stated)

(c) Stock options exercised during the year :

	Year ended March 31, 2016	Year ended March 31, 2015
No. of options exercised during the year	**450,602**	385,992
Weighted average share price at the date of exercise (₹)	**123.94**	144.77

(d) For stock options outstanding at the end of the year, the range of exercise prices and weighted average remaining contractual life (Vesting period + exercise period)

	Options Outstanding	**Weighted Average Exercise Price (₹)**	**Weighted Average remaining Contractual Life (years)**
As at March 31, 2016			
Range of Exercise Price (₹)			
0 - 150	**2,189,302**	**60.21**	**6.21**
151- 250	**550,325**	**182.52**	**8.79**
Total	**2,739,627**	**84.78**	**6.73**
As at March 31, 2015			
Range of Exercise Price (₹)			
0 - 150	1,416,401	111.51	7.19
151- 250	998,600	186.23	8.09
250 - 350	457,775	295.24	3.01
Above 350	20,000	376.00	4.41
Total	2,892,776	168.21	6.82

(e) Information on stock options granted during the year :

	Year ended March 31, 2016	Year ended March 31, 2015
No. of options granted during the year	**577,125**	1,396,330
Option Pricing model used	Market price as defined by SEBI / Discounted price as per the scheme	
Weighted average share price (₹)	**181.82**	182.74
Exercise Price (₹)	**182.65**	145.31
Expected volatility (%)	**48.57%**	47.80%
Option life (Vesting period + Exercise period) (Years)	**5.95**	6.00
Dividend yield (%)	**1.38%**	2.48%
Risk free interest rate (%)	**7.77%**	8.74%

The risk free interest rates are determined based on the zero-coupon yield curve for government securities. The volatility is determined based on annualized standard deviation of stock price on NSE over the time to maturity of the option. The expected dividend yield is based on the average dividend yields for preceding seven years.

(f) Effect of share-based payment plan on the Balance Sheet and Statement of Profit and Loss :

	Year ended March 31, 2016	Year ended March 31, 2015
Expense arising from employee share-based payment plan	**-**	13.39
Employee stock options outstanding account (Refer note 4)	**74.66**	131.75

(All amounts in ₹ Lakhs, unless otherwise stated)

33. Leases

(i) Operating leases

		As at March 31, 2016	As at March 31, 2015
	Lease Payments		
(a)	Future minimum lease payments under non-cancellable operating leases (in respect of properties):		
	Due within one year	**55.79**	28.18
	Due later than 1 year but not later than 5 years	**58.52**	16.44
	Total minimum lease payments	**114.31**	44.62

		Year ended March 31, 2016	Year ended March 31, 2015
(b)	Operating lease rentals recognised in the Statement of Profit and Loss (Refer note 28)	**213.38**	127.40

(c) Description of significant operating lease arrangements:

The Company has given refundable interest free security deposits under the lease agreements.

All agreements contain provision for renewal at the option of either party.

All agreements provide for restriction on sub lease.

		As at March 31, 2016	As at March 31, 2015
	Lease Income		
(a)	Future minimum lease income under non-cancellable operating leases (in respect of properties):		
	Due within one year	**168.00**	-
	Due later than 1 year but not later than 5 years	**196.00**	-
	Total minimum lease payments	**364.00**	-

		Year ended March 31, 2016	Year ended March 31, 2015
(b)	Operating lease income recognised in the Statement of Profit and Loss (Refer note 24)	**161.26**	44.32

(c) Description of significant operating lease arrangements:

The Company has taken refundable interest free security deposits under the lease agreements.

(ii) Finance leases

	As at March 31, 2016	As at March 31, 2015
Total minimum finance lease payments outstanding (in respect of vehicles):		
Due within one year	**35.96**	66.42
Due later than 1 year but not later than 5 years	**19.58**	96.62
Total minimum lease payments	**55.54**	163.04
Less: Interest not due	**(7.52)**	(27.82)
Present value of net minimum lease payments	**48.02**	135.22
Disclosed under:		
Long-term borrowings (Refer note 5)	**17.79**	85.66
Other current liabilities (Refer note 9)	**30.23**	49.56
	48.02	135.22

34. Income Taxes

(a) In accordance with the Indian Income Tax Act, the Company has calculated its tax liability after considering Minimum Alternate Tax (MAT). Payments under MAT can be carried forward and set off against future tax liability for a period of ten years. Accordingly, a sum of ₹ 2,436.59 (Previous year ₹ 2,694.26) has been carried forward and shown under 'Long-term loans and advances' (Refer note 14).

(b) The Company had received tax demands aggregating to ₹ 2,835.05 (including interest of ₹ 853.09) primarily on account of transfer pricing issues for the assessment years 2006-07 to 2011-12. For the assessment year 2006-07 and assessment year 2007-08, the second appellate authority (the Income Tax Appellate Tribunal) has allowed these issues in favour of the company and the income tax authorities have filed an appeal with the Honourable High Court. For the assessment years 2008-09 to 2010-11, the first appellate authority (the Commissioner of Income tax (Appeals)) has allowed most of these issues in favour of the company and the income tax authorities have filed an appeal with the second appellate authority (the Income Tax Appellate Tribunal). For the assessment years 2011-12 the matter is pending before the first appellate authority (the Commissioner of Income tax (Appeals)).

Considering the facts, materiality and favourable order of the second appellate authority for assessment years 2006-07 and 2007-08 and the first appellate authority for 2008-09 to 2010-11, the management believes that the final outcome of majority of the above disputes for the remaining years should be in favour of the Company and there should not be any material impact on the financial statements.

35. Derivative Financial Instruments

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to hedge against foreign currency exposures relating to highly probable forecast transactions. The Company does not enter into any derivative instruments for trading or speculative purposes. The counter party is generally a bank. These contracts are for a period between one day and two years. The company has no unhedged exposure in respect of receivables or payables denominated in foriegn currency.

The following "sell" foreign exchange forward contracts are outstanding as at :

		As at March 31, 2016			As at March 31, 2015		
	Foreign Currency (FC)	**No. of Contracts**	**Amount of Forward contracts (FC in Lakhs)**	**Amount of Forward contracts (₹ in Lakhs)**	No. of Contracts	Amount of Forward contracts (FC in Lakhs)	Amount of Forward contracts (₹ in Lakhs)
a	USD	**-**	**-**	**-**	50	**229.80**	15,460.96
b	GBP	**53**	**138.55**	**15,060.84**	52	**158.40**	17,066.17

Mark-to-Market (gains) / losses	**As at March 31, 2016**	As at March 31, 2015
Mark-to-Market losses provided for	**-**	-
Mark-to-Market gains reported in hedging reserve account (Refer note 4)	**(1,098.31)**	(1,880.91)
Mark-to-Market gains, net	**(1,098.31)**	(1,880.91)
Classified as Other non-current assets (Refer note 15)	**(256.92)**	(309.58)
Classified as Other current assets (Refer note 20)	**(841.39)**	(1,571.33)

36. Related Party Disclosures

A. Enterprises where control exists

Mastek (UK) Limited

IndigoBlue Consulting Limited (w.e.f May 1, 2015)

Digility Inc. (w.e.f Nov 17, 2015)

Mastek Asia Pacific Pte Ltd. (up to Oct 31, 2015)*

Majesco USA (up to March 31, 2015) +

Majesco UK Limited (up to March 31, 2015) +

Majesco Software and Solutions India Private Limited (up to March 31, 2015) +

Majesco Sdn. Bhd. (up to March 31, 2015) +

Majesco (Thailand) Co. Ltd. (up to March 31, 2015) +

Majesco Software and Solutions Inc. (up to March 31, 2015) +

Majesco Canada Limited (up to March 31, 2015) +

(All amounts in ₹ Lakhs, unless otherwise stated)

36. Related Party Disclosures (contd.)

"Majesco Limited (up to March 31, 2015) +

* Sold during the year
+ Demerged

B. Joint Venture - Legal Practice Technologies Limited (from May 14, 2014 to March 17, 2016)

C. Other related parties with whom the Company had transactions during the year

Key Management Personnel (KMP):
Sudhakar Ram
Jamshed Jussawalla (from June 1, 2015)
Hiren Shah (from April 1, 2015)
Vinay Rajadhyaksha (up to August 13, 2014)
Stefan Van Overtveldt (up to April 30, 2014)
Kalpana Jaishankar (up to March 31, 2015)

Enterprise where KMP has control: Cashless Technologies India Private Limited (w.e.f. February 2, 2016)

Radhakrishnan Sundar and Farid Kazani who were KMP until last year have moved to Majesco Limited post the demerger described in note 44 and therefore are no longer KMP in Mastek Limited in the current year.

Disclosure of transactions between the Company and related parties and the status of outstanding balances as on March 31, 2016, including names of the related parties comprising more than 10% of the total transactions / balances of the same type, are given below:

c The Company has entered into transactions with the following related parties:

		Year ended March 31, 2016	Year ended March 31, 2015
i.	Information Technology Services		
	Mastek (UK) Limited	**34,719.30**	43,093.75
	Majesco Software and Solutions Inc.	-	15,481.99
	Others	-	2,828.08
ii.	Other Operating Revenue - Secondment fees		
	Majesco (Thailand) Co. Ltd.	-	7.53
	Majesco Software and Solutions Inc.	-	138.86
	Majesco USA	-	77.98
	Majesco Sdn. Bhd.	-	65.59
	Others	-	52.79
iii.	Dividend from subsidiary		
	Mastek (UK) Limited	**239.59**	820.88
iv.	Other income - Miscellaneous income		
	Majesco USA	-	12.71
	Minefields Computers Limited	-	1.80
	Others	-	0.28
v.	Reimbursable expenses recovered on employee stock option schemes		
	Mastek (UK) Limited	**15.38**	71.23
	Majesco Software and Solutions Inc.	-	40.29
	Majesco (UK) Limited	-	6.84

(All amounts in ₹ Lakhs, unless otherwise stated)

		As at March 31, 2016	As at March 31, 2015
vi.	Other income - Rental Income		
	Cashless Technologies India Private Limited	**0.24**	-
vii.	Other reimbursable expenses recovered from		
	Mastek (UK) Limited	**1,763.68**	1,177.71
	Majesco Software and Solutions Inc.	**-**	167.45
	Majesco USA	**-**	133.06
	Others	**-**	48.48
viii.	Total remuneration to key management personnel		
	Sudhakar Ram	**125.46**	119.40
	Radhakrishnan Sundar	**-**	27.28
	Jamshed Jussawalla	**45.97**	-
	Vinay Rajadhyakhsha	**-**	212.59
	Stefan Van Overtveldt	**-**	227.05
	Farid Kazani	**-**	178.89
	Kalpana Jaishankar	**-**	112.91
	Hiren Shah	**42.81**	-
ix.	Employee stock option exercise price paid by		
	Vinay Rajadhyakhsha	**-**	108.00
	Farid Kazani	**-**	68.40
	Kalpana Jaishankar	**-**	46.15
	Hiren Shah	**3.62**	-

(b) Balances :

		As at March 31, 2016	As at March 31, 2015
i.	Trade Receivables		
	Mastek (UK) Limited	**4,347.03**	3,944.65
	Majesco Software and Solutions Inc.	**-**	1,264.21
	Majesco (UK) Limited	**-**	638.74
	Others	**-**	201.59
ii.	Reimbursable expenses receivable / (payable)		
	Mastek (UK) Limited	**(142.61)**	682.41
	Majesco Software and Solutions Inc.	**-**	30.12
	Others	**-**	1.36
iii.	Corporate guarantees issued / Standby letter of credit given on behalf of subsidiaries		
	Majesco USA	**-**	2,793.75
iv.	Purchase of Equity shares in subsidiaries		
	Majesco USA	**-**	3,024.79
	Minefields Computers Limited	**-**	5.00
v.	Proceeds from sale of shares in subsidiaries		
	Majesco Canada Limited (sold to Majesco USA)	**-**	439.47
	Majesco Sdn. Bhd. (sold to Majesco USA)	**-**	2,042.94

(All amounts in ₹ Lakhs, unless otherwise stated)

37 . Segment reporting

The Company has presented data relating to its segments in its consolidated financial statements which are presented in the same annual report as Mastek Limited. In terms of provisions of Accounting Standard (AS) 17 – 'Segment Reporting', no disclosures related to segments are therefore presented in these stand-alone financial statements.

38. Micro, Small and Medium Enterprises

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" 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. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or on balance brought forward from previous year.

