In the Business of
Transformation

Mastek Limited

Annual Report
2020

Mastek™

Annual Report 2020

In the Business of **Transformation**

When faced with adverse market conditions, Mastek drives three pronged approach to assist its clientele:

Respond to the situation and maintain continuity.

Recover and adjust to emerge stronger.

Revitalise and shape the "new normal".

Being in the business of digital transformation, we aim to serve our customers by creating a robust and resilient business and facilitate them to deliver superior customer experience. We do this by converting challenges into opportunities using **Mastek's Transformational Capabilities** and empowering our customers to transform their businesses and adapt to changing market dynamics. Our transformation solutions give them the rights of passage to compete and thrive within the "New Normal."

During the year, we successfully navigated the challenging business conditions arising out of "Brexit" while continuously managing our business operations during the COVID-19 pandemic by taking decisive action to realign our business to support accelerated growth beyond 2020. Our strategic actions were focused on rebuilding and restructuring our leadership team and business processes and support sustainable growth. This was possible only on the back of our inherently strong balance sheet that can endure challenges and maintain our course for the future. Further, we completed the final chapter of Vision 2020 with the successful and exciting acquisition of Evosys, which adds impetus to Mastek, making us more valuable to more customers.

Today, as we navigate through an unprecedented global disruption, Mastek will work hard to maintain its position as a preferred partner to our customers who trust us, and to our investors who believe in us. With a capable and stable leadership a clear vision, and a resolute workforce, we remain undeterred to realise our business ideals.

Contents

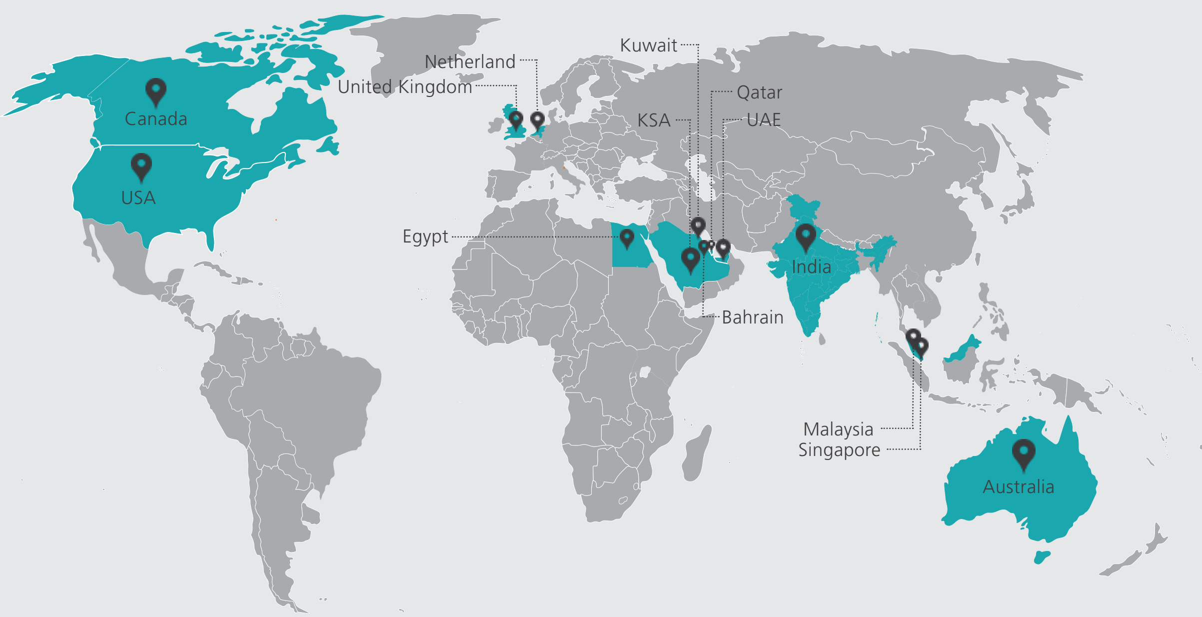
What we do

- Unlock the Power of Data
- Develop and Modernise Applications
- Accelerate Digital Advantage
- Delivering Measurable Value with Oracle Cloud Solutions

What we offer

- Application Development
- Application Maintenance and Support
- ERP and Cloud Migration
- Business Intelligence & Analytics
- Agile Consulting
- Assurance and Testing
- Digital Commerce

Our Presence



Evolving over the course of three decades from being an offshore IT provider, today we are an agile, digital transformation partner with a portfolio of leading companies, engineering excellence for customers globally.

