

## **39<sup>th</sup> Annual General Meeting of Mastek Limited**

**HELD ON 28<sup>th</sup> September 2021- 5.00 PM IST THRU NSDL VC PLATFORM**

- **Mr. Dinesh Kalani – Company Secretary, Mastek Limited:**

We are just starting the meeting Sir.

- **Mr. S. Sandilya – Chairman, Mastek Limited:**

Please go ahead.

- **Mr. Dinesh Kalani – Company Secretary, Mastek Limited:**

Good evening all and welcome to the 39<sup>th</sup> Annual General Meeting of Mastek Limited. This meeting is being held through video conferencing in accordance with the circulars issued by the Ministry of Corporate Affairs, applicable permissions of Companies Act 2013 and SEBI Listing Obligation and Disclosure Requirement Regulations 2015. Before I hand over to the Chairman, Mr. Sandilya to conduct the proceedings of this meeting, I would like to draw attention of the Members to a few important points. The Company has enabled the Members to participate at the 39<sup>th</sup> AGM through the video conferencing facility provided by NSDL. The proceedings of this AGM are also being web casted live for all the Members as per the details provided in the Notice. The proceedings of this Meeting are being recorded for compliance purposes.

The Company has received requests from five Members to register themselves as speakers at the Meeting. Accordingly, the floor will be open for the registered Members to ask questions or express their views. The moderator will facilitate the session once the Chairman opens the floor for questions and answers. All the Members joining the AGM will by default be placed on the mute mode, and during the questions and answers session on announcement of the name by the Company Secretary or Chairman, the speaker Member will be put on the unmute mode. If the speaker Member is unable to speak due to network or connectivity issue, the name of speaker Member shall be announced once again at the end; that is after all the Members who have registered to speak have finished speaking. For inspection of documents and registers required to be made available during the AGM, Members are requested to write to the Company Secretary at [investor\\_grievances@mastek.com](mailto:investor_grievances@mastek.com) and the documents and the register will be made available electronically. As the AGM is through video conferencing, the requirement of appointment of proxies is not applicable and hence the proxy register is not available for inspection.

In accordance with the requirements of provisions of Companies Act 2013, Secretarial Standards and SEBI Listing Regulations, the facility to vote on the business items to be transacted at this AGM by electronic means was already provided through remote e-voting from 9:00 AM on September 24, 2021 till 5:00 PM on September 27, 2021. Remote e-voting facility was blocked at 5:00 PM on September 27, 2021. Members who have not cast their votes yet electronically and who are participating in this Meeting, will have an opportunity to cast their votes during the Meeting through the e-voting system provided by NSDL. Members can click on vote tab on the video conference screen to avail this feature.

The Notice of the 39<sup>th</sup> AGM, including the addendum there to and the Annual Report containing audited financial statements, including consolidated financial statements for the year ended March 31, 2021 and Board's and Auditor's Report have been sent by electronic mode to those Members whose email addresses are registered with the Company or Depositories. These documents have also been made available on the Company's website. The Statutory Auditors, Walker Chandiook & Co. LLP and Secretarial Auditor Prashant Mehta have expressed unqualified opinion in their respective audit reports for the financial year 2020-2021. There were no qualifications, observations or adverse comments on financial statements and matters, which may have any material bearing on the

functioning of the Company. The Statutory Auditor's report on stand-alone financial statements and consolidated financial statements are available on page numbers 204 and 259 of the printed Annual Report. Secretarial Auditor's report is included in Annexure 5 to the Board's report on page numbers 134 to 137 of the Annual Report.

For any technical support in connection with this AGM, Members may contact the helpline number mentioned in the Notice of the AGM.

The requisite quorum is present for the meeting. Now I request our Chairman, Mr. Sandilya to commence the proceedings of the meeting. Thank you very much.

- **Mr. S. Sandilya – Chairman, Mastek Limited:**

Thanks Dinesh, for reading out the arrangements made for the Members. Good Evening dear Members, fellow Directors and Officers of the Company. I am Sandilya, Chairman of the Company. I welcome all the Members to the 39<sup>th</sup> Annual General Meeting of your Company. As the requisite quorum is present as confirmed by the Company Secretary, I now call the meeting to order. I hope all of you and your loved ones are safe and are in good health during this unprecedented and tough times caused by COVID-19 pandemic. The AGM is being held through video conferencing in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI in the wake of COVID-19 pandemic. The Company has taken all feasible efforts under the current circumstances to enable Members to participate through video conference and vote at this AGM. I am attending this meeting from Chennai. I am also the Chairman of the Audit Committee and Stakeholder Relationship Committee and Member of the Nomination and Remuneration Committee of the Board. For safety reasons, each of us are attending this Meeting from different locations through video conference mode.

Before we start the main proceedings of the Meeting, I would like to introduce my fellow Directors, Officials who are attending this AGM through video conferencing facility. I will start the introduction with Mr. Ashank Desai – Vice Chairman and Managing Director and Co-founder of the Company. He is also the Chairman of Risk Management and Governance Committee and Member of the Audit Committee, Corporate Social Responsibility Committee and Shareholder Relationship Committee. He is attending this meeting from Mumbai, India.

Ashank: Namaste

Thank you, Ashank for acknowledging your presence. We also have Mr. Ketan Mehta Non-executive Non-Independent Director of the Company. He is also one of the Co-founders of the Company and a Member of the Audit Committee and Nomination and Remuneration Committee. He is attending this meeting from Gujarat, India. Ketan, if you could acknowledge please?

Ketan: Namaste

Thanks, Ketan. We have Mr. Atul Kanagat who is attending this meeting from New Jersey. He is a Non-Executive Independent Director of the Company. He is the Chairman of the Nomination and Remuneration Committee and Member of the Audit Committee and Stakeholder Relationship Committee. Atul, can you acknowledge please?

Atul: Namaste

Thank you, Atul. Moving on, I now introduce Mr. Rajeev Grover Non-Executive Independent Director of the Company. He is a Member of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management and Governance Committee. He is attending this meeting from Gurugram, India.