39. Other disclosures

a. The Company is engaged in the development of computer software and other software related services. Considering the nature of business, certain details required under the revised schedule VI are not applicable, to the Company.

b. Value of Imports on C.I.F. basis

	Year ended March 31, 2016	Year ended March 31, 2015
Capital goods	**258.16**	742.69

c. Expenditure in foreign currency (Including expenditure incurred by the Company's overseas branch)

	Year ended March 31, 2016	Year ended March 31, 2015
Salaries, wages and performance incentives	**12,141.28**	12,276.78
Travelling and conveyance	**855.53**	938.43
Consultancy charges	**8,491.19**	12,974.92
Professional fees	**62.93**	23.21
Advertisement and publicity	**0.03**	3.91
Communication charges	**51.37**	56.12
Electricity	**13.67**	6.20
Insurance	**7.60**	8.96
Printing & stationery	**11.36**	16.89
Rates and taxes	**36.27**	63.88
Recruitment and training expense	**64.07**	101.40
Rent	**151.69**	66.45
Repairs to buildings	**73.05**	66.67
Repairs : others	**411.06**	107.83
Purchase of hardware and software	**-**	298.49
Bank charges	**1.18**	0.17
Directors sitting fees	**-**	1.00
Staff welfare expenses	**60.54**	967.41
Miscellaneous expenses	**31.24**	175.58

d. Earnings in foreign exchange

	Year ended March 31, 2016	Year ended March 31, 2015
Income from information technology services	**35,245.48**	61,998.01
Other operating revenue - secondment fees	**-**	335.22
Dividend from subsidiaries	**239.59**	820.88
Others	**5.68**	18.03

(All amounts in ₹ Lakhs, unless otherwise stated)

40. Acquisition of Majesco Limited (Formerly - Minefields Computers Limited), India

During the previous year, the Company had purchased 10,000 equity shares (including 6 equity shares purchased jointly with other shareholders) of face value of ₹ 10/- each of Majesco Limited for a total consideration of ₹ 1. Further, the Company had subscribed to 40,000 additional equity shares of Majesco Limited of ₹ 10/- each for a total consideration of ₹ 4. Thus the total shareholding of the Company in Majesco Limited at March 31, 2015 amounted to 50,000 equity shares of ₹ 10/- each for a total consideration of ₹ 5 [Refer note 12(b)]. Pursuant to the Scheme of Arrangement Majesco Limited is no longer a subsidiary of the Company (Refer note 44).

41. Sale of Investment in Majesco Canada Limited, Canada (formerly MajescoMastek Canada Limited, Canada)

During the previous year, the Company sold its entire holding of 3,500,000 equity shares of Majesco Canada Limited, Canada ("MCAN") (a wholly owned subsidiary) to Majesco, USA for a total consideration of ₹ 439.47. This sale resulted in a gain of ₹ 439.47, as the carrying value of MCAN in the books of Mastek was reduced to nil, considering the provision for other than temporary decline in value made in earlier year. The Gain had been included under the heading "exceptional items" in the Statement of Profit and Loss (Refer note 29).

42. Purchase of Investment in Majesco, USA (formerly MajescoMastek, USA)

During the previous year, the Company had purchased 24,765,750 equity shares of Majesco, USA from Mastek (UK) Limited for a total consideration of ₹ 3,024.79 (USD 4,953 K). The investment in Majesco, USA is transferred pursuant to a Scheme of Arrangement (Refer note 44).

43. Sale of Investment in Majesco Sdn. Bhd., Malaysia (formerly Mastek MSC Sdn. Bhd., Malaysia)

During the previous year, the Company sold its entire holding of 11,262,000 equity shares of Majesco Sdn. Bhd., Malaysia ("MSC") (a wholly owned subsidiary) to Majesco, USA (a wholly owned subsidiary) for a total consideration of ₹ 2,042.94. This sale resulted in a gain of ₹ 599.52 to the Company which had been included under the heading "exceptional items" in the Statement of Profit and Loss (Refer note 29).

44. Pursuant to the Scheme of Arrangement (the "Scheme") under Sections 391 to 394 read with Sections 100 to 103 and other applicable provisions of the Companies Act, 1956 and other applicable provisions of the Companies Act, 2013, the Board of Directors of Mastek Limited (the "Company" or "Mastek"), in its meeting held on September 15, 2014, had approved the demerger of the Insurance Products and Services business of the Company, into Majesco Limited (Formerly known as Minefields Computers Limited) ("Majesco India"), followed by transfer by Majesco India of the offshore insurance operations business in India to Majesco Software and Solutions India Private Limited ("MSSIPL"), a wholly owned subsidiary of Majesco Software and Solutions Inc., USA ("MSSUS"). The Appointed date of the Scheme was April 1, 2014 and the appointed date for the offshore insurance operations business transfer was November 1, 2014. The Company obtained the necessary approval for the scheme under Clause 24 (f) of the Listing Agreements with BSE and NSE from SEBI on December 9, 2014. The Scheme has also been approved by the Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat and on filing with the Registrar of Companies (ROC) the said scheme became effective from June 1, 2015. As specified in the Scheme, Mastek shareholders have been issued one equity share in Majesco India for every share held in Mastek, while retaining their existing Mastek share. Majesco India shares were listed on August 19, 2015 on the BSE and NSE, being exchanges where Mastek is currently listed.

As the Company's Board had approved the demerger scheme of the Insurance Products and Services business (the "Transferred Undertaking") of the Company and an announcement thereof had been made, the Company in the previous financial year, had treated the Transferred Undertaking as a discontinuing operation with effect from the proposed appointed date of the scheme i.e April 1, 2014.

The demerger has resulted in transfer of the assets, liabilities, Employee stock options outstanding account and Hedging reserve account relevant to the Transferred Undertaking including the Company's investment in Majesco, USA to Majesco India, the ultimate holding company of the Transferred Undertaking and has accordingly been given effect to in these Financials Statements. As prescribed in the Scheme, the book value of the above net assets aggregating to ₹ 24,401.43 have been debited to: Capital reserve ₹ 106.07, to General Reserve ₹ 2,415.67 and to Surplus in Profit and Loss Account ₹ 21,879.69, (Refer note 4).

The details of carrying amounts of assets and liabilities attributable to the Transferred Undertaking at the balance sheet date are as below:

	As at March 31, 2016	As at March 31, 2015
Total assets	-	27,127.16
Total liabilities	-	1,987.83
Net assets	-	25,139.33

The revenue, expenses, pre-tax profit and the tax expense in respect of ordinary activities attributable to the Transferred Undertaking are as below:

	Year ended March 31, 2016	Year ended March 31, 2015
Total revenue	-	23,247.60
Total expenses	-	21,340.74
Profit before tax	-	1,906.86
Tax expense	-	647.41
Profit after tax from discontinuing operations	-	1,259.45

(All amounts in ₹ Lakhs, unless otherwise stated)

The net cash flows attributable to the Transferred Undertaking are as below:

	Year ended March 31, 2016	Year ended March 31, 2015
Operating activities	-	(904.93)
Investing activities	-	6,893.31
Financing activities	-	(14.27)
Net cash inflows / (outflows)	-	5,974.11

45. Sale of Investment in Mastek Asia Pacific Pte. Limited, Singapore ("MAP")

During the year, the Company sold its entire holding of 2,850,000 equity shares of MAP (a wholly owned subsidiary) to Majesco Sdn Bhd, Malaysia for a total consideration of ₹ 180.49. This sale resulted in a gain of ₹ 4.95 after considering the provision for other than temporary decline in value made in earlier years. The Gain has been included under the heading "exceptional items" in the Statement of Profit and Loss (Refer note 29).

46. Previous year figures have been regrouped or reclassified wherever necessary.

In terms of our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number: 39985

Mumbai, April 19, 2016

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non-Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Mumbai, April 19, 2016

STATEMENT PURSUANT SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATING TO SUBSIDIARY COMPANIES.

INFORMATION RELATING TO SUBSIDIARIES AS AT MARCH 31, 2016

Name of Subsidiary Companies		**Mastek UK Limited**	**IndigoBlue Consulting Ltd.**	**Digidity Inc.**
Reporting period for the subsidiary concerned, if different from holding company's reporting period.		Reporting periods of all the Subsidiaries are the same as of the Holding Company which is March 31.		
Reporting currency		GBP	GBP	USD
Exchange rate on the last date of the Financial Year in the case of foreign subsidiaries		95.47	95.47	-
Share Capital	₹ Lakhs	855.37	9.47	-
Reserves & Surplus	₹ Lakhs	13059.29	292.36	-
Total Assets	₹ Lakhs	23166.66	1640.55	-
Total Liabilities	₹ Lakhs	9243.19	1338.72	-
Investments	₹ Lakhs	6309.60	NIL	-
Turnover	₹ Lakhs	44023.47	5944.76	-
Profit/(Loss) before Taxation	₹ Lakhs	(2811.73)	38.87	-
Provision for Taxation	₹ Lakhs	-	(10.82)	-
Profit/(Loss) after Taxation	₹ Lakhs	(2811.73)	28.05	-
Proposed Dividend		NIL	NIL	-
% shareholding		100%	100%	100%

Note : Digility Inc. USA - step down subsidiary of Mastek (UK) Limited is yet to commence commercial operations.

For and on behalf of the Board

Sudhakar Ram
Managing Director & Group CEO

S. Sandilya
Non- Executive Chairman and Independent Director

Jamshed Jussawalla
Chief Financial Officer

Dinesh Kalani
Company Secretary

Place: Mumbai
Date: April 19, 2016

CORPORATE GOVERNANCE REPORT

REPORT ON CORPORATE GOVERNANCE

Mastek's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed by Government under the Companies Act, 2013.

Mastek always believes that sound Corporate Governance is critical for enhancing long-term shareholder value and retaining investor trust.

A Corporation is a congregation of various stakeholders, namely, customers, employees, investors, vendor partners, Government and society. A corporation should be fair and transparent to its stakeholders in all its transactions. This has become imperative in today's globalized business world where corporations need to access global pools of capital, need to attract and retain the best human capital from various parts of the world, need to partner with vendors on mega collaborations and need to live in harmony with the community. Unless a corporation embraces and demonstrates ethical conduct, it will not be able to succeed.

N. R. Narayana Murthy Committee has defined Corporate Governance as

"Corporate Governance is beyond the realm of law. It stems from the culture and mindset of management, and cannot be regulated by legislation alone. Corporate Governance deals with conducting the affairs of a company such that there is fairness to all stakeholders and that its actions benefit the greatest number of stakeholders. It is about openness, integrity and accountability. What legislation can and should do, is to lay down a common framework – the "form" to ensure standards. The "substance" will ultimately determine the credibility and integrity of the process. Substance is inexorably linked to the mind set and ethical standards of management."

Mastek has always strived to go beyond the statutory and regulatory requirements of Corporate Governance. Our endeavor is to follow good governance both in letter as well as in spirit.

I. Company's Philosophy

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, fairness in all its transactions with all its stakeholders in the widest sense. The Company's philosophy of Corporate Governance, that of timely disclosures, transparent accounting policies and a strong and Independent Board, goes a long way in preserving Shareholders' interest, while maximizing long-term shareholder value.

Corporate Governance practised at the Company is not restricted to Board of Directors. It is an approach to Sustainable Development..

Governance Structure

Mastek's Governance structure broadly comprises of the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable, profitable growth.

II. Board of Directors

(i) **Size and Composition of the Board**

The Board of the Directors of the Company has a combination of Executive, Non-Executive and Independent Directors with varied professional background in the field of Information Technology, Finance, Marketing and Strategic Management. As on March 31, 2016 the Board had 5 (Five) members, of which 2 (two) are promoter-directors and the rest 3 (three) are Independent Directors.

The Chairman of the Board is a Non-Executive Independent Director. The Composition of the Board of Directors is in conformity with the requirement of Regulation 17 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (Listing Regulations).

(ii) **Managing Director & Group CEO**

The Managing Director & Group CEO is in overall control & responsible for day to day working of the Company. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions taken by the Board of Directors and its various Committees.

(iii) **Number of Board Meetings**

During the financial year ended March 31, 2016, 9 (Nine) Board Meetings were held on April 22, 2015, June 01, 2015, June 03, 2015, July 16, 2015, October 15, 2015, January 14, 2016, February 25, 2016, March 12, 2016 and March 28, 2016.