What we achieved in FY2020

Completion of

'VISION 2020'

₹ 1,112.8 crore
Total Income 5.2% YoY Growth

14.5%
Operating margin

₹ 169 crore
Free cash flow

13,868
beneficiaries supported by our CSR programmes

Recognised as **'Digital Service Company of the Year'** at Digital Technology Leaders Awards 2019 in London

Recognised as **'Global Partner of the Year for HCM Cloud'** at Oracle Open World 2019

Who we work with

106
Customers in Government & Health Sector

321
Customers in Commercial Sector

9
Educational Institutes

53
New Logos Added in FY2019-20

98.7%
of our revenues come from existing clients

How we do it

- Strategic Alliances for the right technology stack
- Maturity assessment and journey roadmaps
- DevAct and Adapt 2 frameworks for ways of working
- ADOPT and Glide for your Oracle cloud migration

How we operate

Our Core Guiding Values

- Passion
- Accountability
- Collaboration
- Transparency
- Sustainability

Dear Investors,

The Annual Report for FY2019-20 charts the progress made by Mastek in realising its long-term vision to be a global leader in Enterprise Digital Transformation in technology driven world while meeting its responsibilities as a public listed Company.

FY2019-20 was one of significant progress, as we achieved our goals, furthered our business and firmly established ourselves on a strong financial footing. In its new avatar, Mastek has clear strategic direction focused on geographical diversification and customer acquisition aided by the acquisition of Evosys; strengthening leadership team in core geographies of US and UK; emerging stronger and resilient from the ongoing pandemic. I believe the Board has acted decisively in the interests of all stakeholders to put Mastek on a new trajectory of long-term success.

Strategies to drive differentiation

We have entered an era of the digital revolution, where competitive advantage depends on how well organisations use the enterprise digital infrastructure and utilise the business applications and massive amounts of data flowing across it. Digital transformation in the IT landscape means doing more with less and doing it faster. Automation of various processes and vital operations results in better adherence to deadlines, reduced chances of errors, faster delivery of work and outcomes.

Sudhakar Ram
Vice-Chairman & Managing Director

Mastek in Numbers

₹107,148 lakhs
Revenue from Operations

14.6%
Return on Equity

0.36
Debt Equity Ratio

₹19,666 lakhs
EBITDA

₹42.93
Earning Per Share (Diluted)

436
Clients

₹148 lakhs
Global CSR Spendings

This enhanced efficiency, in turn, helps enterprises save costs, time and resources while improving the quality of delivery and formalising new strategies to scale up.

Mastek plays a vital role in navigating and embarking various organisations on a digital transformation journey. Our delivery performance on transformational programmes remains the mainstay of our capability, and we have proven our expertise by executing large and complex transformational projects of scale.

Building on inorganic growth

As the cloud services market continues to grow faster than traditional IT Services, it has prompted many organisations to start their digital transformation journey.

Evosys has a proven business model to deliver EBS implementation for its customer and migrate them to cloud solutions using its unique IP. This, coupled with Mastek's bespoke service offering and delivering reputation, creates an ideal opportunity for customers to accelerate their digital transformation and extract more value from all their digital assets: current, legacy and future.

This accretive acquisition allows us to diversify our geographic concentration, leverage the customer acquisition velocity that Evosys brings, and provide an immediate addressable opportunity to increase our share of wallet and deliver more value for our customers.

With this, we welcome Mr. Rajeev Grover as an Independent Director on the Board of Mastek. We also welcome Mr. Umang Nahata - Chief Executive Officer and Mr. Rakesh Raman - Chief Operating Officer of Evosys to our Mastek family, who will soon become shareholders of our Company after necessary regulatory approvals.We aim to create dynamic teams that maximise business performance and enhance the global organisational culture to best meet the business needs.

Showing resilience in crisis

FY2019-20 was interspersed with various challenges in the form of US-China trade war, Brexit, geopolitical issues along with COVID-19 pandemic. Despite the market headwinds, we have maintained our overall group momentum.

Our priority remains the health and well-being of the staff while maintaining business operations for customers where allowable and possible, We have taken all appropriate actions to protect our employees, and office space whilst delivering to the client objectives seamlessly.

New strategic direction after Vision 2020

We delivered on our endeavors of Vision 2020 by being recognised as a leader in Enterprise Digital Transformation. Under the leadership of our Group CEO Mr. John Owen, Mastek delivered the strategy under three stages of **"Vision 2020: Fix, Win and Grow".** This has helped Mastek transform from being an offshore IT service provider to being a Digital Transformation partner of choice for our customers spanning Government, Healthcare, Defense, Retail, Financial Services and more verticals across the matured markets of UK and USA. Our consistent financial and operational performance reflect the successful execution of our growth strategy.