Rajeev: Namaste

Thank you, Rajeev. I would like to inform that Ms. Priti Rao, Non-Executive Independent Director could not attend this meeting due to her other prior commitment and has sought leave of absence. So, we grant her the leave of absence.

I now introduce the officials of the Company starting with Mr. Hiral Chandrana, Global Chief Executive Officer of Mastek Group, who has joined us recently in July, 2021. He is attending this meeting from Chicago, USA. Hiral, if you can acknowledge your presence please?

Hiral: Namaste

Thank you, Hiral. Now I go to Mr. Arun Agarwal, Global Chief Financial Officer of the Company. He is attending this meeting from Mumbai, India.

Arun: Namaste

Arun, thank you. You have already heard from Mr. Dinesh Kalani, Company Secretary who you all must be knowing and in touch with for your regular correspondence and queries. He is attending this meeting from the office of the Company at Mumbai, India. Dinesh, can you acknowledge your presence please?

Dinesh: Namaste

Thank you. I also introduce Mr. Adi P Sethna, partner of Walker Chandiook & Co. Statutory Auditors and Mr. Prashant Mehta from P. Mehta Associates, Secretarial Auditors of the Company who have also joined this Meeting. We also have other senior executives of the Company who have joined this meeting virtually. Please note that during the meeting, the participants would be on mute unless they are requested to speak. So, with these initial introductions, let me just share a few thoughts before I hand over to Mr. Ashank Desai and Mr. Hiral Chandrana.

We all know that during last year, this pandemic hit the whole world and we had a series of lockdowns which happened all over the world and India was no exception. But your Company employees did an outstanding job of ensuring that the Work From Home facilities were activated at the fastest possible time and it was actually a miracle; I don't know what kind of activities that went behind the scene to do this, and a sudden thing that happened is the crisis that they had to manage. They managed it so well that we did not lose even a single day of customer commitments. And we managed everything on the go and the work from home was operative and we were one of the first companies to get onto this and my compliments to the entire team of employees in the Company for achieving this feat.

So with this, I now request Mr. Ashank Desai – Vice Chairman and Managing Director of the Company to address the Members and give a brief overview of the industry and operations. He will be followed by Mr. Hiral Chandrana, Global CEO with his comments. Thank you. Over to Ashank.

- **Mr. Ashank Desai – Vice Chairman and Managing Director, Mastek Limited:**

Good evening shareholders. I am greatly pleased to be here however not as much pleased as I would have liked to meet you physically in our Ahmedabad location, as we have been doing all these years. But the pandemic is still not giving up, unfortunately and hence, we have to conduct this AGM again, second time virtually. Maybe the next time we will definitely meet you physically. This year of course had a lot of happy events but of a great sad event as well. I will start with that. During the year, we lost our friend and founder colleague Sudhakar Ram who was the Vice Chairman and Managing Director, on 8<sup>th</sup> November, 2020; just a few days after our last AGM. On behalf of Mastek's Board Members and all our employees and on behalf of all of you, we would like to share our deepest condolences to Sudhakar's wife and daughter Samvitha for their irreparable loss. As a Promoter of Mastek, Sudhakar had a huge contribution to Mastek for the last 35 plus years, and his influence will

transcend generations. He is widely respected as a professional with high integrity and values, and he was the architect of what we call as Mastek 4.0, which is positioning us as a cultural foundation of what Mastek is. There is no better way to respect his life than continue to build on the legacy based on what he was doing and did in Mastek.

The financial year of course did extremely well. I am very-very happy to see that we have one of the best results in the history of Mastek since last 39 years and 28 years of listing. This year as you know we had acquired Evosys Group and it was a year of integrating both of us together and marching ahead with our destiny for next many years to come; and hence the results were obviously also great. You will be pleased to know that our top line grew almost 60.7% and we reached almost \$230 million revenue. Our profits of course was still better, 121% increase in profits from the previous year, and it was an improvement of almost 415 bps. And this has resulted into obviously a great return to shareholders, as all of you know. Last year at the same time of AGM versus now, the returns to all of you shareholders has almost gone close to 3.5X or 350%. It is with that great pleasure I would like to celebrate the year that passed out. And that happened because of three-four things that we did well. First and foremost, of course, we focused on the digital market. Evosys is riding on the cloud ERP market, which is growing very fast, and Oracle is the best player there. So, we could ride on that growth for growing this Company of yours. On top of it, we of course, were very successful in public sector in UK and we had a great increase of almost 42% in our pipeline backlog, mainly driven by public sector's order booking last year in UK. We of course, were driving our D2X strategy as we call it in US, which is 'digital to everyone' and that helped us in many large accounts offering these services. But on top of all of it, our go to market strategy was riding on the new customers that we were getting on Evosys platform with digital services and digital commerce offering and that go to market strategy was our first pillar of growth last year. And that has greatly helped us in terms of almost 180 new accounts being opened together, and large number of these accounts are now going to get offering of digital services from Mastek.

The second part that we did distinctly well was outcome-based selling; that we have started. This is a new era of outcome-based selling where customer pays (a part of the fees) based on what he or she gets as business results. We are far ahead of many others, and we want to make it successful. This was the first year of making that effort. Beyond that we were of course, working on building our marketing engines all over in terms of hiring sales people, hiring senior leadership in all the geographies that we are in. Evosys also gave us another direction of opening up in Australia and New Zealand, and Middle East market, in terms of Saudi Arabia and Dubai. All of this also added to our growth and the new markets that we are getting into. Beyond all that we of course, built on our capability and talent. The whole of last year that we spent was to build capability of Mastek so that your Company is going to achieve great height of success next 5 years, next 8 years and so on, and that is the first step we took this year. We added of course, close to 400 people, but more important is that we have built many service lines. We have brought new leaders. We are continuously training people in new skills and new areas so that for tomorrow's digital era, we are completely ready. So, these were the kind of work that we did last year, which is going to take us forward next year. But the most important milestone was to get our new CEO, Hiral Chandrana. He has an experience of almost 25 years plus in IT services, with 15 years in Wipro in a very senior position, holding almost 3 billion market segment. He is going to bring a lot of new customers, new talent and new ideas to make this move ahead. I will end with two-three things that we did well.