(iv) **Directors' Attendance and Directorships held**

Name of Director	Category of Director ship	No. of Board Meetings attended	Attendance at last AGM on August 17, 2015	No. of other Directorship held in Indian public Limited Companies (including Mastek) *	No. of Committees Memberships (including Mastek)	No. of Committees Chairmanship (including Mastek)
Mr. S. Sandilya	Non- Executive Chairman and Independent Director	7	Yes	5	2	4
Mr. Sudhakar Ram	Managing Director & Group CEO (Promoter)	9	Yes	1	2	--

Name of Director	Category of Director ship	No. of Board Meetings attended	Attendance at last AGM on August 17, 2015	No. of other Directorship held in Indian public Limited Companies (including Mastek) *	No. of Committees Memberships (including Mastek)	No. of Committees Chairmanship (including Mastek)
Mr. Ashank Desai	Non-Executive Director (Promoter)	9	Yes	2	3	--
Dr. RajendraSisodia (Resigned as an Independent Director w.e.f. April 17, 2015)	Non- Executive Director (Independent)	--	--	--	--	--
Mr. Radhakrishnan Sundar (Resigned as an Executive Director w.e.f. June 01, 2015)	Executive Director (Promoter)	2	--	--	--	--
Mr. Ketan Mehta (Resigned as Non-Executive Director w.e.f. June 01, 2015)	Non-Executive Director (Promoter)	1	--	--	--	--
Ms. Priti Rao	Non- Executive Director (Independent)	7	No	1	1	--
Mr. Atul Kanagat	Non-Executive Director (Independent)	5	No	1	2	--
Dr. Arun Maheshwari (Resigned as an Independent Director w.e.f. June 01, 2015)	Non-Executive Director (Independent)	1	--	--	--	--
Mr. Venkatesh Chakravarty (Resigned as an Independent Director w.e.f. June 19, 2015)	Non-Executive Director (Independent)	3	--	--	--	--

*excludes Directorship held in Foreign Companies, Private Limited Companies and Section 8 Companies.

Board Diversity:

Your Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board.

Pursuant to SEBI Regulations, the Nomination & Remuneration Committee has formalized a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The policy is posted on the Company's website and can be accessed on web link www.mastek.com/investors/corporate_governance.

Notes:

1. None of the Directors is a member of more than 10 Board-level Committees, or a Chairman of more than five such committees which is, in compliance with Listing Regulations. Further None of the Directors act as an Independent Director in more than 7 Listed Companies.

2. Particulars of Director retiring by rotation and seeking re-appointment have been given in the Notice convening the 34th Annual General Meeting and explanatory statement, attached thereto.

3. The Committees considered for the purpose of calculation of membership and/or chairmanship as discussed above are those as specified in the Listing Regulations i.e. Audit Committee and Stakeholder Relationship Committee.

4. As prescribed under Section 165 of Companies Act, 2013 in calculating the no. of Directorships, Private Limited Companies which are neither a subsidiary nor a holding Company of Public Ltd. Co., have been excluded. The Independent Directors fulfill the requirements stipulated in Regulation 25(1) of the Listing Regulations.

5. None of the Directors is related to any of the director except Mr. Ashank Desai and Mr. Sudhakar Ram as Promoter Directors.

6. The weblink of familarization programme imparted is provided under Corporate governance section at www.mastek.com/investors/corporate_governance.

(v) **Code of Conduct for Directors and Senior Management**

The Company has prescribed a code of conduct for Directors and Senior Management of the Company. The said code has been posted on the Company's website - www.mastek.com/investors/corporate_governance

Profile of Board of Directors

1. **Mr. S. Sandilya: (DIN 00037542)**

   Non- Executive Chairman and Independent Director

   Mr. Sandilya is a Commerce Graduate from Chennai University and holds MBA from the Indian Institute of Management, Ahmedabad and he has 47 years of professional experience. Mr. Sandilya is presently Chairman, Eicher Group. He joined Eicher Group in 1975 and has held various responsibilities in the areas of Group Finance including Information Technology, Strategic Planning, Manufacturing and General Management. He was the Group Chairman and Chief Executive for six years before becoming a non-executive Chairman, the post he continues to hold. Additionally,

   Mr. Sandilya is Director of Tube Investments of India Limited, Rane Brake Lining Limited, GMR Infrastructure Limited, Director of Lean Management Institute of India, Member of the Board of Lean Global Network USA, Past President of Society of Indian Automobile Manufacturers and President of International Motorcycle Manufacturers Association, Geneva for the period 2012-2014.

   Mr. Sandilya holds 26,000 Equity Shares in the Company.

2. **Mr. Sudhakar Ram: (DIN 00101473)**

   Managing Director & Group CEO

   Mr. Sudhakar Ram is a commerce graduate and a gold medalist from Chennai University. He did his PGDM from the Indian Institute of Management, Kolkata, with a silver medal in 1982. He was conferred with the CNBC, Asia "India Business Leader of the Year" Award in December 2007. He is a co-founder of Mastek Limited.

   Mr. Sudhakar Ram holds 2,791,680 (12.14%) shares in the Company.

3. **Mr. Ashank Desai: (DIN 00017767)**

   Non-Executive Director

   Mr. AshankDesai, is B.E. from Mumbai University and in graduating year, held the second rank in the University. He holds a M. Tech Degree from the Indian Institute of Technology, Mumbai. He also holds Post Graduate Diploma in Business Management (PGDBM) granted by the IIM Ahmedabad, from where he graduated in 1979. He worked with Godrej and Boyce before founding the Company. He is a founder member and ex-chairman of NASSCOM and is also actively associated with several government bodies and trade associations.

   Mr. Ashank Desai holds 3,099,552 (13.48%) shares in the Company.

4. **Ms. Priti Rao: (DIN 03352049)**

   Non-Executive Director (Independent)

   Ms. Rao is a postgraduate in Computer Science from Indian Institute of Technology (IIT), Mumbai.

   In her 24 years of diverse experience building and delivering a range of IT services for customers located across five continents, Ms. Rao has held very senior positions with global teams for best of breed IT companies. She has had long innings with Infosys as a senior executive heading the Pune development center and heading their infrastructure services business and with Dell as vice president for global operations. She runs her own venture, Pumpkin Patch Daycare to cater to needs of young parents, who need a trusted place to keep their children and be able to focus on their careers. India lacks such world class infrastructure for a crèche, where love, safety, care are most important aspects.

   Ms. Priti Rao is widely recognized as an accomplished business leader and was conferred with the prestigious "IT woman of the year award" for 2002 by the Computer Society of India.

   Ms. Priti Rao holds 29,600 shares in the Company.

5. **Mr. Atul Kanagat: (DIN 06452489)**

   Non-Executive Director (Independent)

   Mr. AtulKanagat is a B.Tech in Mechanical Engineering from Indian Institute of Technology, Mumbai and a MBA from Harvard Business School, Boston, Massachusetts.

   Mr. Kanagat initially joined Hindustan Lever Ltd., the Indian subsidiary of Unilever. He spent two years as Management Trainee doing assignments in multiple functions of the company. He then spent a year as Materials Manager for Hindustan Lever Ltd's Calcutta Manufacturing complex.

   After completing his MBA at Harvard, in 1982, Mr. Kanagat joined McKinsey & Company in Chicago. He was elected as Partner in 1988, Director in 1994 and thereafter as Managing Director of the Seattle office during the period 1995 to 2003.

   During the period 1996 to 2003, Mr. Kanagat was a Member of the Boards of the following institutions:

   - Seattle Symphony
   - Fred Hutch Cancer Research Center
   - Greater Seattle Chamber of Commerce

   During the period 2003 to 2009, Mr. Kanagat was also on the Board of Liberty Science Center in Jersey City.

   During the period 2010 to 2011, Mr. Kanagat worked for Harman International as Vice President- Strategy & Mergers & Acquisition.

   Mr. Kanagat does not hold any shares in the Company.

III. COMMITTEES OF THE BOARD :

MANDATORY COMMITTEES:

1. Audit Committee

(i) Terms of Reference

The terms of reference of the Audit Committee are as follows:

(a) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

(b) Recommend the appointment and removal of the statutory auditors, fix Audit fees/ Remuneration and other terms of appointment and also grant approval for payments for services other than those specifically prohibited under the Companies Act, 2013.

(c) Review and monitor Auditors' independence and performance and effectiveness of the Audit process.

(d) Review/Examination of the financial statements with the management before submission to the Board along with Report of Auditors thereon, focusing primarily on:

- Any changes in accounting policies and practices.
- Major accounting entries based on the exercise of judgment by management.
- Qualifications in the draft audit report.
- Significant adjustments arising out of audit.
- The going concern assumption.
- Compliance with accounting standards.
- Compliance with stock exchange and legal requirements concerning financial statements.
- Any related party transactions, i.e., Approval or any subsequent modification of related party transactions of the Company.

(e) Review with the management, external and internal auditors the adequacy of internal control systems.

(f) Discuss with internal auditors any significant findings and follow-up action.

(g) Review with the management the quarterly financial statements before submission to the Board for approval.

(h) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud, irregularity, or failure of internal control systems of a material nature and report the matter to the Board.

(i) Discuss with external auditors before the audit commences about the nature and scope of audit and have post-audit discussion to ascertain any area of concern.

(j) Review the Company's Internal financial Control and Risk Management Systems/ policies.

(k) Look into the reasons for substantial defaults in payment to depositors, debenture holders, shareholders (in the case of non-payment of declared dividends) and creditors.

(l) Review the functioning of the Whistle-Blower mechanism.

The minutes of the Audit Committee are circulated to the Board of Directors. The Chairman of the Audit Committee apprises the Board on the recommendations made by the committee. Further, at the beginning of the financial year, the Committee prepares fresh plans for the internal audit. It discusses the areas covered by the internal audit and recommends the scope of audit for the current year. The Committee reviews the performance of the internal and external auditors and advises the Board on the re-appointment of internal and statutory auditors.

The Independent Directors of the Company had one separate meeting with Price Waterhouse Chartered Accountants LLP - Statutory Auditors of the Company. They also met separately with Internal Auditors once during the year.

(ii) Composition

Mastek has an Audit Committee that currently comprises of three Independent directors, a Non-Executive Director (Non-Independent) and the Managing Director & Group CEO (Non-Independent). All the five members of the Board are Audit Committee members also. The Independent Directors are accomplished professionals from the corporate fields. The Chief Financial Officer of the Company attends the meetings on invitation. The Company Secretary is the Secretary of the Committee.

During the year ended March 31, 2016 the Committee met 6 (Six) times on April 22, 2015, June 01, 2015, July 16, 2015, October 15, 2015, January 14, 2016 and March 28, 2016. The attendance of the members at the meetings is stated below:

Name of Member	Status	No. of Meetings attended
Mr. S. Sandilya	Chairman	5
Mr. Ashank Desai	Member	6
Ms. Priti Rao	Member	6
Mr.Venkatesh Chakravarty (Member upto June 19, 2015)	Member	2
Mr. Atul Kanagat		
(Inducted as Member on October 15, 2015)	Member	1
Mr.Sudhakar Ram		
(Inducted as Member on October 15, 2015)	Member	2

The meetings are attended by Internal Auditors and Statutory Auditors. The Committee's observations are followed up with the respective departments and the follow-up actions are reported to the Committee at the subsequent committee meetings. The Committee, along with the statutory auditors, reviews the quarterly, half-yearly and annual results at the Audit Committee meetings before recommending them to the Board of Directors.

2. Nomination and Remuneration Committee

(i) Terms of Reference

- To identify the persons who are qualified to become Director, or who may be appointed in senior management of the Company.
- To lay down criteria for the Company's nomination process for the above positions and oversee the implementation thereof.
- To finalize and recommend to Board the terms of remuneration for Directors, Senior

Management, Key Managerial personnel & other senior employees of the organization.

- To review all documents pertaining to candidates and conduct evaluation of candidates in accordance with a process and if deemed fit and appropriate, do the recommendation for the nomination to the Board or for the senior management of the Company and their removal, if any.
- To decide and formulate detailed terms and conditions of the Employees Stock Option Plan, governed by the guidelines issued by SEBI in June 1999 and as amended from time to time.
- To finalize the stock options to be granted to the employees of the Company under the scheme & finalization of incentive plan for the employees of the Company.
- To recommend the compensation structure of the Directors and KMP's to the Board.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To recommend the amount of Incentive to be paid to Managing Director & Group CEO.
- To fix the sitting fees for Directors for attending Board as well as Committee Meetings.
- ensure that-

  (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

  (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

  (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

(ii) Composition

The Chairman of the Committee is Mr. Atul Kanagat. The other members are Mr. S. Sandilya and Mr. Ashank Desai. All are Non-Executive Directors. The Committee was reconstituted on June 01, 2015.

During the year ended on March 31, 2016 the Committee met 5 (five) times on April 21, 2015, May 28, 2015, July 15, 2015, October 14, 2015 and January 13, 2016. The attendance of the members at the meetings is stated below:

Name of Member	Status	No. of Meetings attended
Mr. Atul Kanagat	Chairman	5
Mr. S. Sandilya	Member	4
Mr. Ketan Mehta		
(Member upto June 01, 2015)	Member	2
Dr. Rajendra Sisodia		
(Member upto April 17, 2015)	Member	NA
Mr. Ashank Desai		
(Inducted as Member since August 24, 2015)	Member	2

(iii) Independent Directors' Meeting

During the year under review, the Independent Directors met on October 15, 2015 inter alia:

- To discuss financials of Company.
- To take into account views of Executive & Non-Executive Directors.
- To discuss timelines for flow of information between Management & Board to enable the Board to perform duties effectively & reasonably.
- Evaluation of Performance of Board as whole.
- Evaluation of Performance of Managing Director & Group CEO of Company taking into account the views of Non-Executive Directors.

(iv) Performance Evaluation

In compliance with Companies Act, 2013 and Listing Regulations, the performance evaluation of the Board as a whole and of the Individual Directors was carried out during the year under review.

With the help of an Expert, a structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters of contribution to Board Processes and Outcomes including independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The Directors expressed satisfaction with the evaluation process.

3. **Stakeholders Relationship Committee**

(i) Terms of Reference

- Consider and resolve the grievances of Equity Shareholders of the Company.
- Approve allotment of shares on exercise of Stock options by Employees under various ESOP Schemes, subject to completion of all

necessary formalities.

- To consider requests for share transfer/ transmission, remat, duplicate share certificate, allotment of shares etc.

(ii) Composition

The Chairman of the Committee is Mr. S. Sandilya. Other members are Mr. Ashank Desai, Mr. Sudhakar Ram, and Mr. Atul Kanagat. The Company Secretary is the Secretary of the Committee. The Committee was reconstituted on June 01, 2015.

During the year ended March 31, 2016 the Committee met 9 (Nine) times on April 22, 2015, May 26, 2015, July 15, 2015, September 21, 2015, October 14, 2015, November 16, 2015, November 24, 2015, January 14, 2016 and March 11, 2016 The attendance of the members at the meetings is stated below:

Name of Member	Status	No. of Meetings attended
Mr. Venkatesh Chakravarty (Member upto June 19, 2015)	Chairman	2
Mr. Radhakrishnan Sundar (Member upto June 01, 2015)	Member	2
Dr. Arun Maheshwari (Member upto June 01, 2015)	Member	1
Dr. Rajendra Sisodia (Member upto April 17, 2015)	Member	NA
Mr. S. Sandilya (Inducted as Member since June 01, 2015)	Chairman	3
Mr. Ashank Desai (Inducted as Member since June 01, 2015)	Member	7
Mr. Atul Kanagat (Inducted as Member since June 01, 2015)	Member	3
Mr. Sudhakar Ram (Inducted as Member since August 24, 2015)	Member	6

The details of investors' complaints received and resolved during the Financial Year 2016 are as under:

No. of Investors' Complaints received during the year 2015-16	No. of Investors' Complaints resolved during the year 2015-16	No. of Investors' Complaints pending as on March 31, 2016
4	4	NIL

There were no pending transfers/grievances as on March 31, 2016.

4. **Corporate Social Responsibility Committee (CSR)**

The Company has constituted CSR Committee as required under Section 135 of the Companies Act, 2013.

(i) Terms of reference

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

(ii) Composition

The Chairperson of the Committee is Ms. Priti Rao. The other members are Mr. Sudhakar Ram and Mr. Ashank Desai. The Company Secretary is the Secretary of the Committee.

During the year ended March 31, 2016 the Committee met 4 (four) times on April 21, 2015, July 15, 2015, October 14, 2015, and January 13, 2016. The attendance of the members at the meeting is stated below:

Name of the Member	Status	No. of Meetings attended
Ms. Priti Rao	Chairperson	4
Dr. Rajendra Sisodia (Member upto April 17, 2015)	Members	NA
Mr. Sudhakar Ram	Members	4
Mr. Ashank Desai	Members	4

NON-MANDATORY COMMITTEES:

5. **Governance Committee**

(i) Terms of reference

- To develop and recommend to the Board of Directors a set of corporate governance principles applicable to the Company, to review these principles periodically and to monitor compliance with those principles.
- To review and approve new policies relating to corporate governance and to review current policies and practices and recommend improvements.
- To develop norms for evaluation of the Board of Directors.
- To recommend the areas of training needed for Board members.

(ii) Composition

The Chairman of the Committee is Mr. Ashank Desai. The other members are Mr. Sudhakar Ram and

Ms. Priti Rao. The Company Secretary is the Secretary of the Committee.

The Committee was reconstituted on June 01, 2015.

During the year ended March 31, 2016 the Committee met 4 (four) times on April 21, 2015, July 15, 2015, October 14, 2015 and January 13, 2016. The attendance of the members at the meetings is stated below:

Name of Member	Status	No. of Meetings attended
Mr. Ashank Desai	Chairman	4
Mr. Ketan Mehta (Member upto June 01, 2015)	Member	1
Ms. Priti Rao	Member	4
Mr. Radhakrishnan Sundar (Member upto June 01, 2015)	Member	1
Mr. Sudhakar Ram (Inducted as Member on June 01, 2015)	Member	3

IV. REMMUNERATION OF DIRECTORS

A. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has a policy which deals with the manner of selection of Board of Directors and Key Managerial Personnel (KMP) and their remuneration.

1. **Pecuniary Relationship or Transactions with Non-Executive Directors.**

   Mr. Ashank Desai, Non- Executive Director was provided perquisites aggregating to ₹1,34,499/- during the year ended March 31, 2016 for rendering professional services. This was approved by the Shareholders in the 33rd Annual General Meeting of the Company held on August 17, 2015.

   During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive/ Independent Directors apart from commission / exercise of stock options granted prior to April 01, 2015.

2. **Criteria of selection of Non-Executive Directors**

   - Non-Executive Independent Directors are expected to bring in objectivity and independence during Board deliberations around the Company's Strategic approach, performance and risk management. They must also ensure very high standards of financial probity and corporate governance.
   - The Independent Directors are also expected to commit and allocate sufficient time to meet the expectations of their role as Non-Executive Independent Directors, to the satisfaction of the Board.
   - Conflict of Interest: The Independent Directors are not to involve themselves in situations which directly or indirectly may conflict with the interests of the Company. It is accepted and acknowledged that they may have business interests, other than those of the Company. As a pre-condition to their appointment as Independent Directors, they shall be required to declare any such conflicts to the Board, in writing in the prescribed format, at the time of their appointment.
   - Each Independent Director is issued appointment letter with clear guidelines on their roles, duties and responsibilities as Independent Directors. The key elements in which every Independent Director will be expected to contribute are : Strategy, Performance, Risk, People, Reporting and Compliance.

3. **Remuneration Policy for the Key Managerial Personnel (KMPs)**

   In determining the remuneration of KMPs, the N & R Committee shall ensure / consider the following:

   - While fixing the remuneration for KMPs, the Company shall consider industry benchmarks and the competence of the persons and ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate them.
   - The compensation structure of KMPs will be benchmarked with industry salary trends and will have components of fixed/base salary as well as variable pay. The variable pay will be linked to business performance parameters, as separately outlined in a Variable Pay Plan document.

4. **Remuneration of Directors**

   - While fixing the remuneration for Directors, the Company shall consider industry benchmarks and the competence of the persons and ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate them.
   - The sitting fees for the Independent Directors and Non-Executive Director was increased and fixed at ₹ 100,000/- effective from July 2015 (earlier fixed was ₹ 20,000/-) per meeting of the Board and for Audit Committee was increased and fixed at ₹ 50,000/- effective from July 2015 (earlier fixed was ₹ 10,000/-) per meeting, if the Director is also a member of the Audit Committee.
   - The Non-Executive Directors may be paid remuneration by way of Commission based on the Net Profits of the Company, subject to a maximum of one percent (1%) of the Net Profit of the Company, as may be approved by the Board and the Shareholders, from time to time.

   The Board of Directors decides and approves the remuneration of Non-Executive Directors.

   Details of Remuneration of Non-Executive Directors for the year ended March 31, 2016 are stated below:

Name	Perquisites (₹)	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. Ashank Desai	134,499/-	830,000/-	NIL	964,499/-
Ms. Priti Rao	NIL	730,000/-	900,000/-	1,630,000/-
Dr. Rajendra Sisodia (Director upto April 17, 2015)	NIL	NIL	NIL	NIL
Mr. Venkatesh Chakravarty (Director upto June 19, 2015)	NIL	30,000/-	NIL	30,000/-
Mr. S. Sandilya	NIL	830,000/-	900,000/-	1,730,000/-

Name	Perquisites (₹)	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. Atul Kanagat	NIL	NIL	NIL	NIL
Dr. Arun Maheshwari (Director upto June 01, 2015)	NIL	NIL	NIL	NIL
Mr. Ketan Mehta (Director upto June 01, 2015)	NIL	NIL	NIL	NIL
Total	134,499/-	2,420,000/-	1,800,000/-	4,354,499/-

5. **Criteria for payment of remuneration by way of commission to Non- Executive Directors:-**

Subject to availability of profits, calculated under Section 197 read with Section 198 of the Companies Act, 2013, Non- Executive Directors of the Company may also be entitled to commission and the same will be paid as per the following remuneration structure:

1. 50 % - Fixed.
2. 50% - Variable, based on the number of Board meetings attended.

The total remuneration paid to all Non- Executive Directors will have an upper limit of 1% of net profit of the Company. (Sitting fees are excluded in the above calculation)

Number of options/equity shares held by Independent Directors as on March 31, 2016:

Name of Director	No. of Options granted	No. of Options exercised	No. of Equity Shares held
Ms. Priti Rao	29,600	29,600	29,600
Mr. S. Sandilya	26,000	26,000	26,000
Mr. Atul Kanagat	24,600*	-	-

* Note: Mr. Atul Kanagat was granted 24,600 options on February 07, 2013. These options will vest equally over the 4 year vesting period and can be exercised within 7 years from vesting date.

Number of equity shares held by other Directors as on March 31, 2016:

Name of Director	No. of Equity Shares held
Mr. Sudhakar Ram	2,791,680
Mr. Ashank Desai	3,099,552

Note: No Stock Option were granted to Mr. Sudhakar Ram and Mr. Ashank Desai.

6. **Terms of Appointment & Remuneration to Mr. Sudhakar Ram, Managing Director & Group CEO:**

Mr. Sudhakar Ram was appointed as the Managing Director and Group CEO of the Company for a period of 3 years with effect from July 01, 2014 to June 30, 2017 vide shareholders' resolution dated July 23, 2014.

Subsequently, the Nomination & Remuneration Committee of the Board and the Board of Directors of the Company, at their respective meetings held on January 22, 2015 and the shareholders at their Extra-Ordinary General Meeting held on March 05, 2015 have approved modification in terms of remuneration of Mr. Sudhakar Ram as Managing Director & Group CEO of Mastek Limited for the balance period from April 01, 2015 up to June 30, 2017 on the terms and conditions and remuneration as under:

Basic Salary:

₹ 6,25,000/- (Rupees Six Lakhs and Twenty Five Thousand only) per month, with an option of annual increment as may be decided by the Nomination & Remuneration Committee and Board of Directors of the Company, from time to time.

Bonus:

Based on the performance as may be evaluated by the Board of the Directors/ Nomination & Remuneration Committee, from time to time up to a maximum of ₹ 30 lakhs per annum.

Housing Benefit:

The Company will pay 50% (fifty percent) of the Basic Salary as House Rent Allowance to Mr. Sudhakar Ram.

Special Allowance:

₹ 2,37,500/- (Rupees Two Lakhs Thirty Seven Thousand and Five Hundred only) per month.

Car Facility:

Car facility with driver to be used for the business of the Company.

Club Fees

Reimbursement of Club Fees up to maximum two clubs.

Telephone:

Free telephone facility at his residence to be used for the business of the Company.

Provident Fund Contribution:

Company's contribution towards provident fund as per rules of the Company, but not exceeding 12% of basic salary.

Gratuity:

As per rules of the Company.

Perquisites:

As may be permitted as per the policy of the Company or by the Board of Directors and/or the Nomination & Remuneration Committee of the Board of Directors.

For the purposes of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated on actual basis.

Provision of car and telephone for use of the Company's business and telephone at the Managing Director & Group CEO's residence will not be considered as perquisites.

In the event of inadequacy of profits or no profits, the remuneration or perquisites of the Managing Director and Group CEO shall be subject to the limits prescribed under Schedule V to the Companies Act, 2013.