Our COVID response was extremely well handled. Hats off to our employees that they all met the demands and delivered of course, the results. We in turn had a lot of activities going on to help them work from home. I will not get into all the details. We planned also the vaccination campaign to see that we accelerate vaccination amongst our employees. So that is a big thanks to all of our employees for their COVID response. We also are continuing our journey on ESG - Environment, Social and Governance now, with big work in CSR area. In India of course, we did a lot of work, impacted thousands of citizens, and we had also worked to create a program which has created Rs.50 lakh donation in the COVID area in Maharashtra and in Mumbai. So I am greatly satisfied with this all-round performance in business, in employee related activity, in talent building and social giving back. And all of that has resulted into this Company achieving great success and showing industry growth faster than overall IT industry. So, I am looking forward to the new leadership that we have in Hiral to

move this ahead and take many steps ahead. But thanks for your support all these years and this year in particular. And I am looking forward to that support continually. Thank you.

- **Mr. S. Sandilya – Chairman, Mastek Limited:**

Over to you Hiral.

- **Mr. Hiral Chandrana – Global CEO, Mastek Limited:**

Thank you Mr. Sandilya, thank you Ashank. I am honoured first of all to join Mastek and be part of the family. I have had the opportunity over the last two months to meet many customers; most of them virtual, some in-person actually, and it is very clear to me that, our clients and our customers see us as a true trusted partner that has delivered value and business solutions. As all of you know as esteemed shareholders of the Company, Mastek is built on a strong foundation of values over multiple decades of success. Further our employees and our Mastekers, as we call them, have truly been resilient through these challenging times. I had the opportunity to meet many of them in person although in small groups safely in India in the month of August, as well as earlier this month in UK. And I must say again, I am very pleased to see the depth of talent that we have in the organization, not just our direct leadership, but also every individual that I have met has so many different accomplishments and successes that have created value for our clients.

Ashank has already spoken and articulated our successes over the last one year. So let me take a few minutes to talk about the year ahead and some of our strategic priorities as we look into the future. The Evosys acquisition and the Cloud capabilities has given us a truly much broader portfolio when it comes to service offerings and service lines. So, one of our first key things is to elevate and strengthen further our integrated value propositions. We are starting to get into larger deals. We are starting to get into larger clients, and that would require a lot stronger integrated value propositions, which we have continued to enhance over the last many months and will continue to do that in the following year as we look at front office, which is really the customer journey, as customers look at accelerating their digital transformation all the way to their supply chains and their business models across multiple industries. The second as Ashank alluded to, we have always been strong in public sector. We have always been strong in certain industries for example in the US, in the retail and consumer sector. So, as we look at betting on certain growth verticals and growth markets, healthcare and life sciences, manufacturing and engineering are two such industries which we will continue to strengthen.

The US market is a big opportunity for us. As many of you know I am based out of the US and, we will enhance our focus for this market in the coming months and quarters. There is a good momentum that we already have in place. So, we want to build with the combined organization and the combined value propositions that I talked about to reposition Mastek as a much stronger player for many of our larger prospects and clients. In terms of the employees and our Mastekers, I do want to stress again, that will continue to be our differentiated asset in many ways. The skills needed to meet the new demands of the digital transformation age are very different. The technology is one component of the overall mix, but the functional knowledge, the process knowledge, the industry knowledge that is required to deliver for our clients is critical. So, we have continued to develop our employee skill sets, our leadership skill sets so that we are ready like Ashank said, in the coming quarters and years to come. I will once again echo what Mr. Sandilya said, I thank everyone for their support, not just our shareholders and stakeholders, but also our employees and customers for making Mastek who we are, and we are looking forward to the journey together ahead. Thank you.

- **Mr. S. Sandilya – Chairman, Mastek Limited:**

Thank you Hiral and Ashank for covering a lot of aspects of the business and also personal. And, I must particularly refer to Ashank's mention of Sudhakar Ram. It is a great loss for the Company as he was one of the founders and did an outstanding job in the Company, and bringing it to the kind of place that it is today. So, with permission of the Members, I would like to record our acknowledgement and appreciation for the kind of services that he had rendered to this organization in the minutes of the Annual General Meeting that we have conducted today.

So, with that, let me proceed further. Since the Notice of the 39<sup>th</sup> AGM, including the addendum thereto which is important, and the Annual Report have been made available for quite some time with the Members, I take the AGM Notice including the addendum there to as read, with your permission.

Before we proceed. I am pleased to bring to your notice that as required under the Companies Act 2013, the Company had provided you all the facility to cast your vote electronically on all resolutions set forth in the Notice. Members who have not cast their vote electronically and who are participating in this meeting, will have an opportunity to cast their votes through the e-voting system provided by NSDL. Members may please note that all the resolutions as mentioned in the Notice have already been put to vote by e-voting method, hence the conventional old method of proposing and seconding will not take place, and we ensure that the resolutions are just read out for information. So brief profile of the directors being appointed/reappointed are already available in the Notice. Please also refer the explanatory statement for each of the special business agenda of the Notice along with the addendum issued thereof. We will open the floor for any questions by Members after all the resolutions as mentioned in the Notice are briefly mentioned by me. Further, I would like to inform you that I am interested in agenda item number 7.

The ordinary business includes the item number 1, which is adoption of audited standalone and consolidated financial statements for the year ended March 31, 2021, including the reports of the Board of Directors and auditors provided to the Members already.

Item number 2 is confirmation of payment of interim dividend and the declaration of dividend for the financial year 2020-2021.

Item number 3 is reappointment of Mr. Ashank Desai who is retiring by rotation.

The special business includes:

Item number 4, appointment of Mr. Ketan Mehta as a director of the Company who shall be liable to retire by rotation. This is an ordinary resolution.

Item number 5 is appointment of Mr. Ashank Desai as Managing Director designated as Vice Chairman and Managing Director of the Company. This is a special resolution.

Item number 6 is to consider payment of remuneration to Mr. Ashank Desai as Managing Director designated as Vice Chairman and Managing Director of the Company. This is also a special resolution. There is an addendum issued to this item subsequently.