7. **Induction/Training of The Board Members:**

Every new Independent Director of the Board needs to attend an Orientation Program organized by the Company. Presentations are made by Managing Director & Group CEO and Senior Management team, providing an overview of strategy, operations and functions of the Company. An opportunity is provided to the Directors to interact with senior leadership of the Company and help them to get ground level information on the Company's services offering, Markets, Software Delivery, Organization Structure, Finance, HR, Technology, Quality Facilities and Risk Management.This can be accessed at www.mastek.com/investors/corporate_governance.

V. GENERAL BODY MEETINGS

(i) Particulars of Annual General Meetings held during the last three years:

Financial Year Year	Date	Time	Location
2014-15	August 17, 2015	11.00 A.M	Ahmedabad Management Association, H.T. Parekh Hall, Ahmedabad
2013-14	July 23, 2014	11.00 A.M	Ahmedabad Management Association, H.T. Parekh Hall, Ahmedabad
2012-13	July 17, 2013	11.00 A.M.	Ahmedabad Management Association, H.T. Parekh Hall, Ahmedabad

(ii) Special Resolution passed in 3 previous Annual General Meetings:

Annual General Meeting	Special Resolution
Thirty Third Annual General Meeting held on August 17, 2015	• Payment of certain benefits / Perquisites to Mr. Ashank Desai.
Thirty Second Annual General Meeting held on July 23, 2014	• No Special Resolution passed in this Annual General Meeting.
Thirty First Annual General Meeting held on July 17, 2013	• Payment of Commission to Non-Executive Directors.
	• Employee Stock Option Plan-ESOP Plan VII- to Employees of the Company.
	• Employee Stock Option Plan-ESOP Plan VII- to Employees of the Subsidiary Companies.
	• Employee Stock Option Plan-ESOP Plan VII- to certain identified employees of the company and its subsidiaries, stock options, which may be equal to or exceed 1% of the issued capital of the company.

All the resolutions as set out in the notices were passed unanimously/by requisite majority by the members of the company.

(iii) Details of Resolution passed through Postal ballot, the person who conducted the postal ballot exercise and details of the voting pattern:

During the year under review, no resolution has been passed through the exercise of postal ballot.

(iv) As on date, the Company does not have any proposal to pass any special resolution by way of postal ballot.

VI. MEANS OF COMMUNICATION

1. Quarterly results subjected to limited review by Statutory Auditors are generally published in the Free Press Journal, Navshakti and Financial Express (Gujarati) Ahmedabad. The quarterly unaudited results along with the press releases are made available on the website of the Company (www.mastek.com/investors/announcement). Other information relating to shareholding patterns, compliance with the requirements of corporate governance etc. are posted on BSE/NSE website and on Mastek's website in the investors section.

2. Official news releases and transcripts of conference calls with the analysts after the quarterly results are displayed on the Company's website.

   The Company has disclosed and complied with all the mandatory requirements as stipulated in Listing Regulations. The details of these compliances have been given above in the relevant sections of this report.

Communication With The Members/ Shareholders

- The unaudited quarterly / half yearly results are announced within forty-five days from the close of the quarter. The audited annual results are announced within two months from the close of the financial year as per the requirements of the Listing Regulations with the Stock Exchanges. The aforesaid financial results are sent to/Uploaded on website of BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board. The results are thereafter given by way of a Press Release to various news agencies/ analysts and are published within forty- eight hours in leading English and Gujarati/Marathi daily newspapers. The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.
- The Company also informs by way of intimation to BSE and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in regard to the same.
- The Annual Report of the Company, the quarterly / half yearly and the annual results and the press releases of the Company are also placed on the Company's website: www.mastek.com/investors/annual reports, can be downloaded.
- The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically on BSE's on-line portal http://listing.bseindia.com, and is also filed electronically with NSE through NSE's NEAPS portal.
- A separate dedicated section under unpaid Dividend on the Company's website gives information on unclaimed dividends, quarterly compliance reports/communications with the Stock Exchange and other relevant information of interest to the investors/public.

VII. GENERAL SHAREHOLDER INFORMATION.

1. ANNUAL GENERAL MEETING:

-	**Date and Time :**	**July 25, 2016 at 11.00 a.m.**
-	Venue :	Ahmedabad Management Association, H.T. Parekh Hall, AMA Complex, ATRA, Dr. Vikram Sarabhai Marg, Ahmedabad 380015.

2. FINANCIAL YEAR AND CALENDAR:

-	**Financial reporting for the quarters ending –**	
	June 30, 2016	around July 15, 2016
	September 30, 2016	around October 15, 2016
	December 31, 2016	around January 15, 2017
	March 31, 2017	around April 22, 2017

3. BOOK CLOSURE DATE: July 18, 2016 to July 25, 2016 (both days inclusive)

4. **DIVIDEND PAYMENT DATE:** NOT APPLICABLE

5. **STOCK CODE:**

Name of Exchange	Script Code	Reuters	Bloomberg
BSE Limited	523704	MAST.BO	MAST@IN
National Stock Exchange of India Limited	MASTEK	MAST.NS	NMAST@IN
ISIN	INE759A01021		

6. **LISTING FEES PAID: The Company has paid annual listing fees for the year 2016-2017 of the Stock Exchanges where the Company's shares are listed.**

7. **CAPITAL STRUCTURE:**

Authorized Capital	Equity ₹ 200,000,000/-
	Preference ₹ 200,000,000/-
Issued, Subscribed and Paid-up Capital	Equity ₹ 114,986,370/-

8. **DISTRIBUTION OF SHAREHOLDING**

Distribution of shareholding as on March 31, 2016

Range no. of shares	Shareholders Number	%	Value ₹	%
1- 500	22,355	90.67	10,615,640	9.23
501-1000	1,222	4.96	4,810,705	4.18
1001-5000	851	3.45	8,914,865	7.75
5001-10000	109	0.44	3,848,550	3.35
10001 and above	118	0.48	86,796,610	75.49
Total	**24,655**	**100.00**	**114,986,370**	**100.00**

Distribution of shareholding as on March 31, 2015

Range no. of shares	Shareholders Number	%	Value ₹	%
1- 500	18,340	90.48	8,087,525	7.17
501-1000	1,012	4.99	3,946,005	3.50
1001-5000	694	3.42	7,380,760	6.55
5001-10000	104	0.51	3,731,685	3.31
10001 and above	120	0.59	89,587,385	79.47
Total	**20,270**	**100.00**	**112,733,360**	**100.00**

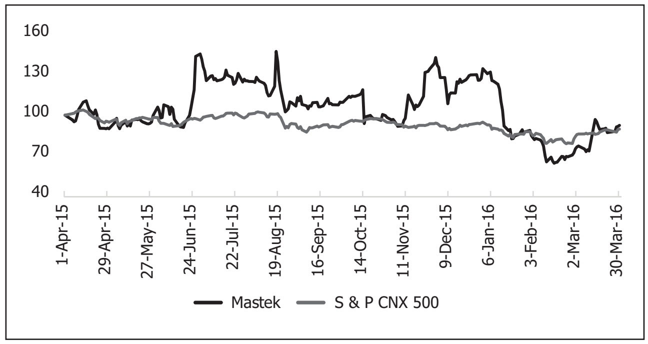
9. **MONTHLY VOLUMES AND PRICES: 2015-16**

Month and year	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April 2015	475	374.7	3018998	474.7	374	11966906
May 2015	426.5	381.6	1406955	425.65	381.2	5505164
June 2015	471	133.3	3319003	471.4	135.85	13953204
July 2015	207.4	177.5	1628679	215.9	177	7612491
August 2015	225	146.2	1921118	225	149.05	9015740
September 2015	175.6	151.3	632265	175.35	151.3	2426473
October 2015	188.1	142.1	1953084	188	142.05	9067533
November 2015	205.2	138.4	1813108	205	138	9476958
December 2015	211.4	160.1	1066064	211.55	160.6	5550044
January 2016	201.4	128.4	1329204	201	128.35	5785017
February 2016	139.6	104.7	446523	139.6	104.5	1909191
March 2016	154.2	112	2278442	154.4	114.4	9669326

Note : Post demerger, all shareholders of Mastek Ltd. were allotted one share of Majesco Ltd. for every one share of Mastek Ltd. held by them as on June 15, 2015.

10. **MASTEK SHARE PRICE PERFORMANCE VERSUS NSE's S&P CNX 500**

Relative Price Performance Mastek v/s NSE's S&P CNX 500



Note: Daily Closing Prices on the NSE have been considered for the comparison in above chart.
Source: www.nseindia.com

11. **SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS**

i. **Share transfers**

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

ii. **Nomination facility for shareholding**

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

iii. **Permanent Account Number (PAN)**

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

iv. **Unclaimed Dividend**

Pursuant to provisions of Section 205C of the Companies Act, 1956 (the Act) the amount of Dividend which has remained unclaimed and unpaid for a period of seven years from the date of transfer of such amount to unpaid dividend account is required to be transferred to Investors Education and Protection Fund (IEPF) established by Central Government.

Accordingly the unclaimed dividend amount of ₹ 11,41,859/- on completion of seven years has been credited to IEPF during the year.

Final Dividend for the year 2008-09 is due in October, 2016, to be transferred to Investors Education and Protection Fund (IEPF) established by Central Government. All the members who have not encashed the dividend warrant are requested to take steps to encash the same. Please note that no claims shall lie against the IEPF or the Company in respect of such amounts after the date of transfer.

v. **Pending Investor Grievances**

Any Member / Investor whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary at the Registered/Corporate Office with a copy of the earlier correspondence.

vi. **Reconciliation of Share Capital Audit**

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by Practising Company Secretary with a view to reconcile the total Share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and The National Stock Exchange of India Limited and is also placed before the Board of Directors.

12. SHAREHOLDING PATTERN

		2016		2015	
Sr. No.	**Category**	**No. of Shares**	**% of Holding**	**No. of Shares**	**% of Holding**
1	Indian Promoters	11,506,660	50.03	11,506,660	51.03
2	Mutual Funds And UTI	71,600	0.31	402,578	1.79
3	Financial Institutions/ Banks	36,207	0.16	20,033	0.09
4	Insurance Companies	1,121,532	4.88	1,121,532	4.97
5	FII's	2,169,289	9.43	2,879,452	12.77
6	Bodies Corporate	1,183,430	5.15	1,598,899	7.09
7	Individuals Holding Nominal Capital Upto ₹ 1 Lakh	5,085,705	22.11	4,010,569	17.79
8	Individuals Holding Nominal Capital More Than ₹ 1 Lakh	1,169,707	5.09	683,430	3.03
9	NRIs	637,345	2.77	323,519	1.43
10	NBFC	15,799	0.07	-	-
	Total	22,997,274	100.00	22,546,672	100.00

DETAILS OF SHARES HELD IN PHYSICAL & ELECTRONIC MODE

Date	**Status of Shares - Physical versus Electronic mode**		
	Physical	Electronic	Total
March 31, 2016	220,168 (0.96%)	22,777,106 (99.04%)	22,997,274
March 31, 2015	328,975 (1.46%)	22,217,697 (98.54%)	22,546,672

13. SHAREHOLDERS WITH MORE THAN 1% HOLDING AS ON MARCH 31, 2016

Sr. No	**Name of the shareholder**	**No. of shares**	**Shares as percentage of total no. of shares**
1.	Fidelity Puritan Trust Fidelity Low Priced	1,275,000	5.54
2.	Life Insurance Corporation of India P & GS FUND	589,781	2.56
3.	Life Insurance Corporation Of India	518,435	2.25
4.	Fidelity North Star Fund	325,000	1.41
5.	Merrill Lynch Capital Markets Espana S.A. S.V.	274,000	1.19
6.	Premier Investment Fund Limited	232,894	1.01

14. INFORMATION FOR SHAREHOLDERS ON THE INTERNET:

The Company actively communicates it's strategy and the developments of its business to the financial markets. The Senior Executives of the Company along with M/s. Christensen Investor Relations (I) Private Limited - our Investor advisor regularly meet the analysts. The Press release, Analysts' conference calls are organized by M/s. Christensen Investor Relations (I) Private Limited - our Investor advisor. Decisions in such meetings are always limited to information that is already in the public domain. Please access the homepage at http://www.mastek.com and register yourself for regular updates.

15. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS:

There are no outstanding GDRs/ADRs/warrants except the stock options granted to the employees/Directors of the Company and its subsidiaries. The options after vesting, when exercised, shall increase the equity share capital.

16. OFF-SHORE DEVELOPMENT CENTERS:

The Company has Off-Shore Software Development Centers at SEEPZ, Mumbai, Millennium Business Park, Mahape, Pune and Chennai. The full address of the company's centres is available on the back cover of the page.

17. COMPLIANCE OFFICER OF THE COMPANY/ADDRESS FOR CORRESPONDENCE:

Name	Dinesh Kalani, Company Secretary
Address for correspondence	Mastek Limited, #106, SDF-IV, SEEPZ, Andheri (East), Mumbai - 400 096 Phone No: + 91-22-66952222 Fax: +91-22-66951331.
E mail	investor_grivences@mastek.com

18. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

Please refer to the Management Discussion and Analysis Report for the same.

19. INVESTOR INFORMATION

A. COMPANY OVERVIEW:

Incorporated in 1982, Mastek is a leading IT player with global operations providing enterprise solutions to businesses and governments worldwide. The Company architects, designs, develops, integrates and maintains strategic applications that create a tangible business impact at customers' end. The Company is currently focused on Government, Retail and Financial Services verticals. Mastek has substantial experience in all these verticals.

Mastek is having its operations in UK and India. The Company was promoted by Mr. Ashank Desai, Mr. Ketan Mehta and

Mr. Radhakrishnan Sundar and Mr. Sudhakar Ram joined the Company as Promoter Director during the year 1984.

Mastek had its IPO (Initial Public Offering) in December, 1992 and raised ₹ 422.1 lakhs in gross aggregate proceeds. There was an additional public offering in March 1996 when it raised ₹ 720 lakhs in gross aggregate proceeds.

B. EQUITY HISTORY: Number of shares

Prior to Initial Public Offer	23,97,000 shares of ₹ 10/ each
Initial Public Offer in December, 1992	6,03,000 shares of ₹ 10/- each
Issued under Employees' Stock Option Plan till 1996	56,640 shares of ₹ 10/- each
Second Public Offer in March, 1996	4,00,000 shares of ₹ 10/- each
Bonus Shares in January, 2000	34,56,640 shares of ₹ 10/- each
Adjusted the above in view of Sub-Division of shares of ₹ 10/- each into two shares of ₹ 5/- each in 2001.	1,38,26,560 shares of ₹ 5/- each
Buy-Back of shares in 2003-04 & 2004-05	3,99,848 shares of ₹ 5/- each
Bonus Shares in April 2006	1,40,54,594 shares of ₹ 5/- each
Issued under Employees' Stock Option Plans from 2000-01 till 2008-09	10,78,283 shares of ₹5/- each
Shares Bought Back from May 2008 to June 30, 2008	14,38,232 shares of ₹5/- each
Shares Extinguish till June 30, 2008	9,15,714 shares of ₹ 5/- each
Issued under Employees Stock Option Plans in 2010-11	7,250 shares of ₹ 5/- each
Issued under Employees Stock Options plan in 2011-12	75,000 shares of ₹ 5/- each
Shares Bought Back & Extinguished from November 2012 to February 2013	23,88,000 shares of ₹ 5/- each
Issued under Employees Stock Options plan in 2013-2014	6,500 shares of ₹5/- each
Shares Bought Back & Extinguished from March 06, 2014 to March 25, 2014	24,84,007 shares of ₹ 5/- each
Issued under Employees Stock Options plan in 2014-2015	3,85,992 shares of ₹ 5/- each
Issued under Employees Stock Options plan in 2015-2016	4,50,602 shares of ₹ 5/- each

C. THE COMPANY'S EQUITY SHARES ARE LISTED ON THE FOLLOWING STOCK EXCHANGES:

National Stock Exchange of India Limited and BSE Limited

(i) The Company has changed its Registrar and Share Transfer Agent from Sharepro Services (India) Pvt. Ltd. to Karvy Computershare Private Limited w.e.f. April 04, 2016. All inquiries relating to the shareholder records, share transfers, transmission of shares, change of address, non-receipt of dividend, loss of share certificates, etc. should be addressed to:
The Registrar and Share Transfer Agent:
Karvy Computershare Private Limited
Karvy Selenium, Tower B,
Plot No. 31-32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad – 500032.
Tel. : +91 40 6716 2222, Fax : +91 40 2300 1153
E-mail: einward.ris@karvy.com

(ii) Share Transfer System: The Company processes shares sent for transfer, transmission etc. every month. Transfers/ transmissions which are complete in all respects are registered and returned within 15 days of lodgment.

The Company has obtained the half yearly certificate from a Company Secretary in Practice for due compliance of share transfer formalities as per the requirement of Clause 47 (c) of the Listing Agreements of the Stock Exchanges and a half yearly certificate duly signed by the Compliance Officer of the Company and the authorized representative of RTA as per the requirement of regulation 7(3) of Listing Regulations. The Company has obtained quarterly certificates for the timely dematerialization of shares of the Company as per the requirement of the SEBI (Depositories & Participants) Regulations, 1996. These certificates have been submitted to the Stock Exchanges and the National Securities Depository Limited / Central Depository Services (India) Limited. The Company has also carried out Secretarial Audits for the Reconciliation of Share Capital as required under the Listing Guidelines every quarter and the quarterly secretarial audit reports issued by an independent Practising Company Secretary have been regularly filed with the Stock Exchanges.

(iii) Bank Details for Electronic Shareholdings:

While opening accounts with Depository Participants (DP), you may have given your Bank Account details, which will be used by the Company for printing on dividend warrants for remittance of dividend. SEBI vide its circular no. DCC/ FITTCIR-3/2001 dated October 15, 2001, has advised that all companies should mandatorily use ECS facility wherever available. In the absence of availability of ECS facility, companies may use warrants for distributing the dividends. Vide its circular no. D&CC/FITTC/CIR-04/2001 dated November 13, 2001, SEBI has advised companies to mandatorily print the Bank Account details furnished by the Depositories on the dividend warrants. This ensures that dividend warrants, even if lost or stolen cannot be used for any purpose other than for depositing the money in the Account specified on the dividend warrants and ensures safety for the investors. Members are requested to furnish their Bank Account details to their DPs, if not already informed.

(iv) Ministry of Corporate Affairs (MCA), Govt. of India has issued circular No. 17/2011 dated April 21, 2011 and circular No. 18/2011 dated April 29, 2011 in respect of Green Initiative. Accordingly, Company sent a communication to all the members requesting them to give their E-mail I.D's to their Depository Participants (DPs), so that Annual report and other communications can be sent electronically to all the members.

Members, who have so far not informed the E-mail I.D's to their DP's, are requested to do the same in the interest of environment.

VIII. OTHER DISCLOSURES

1. Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under the note 36 forming part of the financial statements in accordance with "Accounting Standard 18". A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval. As required under Regulation 23(1) of the Listing Regulation, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. http://www.mastek.com /images/pdf/related-party-transaction- policy.pdf None of the transactions with Related Parties were in conflict with the interest of the Company. All the transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website viz

www.mastek.com/images/pdf/related-party-transactions-policy.

2. Subsidiary Companies

The Company has a policy on Material Subsidiary and same is placed on the website of the Company at www.mastek.com/investors/corporate Governance/investors/corporate_governance.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings and same are placed on the website of the Company viz http://www.mastek.com/investors/financials-subsidiary-co's.

The copies of the Minutes of the Board Meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings.

3. Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

4. Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

5. Internal Control System

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on SAP platform and has a strong monitoring and reporting process resulting in financial discipline and accountability.

6. Code of Conduct

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all senior employees. The Code has been posted on the Company's website www.mastek.com/investors/corporate_governance.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management Personnel have confirmed about their compliance with the Code.

7. Vigil Mechanism / Whistle Blower Policy

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Pursuant thereto, a dedicated hotline is provided (+91-22) 6150 1898 - which can be directly reached and any Whistle Blower's complaint can be registered. Calls to the Hotline during work hours will be directed by the Operator to any of the Ombudspersons or Compliance Committee members, as desired by the caller.

Complainants can also raise their concern through e-mails to the Ombudspersons or Compliance Committee members or Chairperson of Audit Committee (if the complaint is against a Director or by a Director). If, for any reason, the Complainant does not wish to write to any of these entities, he/she can write to whistleblower@mastek.com. Emails addressed to this ID will be received by the Company Secretary, who will appropriately direct it to any of the Ombudspersons or Compliance Committee member/s or Chairperson of the Audit Committee, after ascertaining the nature and identity sensitivity of the concern raised.

8.Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations 2015 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary issues a mail to all Directors, Senior Management Personnel and employees in possession of price sensitive information about trading window closure. The said code is placed at the website of the Company viz www.mastek.com/investors/corporate-governance.

All Board Directors and the designated employees have confirmed compliance with the Code.

IX. COMPLIANCES WITH CORPORATE GOVERNANCE DISCLOSURE REQUIREMENTS AS SPECIFIED IN SEBI (LODR) (LISTING REGULATIONS)

The Company is in compliance with all mandatory requirements under Listing Regulation. Generally, there were no instances of non-compliance on any matter related to the capital markets.

X. MANAGEMENT DISCUSSION & ANALYSIS FORMS PART OF THE ANNUAL REPORT. INVESTOR INFORMATION DETAILS ARE ALSO PROVIDED SEPARATELY IN THE ANNUAL REPORT.

XI. COMPLIANCE WITH NON-MANDATORY / DISCRETIONARY PROVISIONS

Among the adoption of Non-Mandatory/Discretionary Provisions as per Part E of Schedule II to the Listing Regulations, the Company has complied with the following:

1 - The Board - The Chairman being a Non-Executive and Independent Director has his own office. However, an office is made available for his use, if required by him, during his visit to the Company for attending meetings.

2 - Shareholders Rights - Quarterly results subjected to limited review by Statutory Auditors are generally published in the Free Press Journal, Navshakti and Financial Express (Gujarati) Ahmedabad having wide circulation. The quarterly unaudited results along with the press releases are made available on the website of the Company (www.mastek.com/investors/quarterly/results). Other information relating to shareholding patterns, compliance with the requirements of corporate governance etc. are posted on BSE/NSE website and on Mastek's website in the investors section. Separate Half yearly financial performance report has, however, not been sent to each shareholder.

3 - Modified opinion(s) in Audit Report – The Company has un- modified financial statements.

4 - Separate posts of Chairman and CEO –

The position of Chairman and CEO is bifurcated in the Company. The Board is headed by an Independent non-Executive Chairman. Managing Director and Group CEO is another position.

5 - Reporting of Internal Auditor - The Internal Auditor reports directly to the Audit Committee and attends the Audit Committee meetings and interacts directly with the Audit Committee members.

XII. MD & Group CEO / CFO Certification

The MD & Group CEO and the CFO have issued a certificate pursuant to the provisions of Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

To the Members of Mastek Limited

This is to confirm that the Company has adopted Code of Conduct for the Board of Directors and Senior Management Personnel of the Company, which is available at www.mastek.com.

I declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company.

Place: Mumbai
Date: April 19, 2016

Sudhakar Ram
Managing Director & Group CEO

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, the undersigned, in our respective capacities as Managing Director & Group CEO and Chief Financial Officer of Mastek Limited (" the Company") to the best of our knowledge and belief, certify that :

1) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2016 and that to the best of our knowledge and belief, we state that:
   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b) these statements together present, a true and fair view of the Company's affairs and are in compliance with existing accounting standards, laws and regulations.
2) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or which violate the Company's code of conduct.
3) We hereby declare that, all Board Members and Senior Managerial Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.
4) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
   (a) significant changes, if any, in internal controls over financial reporting during the year;
   (b) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
   (c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully,

Sudhakar Ram
Managing Director & Group CEO

Jamshed Jussawala
Chief Financial Officer

Date : April 19, 2016
Place : Mumbai

CERTIFICATE ON CORPORATE GOVERNANCE

The Members

Mastek Limited,

I have examined the compliance of conditions of Corporate Governance by Mastek Limited, for the financial year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1st April, 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulation') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December 2015 and 31st March, 2016.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In my opinion, and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **V. Sundaram & Co.**

V. Sundaram
Practising Company Secretary
C. P. No. 3373

Place: Mumbai
Date: April 19, 2016

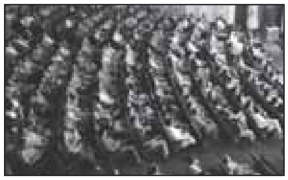
About Mastek Foundation:

Mastek Foundation is the CSR wing of the company. Founded in 2002, the mission of Mastek Foundation is Informed Giving, Responsible Receiving. Inspiring our employees to contribute back to the community by, sensitizing them to the issues and needs of the community and engaging them with the community through volunteering and giving opportunities. The Foundation also supports NGOs to scale and build their capabilities through our core skill of IT. Hence the Foundation has three clearly defined activities: Engage, Build and Give.