Since I am interested in the agenda number 7 of the AGM Notice, I request the Vice Chairman and Managing Director to read out the agenda item number 7. Ashank over to you.

- **Mr. Ashank Desai – Vice Chairman and Managing Director, Mastek Limited:**

This is about the remuneration by way of Commission to be paid to Mr. Sandilya.

- **Mr. S. Sandilya – Chairman, Mastek Limited:**

It is about the remuneration to be paid in excess of the limits as prescribed under the Listing Regulations. The text of all the above special business resolutions along with the detailed explanatory statement and addendum thereto is already provided in the Notice and circulated to all the Members well in time and in line with the applicable Regulations. I request Dinesh to now initiate question and answer session. But I would like to reiterate to the Members that in this AGM we would prefer the questions relating to the Annual Accounts and the Annual Report, and not get into very generalised kind of items, because then we will not have enough time to answer all your questions. Thank you very much. Over to Dinesh.

- **Mr. Dinesh Kalani – Company Secretary, Mastek Limited:**

So dear Members, before we go live with the questions and answers session, here are some points to note for your convenience. Participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio-video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid features. Kindly turn on your video when you are projected on the broadcast screen, unmute yourself and proceed to ask the question. Please mention your name, DP ID, Client ID and the location from where you are joining. Members are requested to keep their questions brief and specific and not to repeat and try to finish within two minutes.

The moderator will facilitate the questions on the video feature request. Request all to please keep your questions limited to the Annual Reports agenda and accounts only as advised by the Chairman. To avoid repetition, the Board will respond to all the questions at the end. Once you have asked your questions, you may kindly mute yourself on your device and continue to watch the proceedings. Speaker Members who have decided to ask questions pertaining to any item on the Notice, he or she may do so now. I will call the registered speaker Member names in order as received. They will be unmuted by the team. Now I request speaker number 1, Ms. Celestine Elizabeth Mascarenhas to unmute herself and kindly proceed with the question.

- **Ms. Celestine Elizabeth Mascarenhas – Shareholder:**

Respected Chairman Mr. Sandilya, Vice Chairman Desai, other honourable Directors in this VC, my fellow shareholders I am speaking from Mumbai. I am Mrs. Celestine Elizabeth Mascarenhas. First of all, I thank our Company Secretary, Mr. Dinesh Kalani. I know him also in the other Companies. Sir, I have met you in some other companies in Bombay. And thank you very much for sending me an e-Annual Report and Notice, and also registering me as a speaker.

Now I come to the Annual Report. It is full of pictures, beautiful, informative and also self-explanatory. You have run through all the businesses all over the world. The working is good. Profits are good. Dividend is 290% that is total interim and final; 14.5 is very good. But what is very-very good to me is the market capitalisation, which is going leaps and bounds. And I wouldn't (be surprised to) see very shortly, even a figure of 5, 000. Keep it up! But what I request you, you could, if it goes above 5,000 you can split the share and make it affordable, and more liquidity; that is left to the Board to consider. I congratulate for all the awards received during these pandemic days, and it is all listed in the Annual Report. I will not speak each of them. Also, I appreciate the CSR work, which is done to the humanity in the days of crisis. Of course, you are always doing that, 2% of the profit is always going, but it is great in these days of crisis.

Now I come to my queries. Sir we have total employees 3,792. My question is how many were affected all over the world, and how many were affected by COVID, how many recovered, fatality level and the vaccination level? My next is, we have attrition level at 14.3%. Sir, what is the average age of our employees and how are we trying to retain our employees? Next question, 182 accounts are open. How many are open in the last quarter? How many are repetitive customers? Sir we are present in Canada, USA, India of course, UK, Australia. My question is why not in Africa and South America. Sir, how many customers were added in the last quarter and how much of business we got by adding those customers? Sir we are in ERP and Cloud management, application development, application maintenance and support, business interaction and analyst assurance and testing and digital communicate. Sir, I would like to know, in which of these we are very much having a cutting edge and where we are having a very good margins and which vertical will be the demand of the future? Sir, don't we feel that at any time technology can become obsolete and how are we going on upgrading. Could you share something? Rest, future roadmap for the next 3 years with COVID protocol and any CAPEX program, any acquisition in the pipeline for inorganic growth and the learnings of COVID I and II.

I support all the resolutions. I wish my Company all the best and especially you all management and the employees; Mastek employees a very good health. And may our Company grow in strength to strength. With this thank you so much for giving me this patient hearing. Thanks once again.

- **Moderator:**

Thank you ma'am for your suggestions/questions. Now I request speaker number 2, Mr. Ravikumar Naredi to unmute himself and kindly proceed with the questions.

- **Mr. Ravikumar Naredi – Shareholder:**

Hello, respected Chairman. Managing Director, honourable Board of Directors, employees of Company and fellow shareholders. Sir, we pay tribute to late Sudhakar Ram and very much appreciate after the time of Sudhakar ji how well you manage the Company, we give thanks to all of you and Mr. Ashank Desai ji. We welcome new CEO Mr. Hiral Chandrana also. Sir we have 14.4% margin as on 31<sup>st</sup>, March 21 while it is 15.4% in Quarter 1 financial year 2022. So what is figure in mind for financial year 2022 as a whole? Sir, please never split shares and give bonus to shareholders, but please raise the Company share price to six figure, this is my request.

- Next, you mentioned our revenue of USA is 16.7% in 2021. So where you see revenue of US by financial year 2025. Will Hiral Chandrana remain in the US that is why I asked this question? Next, if big companies have Cloud Data centre like Oracle, Amazon are we planning to open such Data Centre under Mastek brand. And, last in future for pay out if a Company choose method of buy back of shares it will enhance shareholder value in long run, which is what I presume. Thanking you very much for giving me opportunity and patient hearing. Thank you very much.

- **Moderator:**

Thank you for your question, sir. Now I request speaker number 3 Mr. Varun Sheth to unmute himself and kindly proceed with the questions.

- **Mr. Varun Sheth – Shareholder:**

Thank you for the opportunity. And I would like to congratulate management and the leadership team for the wonderful show in terms of business, and I would like to pay tribute to Mr. Sudhakar Ram as well. My questions to the management team are as below:-

- One, how do we see demand outlook for next 2-3 or 3-5 years and beyond as people say that it is kind of a Y2K moment for the IT industry in particularly the Cloud business, or do we see that it will fizzle out quickly? So any thoughts on that.
- Second on the attrition. Attrition rate has always been higher and now with opening up of the economy, even clients may want their employees to be on board, on premise of the client so that cost would also increase. So combined attrition with on board of employees at the location, how do we see our margins, whether they impact them or not? And how do we mitigate the attrition risk on an overall basis?
- In the Annual Report, we have stated that we want to double our revenues in next 3 years and 1 billion by the latter half of the decade. So, if you can share some roadmap exactly how we are going to achieve that, some strategy or how we are planning some new areas, any thoughts on that would be welcome.
- On the acquisition plan, I know it will be difficult to give a timeline, but I am sure you would be looking at something particularly in US to acquire a business. So what would those areas be? I heard somewhere it is more of machine learning, artificial intelligence, kind of a thing or what exactly we are targeting? And would it be as accretive as Evosys? Any thoughts on that?



- And my last question is I think on Evosys's payment structure. So, I think the deal was extremely EPS accretive, extremely good deal. But I think little complicated deal in terms of payment. I think some 70% shares have been acquired, some other entity has been acquired and some 10-10% balance acquisition needs to be done over the next year starting September 22, and that payment also needs to be made either via cash or via shares. So, if you can throw some light on exactly how that will be done.

Thank you so much for the opportunity once again, and best wishes for the future.

- **Moderator:**

Thank you sir for your questions. Now, I request speaker number 4, Mr. Kirti Shah to unmute himself and kindly proceed with the questions.

- **Mr. Kirti Shah – Shareholder:**

Good evening, sir. Kirti Shah from Mumbai. [in Hindi] Chairman sir, aapne toh bahut hi badiya share price kardiya hain share bazaar mein. Jo Rs. 770 tha uska aaj Rs. 3,235 hogaya, aur abhi Rs. 3000 ka price hain. Historical high price kar diya hain. Bohot hi acchi baath hain shareholder ko.

Chairman sir, lekin apna itna badiya Company hote huye promoter ne apna shareholding itna kam kyu rakha hua hain? 44.25%. Chairman sir, abhi jaise ki Rs. 700 price tha, jaise market down thi, thabhi promoter ko tho malum hain bhai itna badiya Company aage ja rahi hain, jane wali hain. Tho promoter apna holding kyun nahi bada rahe hai? 2008 thak aapko restriction tha ki 55% se zyada aap nahi kar saktey hain. Abhi tho aapko tho koyin restriction nahi hain. Abhi tho aapke paas 75% thak ka permission hain, ki 75% thak aap ja saktey ho. Tho uskeliya zara sochiye aur sahi tharah se aage badne ki koshish keejiya, jaise buy back karke bhi aap kar saktey ho.

Chairman sir, abhi koi M&A ka plan? Abhi jo Company jiski market kharab hai, joh NCLT mein bhi kaafi companiyan hain, tho asset based Company khareed ne ka ya job hi hai, woh aap zara sochiye usko. Aur abhi office mein jo apna staff hain who kitna percent working karta hain, home se kitna karta hain? Woh thoda aap highlight karenge. Aur ye jo shares hain aapka who Rs.5 ka aap Rs. 2 bhi aap karenge within 1.5 years double market cap aap ko miljayega. Jaise abhi Rs. 7800 crores ka market cap hain, uske jagah aapka Rs. 14,000- Rs. 15,000 araam se ho saktha hain within 1.5 years, without increasing the capital. Tho uskeliye zara sochne ki zaroorath hain. Ek abhi shareholder ne bola ki bhai mereko 6 figures mein chahiye, aap aisa hi rakhiye, par usme market cap nahi bad saktha hain. Market cap tho aisa hi badega Rs. 5 ka Rs. 2 kiya, 1.5 saal mein double hoyayega market cap. Uskeliye zara sochne ki zaroorath hain. Wish you all the best, thank you very much. Chairman sir, meine ek email kiya hua hain, uska aap zara email karenge? Wish you all the best. Thank you very much.

TRANSLATED VERSION IN ENGLISH OF ABOVE PARA

*(Chairman sir, the price in the share market is really good. The shares which were at Rs. 770 now it has gone up to Rs. 3235, and now it is at Rs. 3000. This is a historical share price and this is a great thing for the shareholders too.*

*Chairman sir, in spite of our Company being a good one, why is the promoter shareholding too low, it is only 44.25%. When the share price was Rs. 700 and it was going down, why didn't he increase his shareholding? He knows right, that our Company is a growing one. Till 2008 there was a restriction that the promoter holding should not be above 55%. But now there are no such restrictions, it has been increased to 75%. So please do increase it to 75%. So think on those terms and you can even try and do a buy back.*

*Chairman sir, do we have any plans for M&A of those companies whose markets are down and those companies that are there in NCLT, any asset based Company? Please think on those term too. And sir the staff strength, what percentage is working from the office and what percentage is working from home? Please highlight on those. And your shares, if you bring it down to Rs. 2 from Rs. 5, within 1.5*

*years you would get double the market cap. Right now we have a market cap of Rs. 7800 crores, it would easily go up to Rs. 14, 000 – Rs. 15, 000 within 1.5 years, without increasing the capital. So please think on those terms too. One of the shareholders mentioned that he wanted a 6 figure number and just maintain it. In that case the market cap will not increase. The market cap will increase when you bring it down from Rs. 5 to Rs. 2 and in 1.5 years the market cap would be double. So there is a need to think on those terms as well. Wish you all the best. Thank you very much. Chairman sir, I have also sent you an email, please reply to it. Wish you all the best. Thank you very much.)*

- **Moderator:**

Thank you. So, we are done with the speakers. We may go ahead with proceedings.