Engage:-

Mastek envisions engaging employees with the communities and also to encourage them to contribute to the society. This year has been quite active in terms of employee engagement. Here’s a glimpse of the activities of the entire year:

1. Inspired 2015 (A soulful evening to save a life)

Inspired 2015 was an annual fundraising event of Mastek Foundation. Through this event, it aimed to raise funds for all 13 partner NGOs of Mastek Foundation. It was the second consecutive year. It was a musical event, where Playback singer- Sanjeevani Bhelande performed and paid a tribute to the legend of Indian cinema- Gulzar.

2. Blood Donation Camp

The blood donation camp was held in three locations, Mahape, Pune and Seepz. Total no. of blood donors for this year was 291. In Mahape 219 , Seepz 35 and Pune 37 employees donated blood.

3. Engagement with Kotak Education Trust

Employees of Mastek got together to provide a full day orientation program to students from Kotak Education Trust on how does an IT company operate. Here are a few glimpses.


4. Tree plantation drive

Employees joined together to build *bands* for storing water for the saplings/plants for dry season plants in the twin hills of Bhawle, Bhiwandi. This activity was done in partnership with NGO- Hariyali.


5. Engaging to evaluate

Employees got together to evaluate 54 non-profit organizations. The evaluation was to decide financial partnership with the non-profits.

How the process went:-

- Criteria of NGO evaluation
  - ♦ Budget-size
  - ♦ Financial and non-financial
  - ♦ Geographical location
  - ♦ Quality of service
  - ♦ Other funders/donors
- Scoring on basis of the information
- Selection of NGO on basis of scores
- F2F interaction with NGOs
- Visit to NGOs

6. Social Innovation lab workshop with NGO

This workshop was to understanding NGO’s IT needs. This was the Initial step to Project Deep Blue. Employees especially Business Analyst were engaged to analyse the IT needs.

7. Providing NGOs a marketplace

Mastek Foundation provides market place for NGOs, letting them put-up stalls at Mastek's office premises. The stalls were set up for the occasion of Rakhi and Diwali. Total 7 NGOs had put up stalls. Total sale was above ₹ 41,000/-

8. Mastek Foundation Run, 2015

The Mastek Foundation Run, 2015 was an annual fundraising activity. It was held on November 01, 2015 at Kharghar. Total participation was 735, an 61.22% of increase in participation from last year and it was recognized by Raigad Athletes Association.

9. Diwali celebration with Ashasadan

Girls from Ashasadan – a shelter home at Sandhurst Road were invited to join our employees for Diwali celebration on November 06, 2015. Teams poured in with gifts, food for the girls. A two hour programme was scheduled for the girls.

10. Employees’ involvement in recycling

The activity of recycling of old shoes was conducted in the month of March, 2016. The activity was collecting old shoes from employees. The collection drive was conducted by Morrison’s team in Mastek and by a senior executive from Majesco, Total collection: Mens' shoes: 175 pairs, Ladies shoes: 276 pairs, Kids' shoes: 70 pairs.

11. Session on animal Abuse

Awareness session on animal abuse was conducted on April 15, 2015 by NGO Thane SPCA. This initiative and coordination of session was undertaken by Internal Champions. 12 animal lovers attended the session.

12. Participation in Mumbai Marathon

Mastek employees are participating in SCMM for the past 10 consecutive years. The theme for this year was to Save Water. Kherwadi Social Welfare Association was our partner NGO.

Build

ITransformation

Transforming NGOs through Information Technology:

This unique initiative of Mastek Foundation has affected numerous lives both direct and indirectly. The sole objective of this initiative is to build the IT infrastructure of non-profit organizations. The non-profit organizations which otherwise make a huge difference to the society by their innovative and committed actions get hampered by their inability to build a state-of-art Information Technology Solution. The major reasons for such obstruction are, the inability to access the technology and monetary issues. It might seem that NGOs have financial crunch but the actual scenario doesn't say so. If they lack in something then it is the perception and awareness. NGOs lack the foresight of the vast advantage IT is going to bring in their activity.

It is here the Mastek Foundation pitched in and made a huge difference to the following organizations:-

- Magic Bus India Foundation
- Kherwadi Social Welfare Association (Yuva Parivartan)
- TARA Livelihood Academy
- Sneha
- Mission for Vision –MFV
- MESCO.

1. Progress with Magic Bus

a. Complex operations documented

b. Getting into the testing Phase of Products launch.

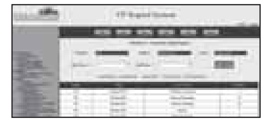
c. 40% development completion

2. Progress at KSWA

a. Live release of the MIS System

b. Live of mailing server

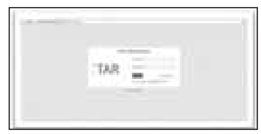
c. Go live of offline students registration system



3. Progress with TARA Livelihood Academy

a. Training for Tara Livelihood Academy:-

- Kickoff with TLA management of the program
- Phase 1 Training completed for TLA
- Detailed listing of business scenarios for testing phase.
- The system has gone live since October 01, 2015.



4. Progress with Sneha

Started with a mentorship activity with Sneha with the objective to build IT capabilities for long run sustainability. The completion of system review resulted in Sneha having better understanding on the features and limitation of the system that they have implemented. Following are the results achieved for Sneha:-

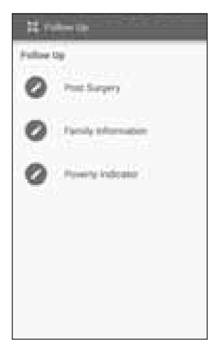
- Based on the System Analysis & IT audit Recommendation report provided, Sneha was able to bag ₹ 1 Cr funding from Fidelity.
- Outlining the Centers connectivity through VPN.
- Review of BI tools such as Salesforce, Corporator, Power BI and Tableau for BI implementation.

5. Progress with Mission for Vision:-

a. Rollout of the CommCare based system within 1 months' time.

b. Ability to capture field data even where connectivity is not available.

c. Real time Management Information available to measure impact.



6. New Addition (MESCO)

Sales force was implemented for the community, which helped in management of over 10K Donors.

Give:- Partnering with Non – profit organizations

EDUCATION:-

Partnering with Touching Lives Welfare Trust:-

Touching Lives (since 2003) is a non-profit organization dedicated to Education, Empowerment and Enlightenment of children living in the slums of Mumbai.

Mastek supported project: Supporting 17 children from our Transit Program. The objective of project is to set up quality resource centres (generally termed as Learning Centre & Community Centre) that allow children to recover, discover and do what they realize for themselves and for the world.

Impact: Improvement in English, Maths and Academic performance. Enhancement of communication and inter-personal skills and development of personality Development, Wellness and wholeness, Self-Esteem and Self-Confidence.

Partnering with Aarambh, Navi Mumbai

Aarambh provides education, health care and skills training to children, women and youth of migrant communities in the slums of Navi Mumbai. It works through six slum-based community centers in Navi Mumbai and five rural centers in Wai Taluka of Satara District in Maharashtra. The beneficiaries include 1,970 children, 440 women and 210 youth.

Mastek supported project: - Education – Our Path to Progress. Project Objective is to empower the marginalized communities to access their rights to education and health.

Impact:-

A. Enrolments: 131 children were enrolled in Q1 & Q2 into regular schools. 11 Child labour were removed from work and enrolled into schools.

B. Number of preschool classes were increased from 4 to 6, in order to take in many more children. Provide regular health care services for children of the community

C. Extra study classes were started for 466 children to ensure that they did not drop out due to inability to cope with studies

Partnering with Rays of Hope, Navi Mumbai

Project "ASHALAYA" (House of HOPE) Children's Home is an action plan. These are in small units of a family based environment, where the children are not only fed and provided with shelter but also find a Home of their own; where they are cared for, loved and reformed; where they find meaning for life and HOPE for their future. Currently 94 beneficiaries are provided with shelter and other facilities.

Mastek supported project:- "Ashalaya" Children Home. The objective of the project is to attain Child Welfare by providing them their basic necessities and help them to pursue their education!

Impact: -

1. All the basic necessities are met for a safer & caring home for children.
2. Reducing percentage of health issues, children look healthy.
3. Improvement in educational/cognitive area.

Partnering with SOS Childrens' Village

SOS Children's Villages of India is an independent, non-governmental, social development organisation that provides family-based care for parentless or abandoned children in India. The organization is over 50 years old in India and it advocates the concerns, rights and needs of children in need of care and protection.

Mastek supported project:- Providing education, healthy environment for healthy growth of children.

VOCATIONAL TRAINING:-

Partnering with Helpers of Handicapped, Kolhapur Helpers of Handicapped was formed by Naseema Hurzuk, who herself became a victim of paraplegia at the age of 16. It provides all-round development to people with multiple disabilities. Total beneficiaries: 7,695 disabled people.

Mastek supported project: Sponsorship of 12 disabled students, for their education, corrective surgery, etc.

Impact:-

1. The physically challenged students would become healthier due to accommodation in a healthier environment and attention to their nutritious diet and medical needs. Their mobility would increase due to corrective surgeries and provision of appliances like calipers and wheel chairs, walkers, crutches, etc.
2. The physically challenged students would overcome their inferiority complex by studying in an integrated school / college. This will enable them to become self-confident and integrate in the society which is largely able bodied.
3. The physically challenged students would get school and college education. This will enable them to handle their own affairs and to get suitable employment, thereby becoming productive members of the society.

Partnering with Sangopita, Badlapur

Sangopita is a registered NGO working for the children with multiple disabilities, including cerebral palsy, autism and other physical disabilities. It offers full-time residential care.

Mastek supported project: - Sponsoring the 7 teacher'/trainers' salary for the F.Y.2015-16. The objective of the project is to train and teach the differently abled children in their routine work and try to make them self-depend and to give them right to live a life with dignity.

Impact:-

1. Building self-confidence of the children
2. Give a satisfactory result to the parents
3. Spread awareness of our cause

Partnering with Help Youth Trust

Help Youth Trust is a non-profit organization – established in the year 2010, Millions of youth in India in the age group 18 to 35 years suffer from locomotors disability (ortho handicapped). The disability may range from polio affected legs; amputate hands / legs or even spinal affecting mobility.

Mastek supported project: - Mobile phone repair training. The objective of the program is to impart training on mobile phone repair to ortho disabled youth to make them improve their Livelihoods.

Impact

1. 50 Students enrolled
2. 50 Students Undertook training
3. 42 % placed / self Employed

PREVENTIVE HEALTH CARE AND ERADICATING MALNUTRITION

Partnering with Mahan Trust, Melghat Amravati district Mahan Trust operates in the difficult terrain of Melghat in Amravati district in

Maharashtra. The NGO was started by Dr. Ashish Satav and his wife Dr. Kavita Satav to meet health and nutrition needs of the tribal population of the area. Total beneficiaries: 2 lakh.

Mastek supported project: MAHAN Mahatma Gandhi Tribal Hospital. The objective project is:-

1. To improve health status of poor tribals of Melghat.
2. To reduce deaths of tribals.
3. To reduce malnutrition.
4. To prevent blindness and improve vision of poor tribal.
5. Provide Emergency medical care to serious patients, etc.

Impact

1. 6000 Patients treated.
2. 3000 patients treated for blindness and other diseases.
3. More than 150 malnourished children were treated.

Partnering with Prasad Chikitsa, Wada District

Prasad Chikitsa's initiatives include programmes of sustainable community and village development, healthcare, education and nutrition among children, women empowerment etc. It operates in the villages of Maharashtra. Total beneficiaries: more than 3,000.

Mastek supported project: Awareness through AV aid. Objective of the project is to empower the community with the knowledge to resolve social, cultural and medical issues.

Impact:-

1. Increase in knowledge of the community on the issues
2. Increase in utilization of the services
3. Decrease in disease related morbidity and mortality

Partnering with Think Foundation, Mumbai

Think Foundation is a not-for-profit organization, registered under Section 25 (1) of the Companies Act, 1956 and incorporated on January 23, 2006. Its work focuses in improving the quality of life of thalassemia patients, prevention of thalassemia, ensuring availability of blood and its components to all patients.

Mastek supported project: Supporting the Thalassemia Prevention programme and organizing blood donation drives at Mastek.

Impact:

- 10,000 youngsters screened for thalassemia.

Partnering with Action Northeast Trust

Started in October 2000, the ANT is a 14 year old organization based in Rowmari in Lower Assam. It works directly in over 250 villages for furthering the pace of development in the areas mainly falling under Chirang District of Bodoland in Lower Assam (around 170 km from Guwahati, the capital of Assam).

Mastek supported project:- Improving Nutrition and Income in Foothills of Bhutan in Assam. The objective of the programme is to improve nutritional status and also provide supplementary income to 170 households with approximately 750 population in the Kuklung Forest areas on the Bhutan border of Chirang District.