- **Mr. S. Sandilya – Chairman, Mastek Limited:**

I must thank all the shareholders for expressing their views and suggestions. And with this, the question session is over. Now, we will start answering the questions. I don't want to go question by question, starting with Elizabeth Mascarenhas to Mr. Varun Sheth to everyone has been very kind. Ravikumar Naredi and also Kirti Shah and also one more thing has come in email. I must thank you for all the compliments that you have given for the performance of the Company, and I am glad that all of you are happy with what is happening; and also you are wishing all the best for the Company for the future. There are quite a few general suggestions in terms of why not split the shares, somebody says we want the prices to go up, why not look at some kind of a buyback and there are so many such suggestions and as you know the Board periodically keeps discussing some of these options and keep evaluating. At some appropriate point in time, we will take decisions which are in the interest of all the stakeholders of the Company, and it is very difficult for us to give any specific answers to these questions as most of you would know.

There are some specific questions which I will request Mr. Chandrana and Arun Agarwal to answer. Before that let me cover a few more general questions that have come up, which are in fact, Mr. Kirti Shah has also sent a lot of general questions and starting with the first question, why AGM in September, why not early? I think this is well within the time specified by the Government. But as you know that we had this demerger process through the Scheme of Arrangement that had to be approved by the NCLT and it took some time. And once that got cleared, then we could kind of schedule the meeting appropriately and in any case, we are within the legal timelines. And people have raised questions about 'give me contact details of employees'. They are all very personal data, and normally we do not share personal data with people. There are a lot of questions on M&A, whether we will do M&A and at what location and what geography, what business. These are all absolutely confidential information. At any given point of time the Company is always on the lookout. But which region, what strategic area, these are not something which can be made public in an AGM like this. But we are constantly on the lookout and I am sure we would, properly take decisions as and when some opportunities come up, which are in the interest of the Company and which is a strategic fit for the overall directions for the future.

People asked questions about what will be the turnover in year 2025, what would be the margins etc. These are all forward looking statements and Mastek as a policy does not give any forward looking statements because that has its own limitations. So, I think I have answered all the general questions and now I will hand it over to Hiral and also to Arun Agarwal to answer questions on some of the financial queries. Mr. Kirti Shah has raised a lot of questions on the financial information and many of them are already in the Annual Report. Maybe Arun Agarwal could read out from Annual Report the specific figures .But other questions like generally, are there any criminal case against the employees, are there anything that the Company has paid penalties yet; you know that the Company is extremely positive and has an excellent governance standard and there are no such eventualities that have happened in the Company over the last year. So, with that, let me close my remarks and Dinesh could confirm whether I have answered all the questions then Mr. Hiral Chandrana and Arun Agarwal could answer some of the specific questions that have come up on the business. Ashank, you can also chip in if in case of any of the questions that you want to answer, please.

- **Mr. Ashank Desai – Vice Chairman and Managing Director, Mastek Limited:**

So there are questions which are relating to finance. I would rather have Arun handle those. There were some questions on Evosys deal and how is it structured etc. So, I think Hiral can answer that. Then there are some on operational issues which I think Hiral can answer and then I will take some of the longer-term issues.

- **Mr. Hiral Chandrana – Global CEO, Mastek Limited:**

Sounds good. Mr. Sandilya, shall we go ahead?

- **Mr. S. Sandilya – Chairman, Mastek Limited:**

Yes please go ahead.

- **Mr. Ashank Desai – Vice Chairman and Managing Director, Mastek Limited:**

So, let's start with Arun and then...

- **Mr. Hiral Chandrana – Global CEO, Mastek Limited:**

So, let me address some broader areas first Ashank, and then I will pass it over to Arun on a couple of financial specifics that our shareholders have asked. I think there were a few really good questions and some of them repeated with the various shareholders as well. So, let me take the opportunity to combine a few things together. I will not go by person, but I will instead go by category and I will group them into the employee category, the customer category, the strategic priorities and outlook without going into the numbers like Mr. Sandilya said. And then happy to address any other queries. We will pass it over to Arun for some of the specific financials, and Ashank if he wants to add anything.

So, let me start with the employees because of their questions around attrition, retaining employees etc. As you know this is one of our most critical priorities and we do this in a few different ways. There is the whole employee experience part of it, which is extremely important, right from on boarding a new employee or a new fresher, new joiner to the experience that they have within the Mastek ecosystem. We are also digitizing a lot of the processes. The COVID timeframe has given that opportunity for us. We have a new CIO who has joined us a few months back and he is driving the digitalization journey. So, there are a lot of things around experience of the employee. We have also found that in many cases employees want more challenges. They want more opportunities from a career path perspective. It is not just about the salary and compensation, which anyways we have done in the Quarter 2, in terms of the salary hikes. But it is important for the employees to see the roadmap of how they can contribute to the broader Mastek. So, we have gone very carefully in terms of the roadmap for each career path, and that is something that our Chief People Officer and the business teams are driving very closely. So, that is in terms of the employee and the retention strategies.

Let me move to the customers because there are a lot of good questions and ideas also. So, the demand outlook is really going through an interesting change in the market. And as we look at various geographies, as you know we are very strong in certain geographies already but now as a combined Company with the Evosys acquisition we have a good presence in the Middle East. Ashank talked about Australia, and certain parts of Asia Pacific. We are also getting into certain countries in Europe, outside the UK, and US of course, I mentioned in terms of being a strong unrealized value and potential. I think there was a specific question whether I will be based out of the US. The answer to that is yes. One of the biggest focus markets in terms of growth opportunities will continue to be based on the Americas. Interestingly, we are present in 41 countries including Africa; that was a very specific question. But we do not want to at the same time, dilute ourselves into too many different countries and regions. We believe that the focus that Mastek has provided over the decades and

years has benefited us in terms of the growth strategy. So, we will continue to go deeper; whether it is geographies, whether it is industry verticals, whether it is even capabilities.