Impact:-

1. Activity 1: Promoting 120 Kitchen Gardens
2. Activity 2: Promoting 50 Horticulture Farms
3. Activity 3: Demo Farm: 1 demo farms of 1 acre will be established.

ANIMAL WELFARE:-

Partnering with SPCA Thane

Thane SPCA runs the only animal hospital in the district. It aims to provide equal treatment for all species.

Mastek supported project-: Providing specialty surgery to street animals.

Impact:

- 279 street animals specially dogs received specialized operations

Partnering with P.A.W.S

PAWS was founded in 1998 by Anuradha Ramasawmy & Nilesh Bhanage & officially registered in 2001. Starting on medicating injured stray animals on bike till starting own animal hospital at Murbad.

Mastek supported project: - Providing of ambulance for treatment of street animals.

Impact:- 264 animals rescued by the ambulance

WOMEN EMPOWERMENT

Partnering with Aasara

Aasara means 'support', a shelter, a home. This support meets the need of children to have a home, family support and basic quality of life. Aasara strives to provide these rights to street children until they are reunited with their families or re-integrated in society.

Mastek supported project: Supporting the establishment of Suraksha, an open shelter home for 19 girls in Neral.

Impact:

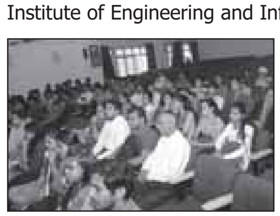
- The shelter home provides the children a protected environment
- The nutritional needs of the girls are taken care of
- The girls are provided with quality education.

PROJECT DEEP BLUE – A Mastek Initiative

Since its inception in 1982, Mastek has been home to change-makers and forward-thinkers who challenge the status quo. In this spirit, the Deep Blue Project is created to encourage/develop these qualities among budding technologists. Deep Blue signifies the willingness to dive into the problem, the determination to get to the bottom of the issue and the drive to find a solution. It alludes to deep, intense, profound, intellectual thoughts.

Project Deep Blue is for passionate youngsters who have the willingness to use technology to create a difference. Deep blue provides this platform to create an impact to better life.

Project Deep Blue was flag off on January 09, 2016 at the KJ Somaiya Institute of Engineering and Information Technology.



- Mastek was able to make its presence felt in 8 colleges of Mumbai through Project Deep Blue Program
- 55 Teams Registered for the Program
- 47 Teams participated by completing the Screening for submission formalities

- 25 Mentors confirmed registration for taking up a team for Mentoring across grade from 5 to 12.

Colleges	Total no. of teams
D.J. Sanghvi College Of Engineering	13
Datta Meghe College of Engineering	11
Fr. Conceicao Rodrigues College of Engineering (Fr. Agnel, Bandra (W))	1
NMIMS Mukesh Patel School of Technology Management and Engineering, Mumbai	3
Vivekanand Education Society's College of Arts, Science & Commerce	3
VJTI Matunga, Mumbai	11
K.J.Somaiya Institute of Engineering and Information Technology	4
Sardar Patel Institute of Technology	1
Grand Total	47

April 09, 2016 was the Grand Finale day of Project Deep Blue and was held at K.J. Somaiya College of Engineering. The Project Deep Blue had the following objectives:-

- Re-Create Brand Mastek
- Inculcate deeper thinking within the students
- Give back to the society through innovation
- Platform for the Mastekeers to build their mentorship and leadership skills Progress on Project Deep Blue

- 25 Teams closely contested in the competition.
- 3 months of intense preparation.
- Active involvement of Mentors.
- Almost 85% of the teams worked with 100% dedication.
- Demonstration of innovative working solutions.

Screening of the Contestants

Grand Finale

Moving away from traditional appraisal process to a peer feedback process

Under Mastek 4.0 since teams were accountable for results, team appraisals became as important as individual appraisals. Mastek 4.0 envisages a peer appraisal process that is facilitated by the team and the outperformer shortlisted by the team itself after a feedback session. This is unlike the past approach having a manager single handedly assess every individual's performance.

One of the core principles – While every Mastekeer is expected to be an A performer, we also expect every Mastekeer to stretch outside their comfort zone and play to their true potential. Mastekeers, who manage to achieve new levels of performance, unleashing their hidden capabilities, will be identified by their own peers and acknowledged for their contributions – as A+.

Strengthening our Culture of Recognition

Every Mastekeer is valuable and we, at Mastek believe that performance needs to be appreciated and encouraged. The rewards and recognition program at Mastek had been largely administered in a top down fashion, with individuals and teams being recognized quarterly or annually.

In the spirit of Mastek 4.0, the rewards were made more timely and the decision making is not only with the senior team members but also with the teams at the lowest possible level. The teams felt more empowered to choose the rewarding individuals from their respective teams, thought of innovative names and means to finalize on the right individual.

Mastekeers United, an in-house sports team worked on various sports extravaganzas amidst high adrenaline with enthusiastic participation and outstanding feedback through the year which executed a successful hat-trick cricket tournament (named Mastek Premier League, MPL4), Indoor sports and LAN games and a Badminton tournament. This gave Mastekeers an opportunity to bond outside work that will help better workplace effectiveness and expand circle of influence. This helped create higher levels of engagement and energy.

Fun & Joy (FnJ) helped achieve high level of engagement across locations and fantastic feedback on various events. Mastek offshore has experienced high level of energy and enthusiasm with fullest of participation in celebrations and competition. Fun & Joy has helped Mastekeers not only rejuvenate from time to time but also encourages talents of all kinds. Highlights of the year have been Diwali Celebrations, Children's Day, Christmas, Navratri & Women's Day celebrations- to name a few.

Compensation & Benefits and HR Operations

Compensation being an important element in the overall engagement of every employee, HR has ensured that the annual global revisions for 2015-16 were very successfully executed by releasing the increments in line with the average industry trends. Alongside, the variable pay entitlements FY 14-15 were also released as per committed timeline.

Strengthened the awareness of Whistle Blower Mechanism within our Code of Business Conduct & Ethics Policy. Ensured that all new joinees into Mastek completed the online test and that creates the awareness amongst employees with respect to the policy on 'Sexual Harassment at work place'.

All existing HR policies related to employee welfare and benefits continue to be reviewed on a periodic basis and changes, wherever required, are incorporated.

Learning & Development@Mastek

Learning and Development Journey at Mastek continues to be exciting with the active support of various practitioners and Centers of Excellence. Continuous inputs and recommendations from business and involvement of Mastekeers in initiatives like "You Decide Your Training Calendar" enabled us coming up with lots of relevant offerings like Life Ray, SSIS, CRM, Mobility, just to name a few. A range of approaches including formal training, in-house seminars, knowledge sharing, on the job learning, conferences and workshops were organized towards building Technological and Domain skills.

To list a few of the capability building updates this year

- Roll out various workshops on Mobile App Development to give an experience of developing cross platform mobile app to Mastekeers at all levels.
- Mobile Automation Framework developed based on Appium.
- Focused programs on Big Data and CRM technologies.
- Microsoft Cloud Tech Day to give a good glimpse around power of Azure Cloud to Mastekeers.
- Multi Skill Talent Classroom Hands on Program at UK.
- Good focus on Certification with almost 60% Testers certified in automation tools like Selenium or QTP, 100% Service Management Professionals ITIL Foundation certified and few of them ventured into next level. Mastekeers also opted for certifications in areas like Project Management, Togaf, CBAP etc.
- Enhanced participations by Mastekeers in various industry events like World Testing Conference, Agile World, Hack-a thon, Digithon to name a few.
- Theme based initiative GLOW offered programs on Front end technologies at onsite/offshore locations.
- Various training programs and events were organized to raise further awareness around Agility as a way of life and to make agile behavior happen on the ground. This year we also hosted Agile Meet-UP jointly with ISEC (India Scrum Enthusiasts Community). The Meet-UP had thought-provoking & fun filled sessions facilitated by seasoned Agile Coaches from Industry. There was an overwhelming response from Agile enthusiasts of 12+ IT and Non IT organizations.
- Speakers Café to enhance ability to speak & build vocabulary, improve grammar and boost the confidence of the participants through variety of fun activities and exercise's.

All of this has been successful in instilling and enhancing skills and inculcating the desire to learn more. We are now poised to move into a future where we will continue to strive to build a culture of empowered teams and learning organization.

Sustainability Initiatives

Mastek is committed to sustainability and this has been reflected in our Sustainability Policy and Health & Safety Policy. Since 2009-10 when Mastek introduced sustainability initiatives in the organization, several short term and long term measures have been taken to reduce the carbon footprint and reaffirm our commitment towards environment, health and safety.

Environment Management System

Mastek's facility at Mahape Navi Mumbai was certified for the implementation of ISO 14001:2004, an internationally recognized standard for Environment Management System in February 2014. We have successfully cleared the second surveillance audit conducted by Det Norsk Veritas (DNV) in December 2015. In 2016 we plan to implement the upgraded version of ISO 14001:2015 and renew our certification.

Health & Safety

Mastek was also certified for the implementation of OHSAS 18001:2007, an internationally recognized standard for Occupational Health and Safety Management System in February 2014. Along with the audit for ISO 14001, the second surveillance audit was also conducted for OHSAS 18001 by DNV in December 2015, which was cleared successfully. The ISO 14001 and OHSAS certifications have been a milestone achievement in our journey on sustainability.

Sustainability Reporting

A long term Sustainability Roadmap has been prepared by which Mastek plans to report voluntarily the initiatives in sustainability on social, economic and environment areas as per GRI G4 guidelines. Mastek has appointed RSM GC to guide and support us for the preparation of this sustainability report. After identifying the gaps, the new policies and procedures will be implemented during FY 2016-17. We expect our first sustainability report as per GRI G4 guidelines to be published in April 2017.

Reduction in Power Consumption

Energy costs account for a major portion of the total facility expenses. Over the last few years, we have taken several measures to reduce our energy consumption. Replacement of light fixtures, installation of motion sensors for lighting, controlling the switching on and off of the air conditioning system, etc. have resulted in savings in energy consumption.

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MASTEK LIMITED **PROXY FORM**

CIN: L74140GJ1982PLC005215

Registered Office: 804/805 President House, Opposite C. N. Vidyalaya, Near Ambawadi Circle, Ahmedabad -380 006
Email: investor_grievances@mastek.com; **Website:** www.mastek.com; **Phone:** +91-79-2656-4337; **Fax:** +91-22-6695 1331

Name of the member (s) :

Registered Address :

E-mail id :

Folio/DP ID-Client ID :

I / We being the members(s) holding .... shares of the above named Company hereby appoint:

(1) Name: .... Address: .... Email Id: ....

Signature: .... or failing him;

(2) Name: .... Address: .... Email Id: ....

Signature: .... or failing him;

(3) Name: .... Address: .... Email Id: ....

Signature: ....

as my / our Proxy to attend and vote for me / us and on my / our behalf at the 34th Annual General Meeting of the Company to be held on **Monday, July 25, 2016 at 11.00 a.m** at Ahmedabad Management Association, H.T. Parekh Hall, AMA Complex, ATRA, Dr. Vikram Sarabhai Marg, Ahmedabad 380015 and/or at any adjournment(s) thereof in respect of the resolutions as are indicated below:

Resolution No.	**Resolutions**	Vote/s given	
Ordinary Business:		For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2016.		
2.	Confirmation of the two Interim Dividends paid aggregating to ₹ 2.50 per share as dividend for the year 2015-16.		
3.	Re-Appointment of Mr. Ashank Desai, who retires by rotation and being eligible, offers himself for re-appointment.		
4.	Ratification of appointment of M/s. Price Waterhouse Chartered Accountants LLP as Statutory Auditors and fixing their remuneration.		
Special Business: Special Resolution			
5.	Adoption of new set of Articles of Association in lieu of existing Articles of Association due to changes necessitated by Companies Act, 2013		

Signed this .... day of 2016

Signature of shareholder.......... Affix ₹ 1/- Revenue Stamp ....

Signature of Proxy Holder(s)

Notes:

1. **This form in order to be effective should be duly completed and deposited at the Registered Office of the company, not less than 48 hours before the commencement of the meeting.**
2. For the Notes, resolutions and Explanatory Statement, please refer to the Notice of the 34th Annual General Meeting.
3. It is optional to put number of votes in the appropriate column against the Resolutions indicated in the Box, so that the Proxy should vote accordingly. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate. Please note that the total number of votes given cannot exceed the number of shares held for each and every resolution.
4. Please complete all details of member(s) in the above box before submission.

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Mastek

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