There were some specific questions about capability investments and big bets. See our customers and partners value us because of the depth of the solutions and the depth of our engagement. So, we want to continue to be true to ourselves but we now have a broader portfolio. With our D2X strategy, which is our direct to stakeholder strategy, with our Cloud implementations across ERP supply chains, and middle to back office we now have a comprehensive portfolio to engage our clients in a much more holistic way. So, this is going to be interesting because the customer demand is also changing. They want digital players like Mastek to do certain things and to look at how their business models can get revamped because each of our customers are going through changes as well post COVID. So that is a sweet spot for us because we have been in the business of digital and Cloud. Over the last few years, we have made significant investments. And we don't plan to open any data centres; our partners do that, like Microsoft or Oracle and other players. We actually like that because once, let's say an Oracle opens a data centre in Abu Dhabi, that is a positive for us because then more customers want to move to the Cloud, more customers want to accelerate their digital journeys. So, we see that as a positive because partnership is a very important part of our growth strategy as well. We obviously can do a lot of things in-house but, there are certain things where we definitely partner so that one plus one equals three. And then as it relates to M&A like Mr. Sandilya said, we don't give any specific guidance. Although we have looked at multiple different areas across customer experience across AI, across Cloud and we continue to evaluate that. Initially, it might be in certain geographies. Over a period of time, we will evolve that strategy but that is inorganic, is a key part of our roadmap as well for the next few years.

I think I have covered most of the big ones as it relates to employees, clients, capabilities, roadmap and demand. So let me pause there and turn it over to Arun if he has anything to add, and then we will have Ashank to add then.

- **Mr. S. Sandilya – Chairman, Mastek Limited:**

Arun, I think Mr. Saraf -shareholder apparently came, he was available but could not connect. My request is that you please cover his questions also. He had sent the questions in advance, cover his questions in your answers Arun, because quite a few of them are in financial area. Thank you.

- **Mr. Arun Agarawal – Global CFO, Mastek Limited:**

Thank you Mr. Sandilya, thank you Hiral. Thanks everyone for your support and trust in Mastek. I am combining all the questions which have been raised during this meeting, and also which have been sent to us offline. Just to take the quicker ones. There was a question on the borrowings outstanding, just to recapitulate, as of 31<sup>st</sup> March 2021, we have Rs. 258 crores which is lying as outstanding. This was the loans which have been obtained by our subsidiaries overseas, to fund the mergers and acquisitions. Your Company is in a strong cash flow position to repay it as scheduled over the period of next 4 years.

The second question was in the area of CAPEX. We anticipate with the help of growth and other demands, which are there in the market to spend in the range of Rs. 40-45 crores during the year, which includes infrastructure and the IT equipment, to support our team to deliver outcome for our customers. There was a question in terms of what we are doing in terms of water consumption and renewable energy usage. Just to highlight, your Company is highly focused on ESG initiative. We have done multiple steps to ensure water consumption is reduced and just to share a quick data over the last 2 years, we have been able to reduce the consumption by 49%. And we are doing multiple initiative, including planning, how we can get into rainwater harvesting and other initiative, which would further conserve water and will support in environmental stuff. Adding to that, we have also done feasibility study across our offices and wherever possible we have adopted alternate, energy efficient, resources to conserve energy.

There was another question relating to our employees and COVID impact. I am very glad to state the 3,792 headcount as Mrs. Elizabeth mentioned today, we were able to move at the right time to work from home scenarios. We were able to convince our customers to do it right for our employees and with full support of our customers and the employees we moved. We have not seen any worrisome casualties. It was completely supported by Company 24/7 infrastructure where employees can call, and support was provided to them. There were vaccination camps conducted within the premises of Mastek and also through the partnership with other hospitals. Not only the employees, but their families were as well covered to ensure the wellbeing of the employees, including increasing the insurance coverage to ensure the employees and their families are not going through the financial hardship. So Company has taken multiple steps and, I am really glad to mention we have not seen any worrying data. Very less cases where the employees have gone through the COVID related sickness. but they have recovered,

The last question was in terms of Evosys deal structure; very quickly. As you rightly mentioned, it was done in two legs; one leg was completed last year, where our subsidiaries in UK has acquired the Middle East business, and it was a completely cash deal and completely concluded. The second part of the deal was through demerger process and again, I am glad to mention that Hon'ble NCLT has approved the demerger and the formalities, the post demerger formalities are being taken care of. With that the demerger will also come to conclusion and whatever the CCPS, they will continue to hold in our subsidiaries. There are certain conditions attached. All of them are given as an information to all our shareholders. And as over the period of 3 years, there are certain options by which they can sell those CCPS to Mastek and we will evaluate how it progresses.

I am taking a pause here. Most of the questions which have been raised have been already answered in Annual Report. Kindly refer our MD&A section and also the notes to financial accounts, which provides specific details relating to contingent liabilities, the business, the geographies and other breakup. I am happy to answer if any further questions comes. Please do drop an email to our Company Secretary Mr. Dinesh Kalani, and we will come back on those specific questions if answers are not available in the Annual Report. Thank you everyone. With this I will handover to Mr. Sandilya back.

- **Mr. S Sandilya – Chairman, Mastek Limited:**

Dinesh, I think Mr. Saraf is there from Kolkata. He could not join in earlier. I think we can give him a minute, so that he can say something in terms of compliments, because we can't get into another question and answer session as we have answered his questions sent over email. Please permit him to just acknowledge his presence and whatever words he wants to share.

- **Mr. Dinesh Kalani – Company Secretary, Mastek Limited:**

Yes sir. Mr. Santosh Saraf?

- **Mr. S Sandilya – Chairman, Mastek Limited:**

As a special case you are permitted Mr. Saraf. Normally I would not have done it. Please go ahead and finish it fast, please.

- **Mr. Santosh Kumar Saraf – Shareholder:**

Namskaar. [in Hindi] Mananiya Adhyakshiji, upasthith hue sadasyo aur mere shareholder bhaiyon aur behano, mein Santosh Kumar Saraf Calcutta se bhol raha hoon. Sir, pratham aap sabhi ko mera namaskaar. Asha kartha hoon, aap aur aapka pariwar iss samay ache swasth hai sir. Aur sir, mein un bhaiyon aur behno keliye apni prarthana karta hoon Bhagwan se, jo humein COVID mein chodke chale gaye sir. Bhagwan unke aathma ko shaanti pradhan kare aur unke pariwar ko himath de jisse who apne samanya zindagi zee sakhe.

Ek sir, mein apne Company Secretary Dinesh Kalani ji ko dhanyawadh detha hoon, unhone mujhe mauka diya sir. Mujhe link bohot dher se mili sir, mein meeting mein tha subah sai, isliye mein maafi chahtha hoon sir. Yeh mauka apne diya mereko boho khushi ho rahi hain sir. Aur zyada kya, mein ne prashn tho likh ke bhej diye the. Aur zyada kuch nahi sirf aap logon wish karne keliye mein chahtha thi ki meri shubh kamnayein aap logon ke saath me rahe, Company ke saath mein rahe. Isiliye mein aap logon se wish karne ki...next year me patha nahi video conferencing meeting hogi ki nahi hogi isiliye mein last time bohot request kiya. Aapka dhanyawadh sir. Aur ek bar phir aapke aur aapke pariwar ki jithne bhi humare adhikariyan hain, jithne bhi humare stakeholders, jitne bhi karmachari jo bhi humar Company ke growth mein anshdar hain, un sabh ki lambhi umar ki kaamna kartha hoon. Bhagwan se prarthana karta hoon aap sabhi ko lambhi umar de, humare Company ka bhavishya shubh ho. Aur sir zyada kya kahun? Video conference meeting agar ho saktha hain tho continuous rakhiye ga sir, agale saal bhi sir. Aapke poore India mein shareholder hain, sir. Agar video conferencing meeting government allow nahi karti tho mein chahunga 10-15 minute ka aap special session rakhiyega humareliye sir thaaki hum apne dil bhavna aapke saamne prakat kar sake. Jai Hind, Jai Bharat. Aap sabhi ko mera namaskaar.

TRANSLATED VERSION IN ENGLISH OF ABOVE PARA

*(Respected Chairman, others present and my shareholder brothers and sisters, I am Santosh Kumar Saraf. First of all my greetings to you all. I hope all of you and your families are safe and healthy. First I would like to pray and offer my condolences to those who left us due to this COVID. May their souls rest in peace and I shall pray to God to grant strength to their family Members so that they can live their daily lives.*

*Sir I would like to thank our Company Secretary, Dinesh Kalani ji that he gave me the link. I got the link very late. I was in the meeting since morning. I apologize to you for that. You gave me an opportunity and I am really happy for that. There is nothing else, I have sent all the questions through email. I just wanted to wish all of you, I want my best wishes to be with you and with our Company, that is why I wanted to speak here. Next year, we don't know if there would be a video conferencing meeting or not hence I was requesting for the last time. Thank you so much. Once again I would like to wish you and your family, all the management executives, all the stakeholders and all the employees; all of them who are a part of our Company's growth and also pray for your long lives. May the future of our Company be good. What else shall I say? If it is possible continue with the video conferencing meeting next year. You have shareholders all over India. In case the government doesn't allow for a video conferencing meeting then I request you to set up a special session for about 10-15 minutes for us so that we can convey what we have in our heart in front of you. Jai Hind, Jai Bharat. Once again my greetings to you all.*

- **Mr. S Sandilya – Chairman, Mastek Limited:**

Thank you Saraf ji. So nice of you to have complimented the Company and the employees. I thank you very much. Ashank do you have anything to say? I am sorry I forgot to give you the opportunity.

- **Mr. Ashank Desai – Vice Chairman and Managing Director, Mastek Limited:**

Yeah. Actually there were some questions on acquisition and buyback etc. which we already answered. I only want to say that we have a really tall ambition.

Audio Issue occurs at Mr Ashank's end.....

- **Mr. S Sandilya – Chairman, Mastek Limited:**

You are not audible Ashank. I think Ashank's audio has gone.

Ashank, can you hear us? I don't know something has happened to your audio. He is not on mute.

- **Mr. Hiral Chandrana – Global CEO, Mastek Limited:**

Looks like some issue with his audio, sir.

- **Mr. S Sandilya – Chairman, Mastek Limited:**

Some issue is there. So can I skip and move forward? It seems that is unavoidable, okay?

- **Mr. Hiral Chandrana – Global CEO, Mastek Limited:**

Sure.

- **Mr. S Sandilya – Chairman, Mastek Limited:**

Okay let's move forward. Thank you Hiral and Arun for answering all the questions of the Members. We had 52 Members participating today in this 39<sup>th</sup> AGM. Members may note that the voting on the NSDL platform will continue to be available for the next 15 minutes after conclusion of this meeting. Therefore Members who have not cast their vote earlier, you are requested to do so. The Board of Directors has appointed Mr. Prashant Mehta, Practising Company Secretary as the scrutinizer to supervise the e-voting process. Further, I hereby authorise Mr. Dinesh Kalani Company Secretary to declare the results of the voting and place the results on the website of the Company and NSDL at the earliest, after announcement to the exchange. Normally we have 48 hours to announce the results after the voting is complete. The resolutions as set forth in the Notice shall be deemed to be passed today, subject to receipt of the requisite number of votes.

We are grateful to all our shareholders from all over the place who have taken time out to join this video conferencing. Wish all the Members to remain safe, stay safe, and stay healthy and request all of you to be very careful during this period, and take care of yourself and your families and follow all the precautions that people have been talking about for this COVID pandemic. Let's avoid the third wave coming or if it comes, we are kind of protected reasonably well. Thank you all once again for attending this meeting and I hereby declare the proceedings as closed after proposing vote of thanks. Thank you very much and see you next year. Thank you.

- **Mr. Dinesh Kalani – Company Secretary, Mastek Limited:**

I request someone to propose the vote of thanks.

- **Speaker: Vimal Dangri**

This is Vimal Dangri. It is my pleasant duty to propose a vote of thanks to the Chair, all the Board Members and shareholders. I, on behalf of the shareholders express vote of thanks and sincere gratitude. Thank you.

- **Mr. Ashank Desai – Vice Chairman and Managing Director, Mastek Limited:**

I apologise I had to drop out because of bad network.

- **Mr. S Sandilya – Chairman, Mastek Limited:**

Ashank, we just concluded the meeting. Thank you.

**End of Transcript**

\*\*\*\*\*