This clarity has brought welcome stability and enabled us to respond faster to the dynamic and fluid business requirements that drive the digital agenda. With the acquisition of Evosys, we are now well-positioned to serve our customers with a vast array of services along with our core service. This has helped us achieve geographic diversity and access to newer markets of Europe, Middle East and South East Asia.

Thank you

I would like to thank all our customers for entrusting us with their business and allowing us to assist in their transformational journey.

Also, I extend my gratitude to our Board of Directors for their support and guidance and thank our shareholders for the patience and commitment they've shown this year while we embarked on our new strategic direction.

Most importantly, I would like to acknowledge our dedicated and talented employees, who are the foundation of our continued success. Mastek has survived and thrived for more than three decades by adapting and innovating and employing top talent. I look forward to the next chapter in our shared history together.

Sudhakar Ram
Vice-Chairman & Managing Director

Dear Investors,

FY2020 was always going to be a pivotal year for Mastek. Internally, it marked the completion of our strategy Vision 2020 and externally our key market of the UK (where we secure the majority of our revenue) was to exit the European Union (Brexit). We successfully navigated the challenging conditions of Brexit and took decisive action to realign our business to support accelerated growth beyond 2020. I am pleased to report our 4th consecutive year of revenue growth, and despite the ongoing challenges of COVID-19, we look with optimism to make it 5th year in a row. I am incredibly proud of what we accomplished; however, I am more focused, excited and motivated about our future as a leader in Enterprise Digital Transformation.

Delivering on the Last Phase of Vision 2020 – The "GROW' Phase

I am pleased to report another consistent year's performance for FY2020. As the third and final year of our three-year strategy 'Vision 2020', we made tangible progress towards repositioning Mastek as a recognised leader in implementing Enterprise Digital Transformations.

The focus of the year was on rebuilding and restructuring our leadership team and business processes to support sustainable growth. We completed the final chapter of Vision 2020 with the successful and exciting acquisition of Evosys, which will provide added impetus to Mastek and

John Owen
Group Chief Executive Officer

makes us more valuable, to our customers. We have come a long way since we divested Majesco from Mastek in 2015, and now we have delivered on our Vision 2020 and look forward in writing a new and more exciting chapter in the growth of our Company with the simplicity of purpose and determined application.

Our progress is reflected in our financial performance, which should continue to be a source of confidence for future performance. Our achievements serve as an inspiration to all our stakeholders, and our financial performance is now predictable, accretive and probably most important in today's macro-economic climate, sustainable.

For FY2020, the EBITDA stood at ₹196.7 crores (17.7% of total income) as compared to ₹156.3 crores (14.8% of total income) in FY2019, showing strong growth of 25.8% on a Y-o-Y basis. The year ended with an encouraging 12-month order backlog of ₹785.1 crores ($ 103.8 million) as on March 31 2020, as compared to ₹544.9 crores ($ 78.8 million) as on March 31, 2019, marking an increase of 44.1%, which showcases the consistent growing momentum.

Our customers continue to show their support and confidence in us, and during the year, we added 53 new clients. The demand for digital transformation remains high, and our strong performance in FY2020 provides us with the ability to scale our business further as we start to leverage the combined technical assets of both Mastek and Evosys to serve our customers with a broader capability portfolio. Driven by our performance and continued confidence in long-term outlook for Mastek and despite the shadow of COVID-19, the combined dividend for FY2020 was 160%.

This position could have only been achieved through the dedication, commitment and professionalism of every Mastekeer. I would like to formally acknowledge and thank them for their continued enthusiasm, loyalty and professionalism in helping us deliver innovative quality solutions that are in sync with our customers' digital agenda.

> Our long-term approach in building value includes focusing on enhancing our organic capabilities while also considering inorganic opportunities.

This year at Mastek

FY2020 was always tagged as our "GROW" phase under Vision 2020. It was intended to reposition Mastek as an emerging leader in the Enterprise Digital Transformation market. I am pleased to report that we began to see the early fruits of our business strategies in play.

Our long-term approach to build value includes focusing on enhancing our organic capabilities while also considering inorganic opportunities. During FY2020, we closed the accretive acquisition of Evosys Group a leading Oracle Cloud implementation and consultancy company that has served more than 1,000 Oracle Cloud customers across more than 30 countries. Apart from a strong alignment in the managements' and organisations' culture and strategic objectives, I see this union to be a meeting of minds, not only in terms of the opportunities that our combined service portfolio present but also in the synergies that can be achieved through a common customer acquisition network and a further diversified geographical presence. Going forward into FY2020-21, our priority is to make this acquisition successful and unlock its potential. To do this, we have ensured that both Mastek and Evosys have their individual leadership teams and strategies to maximise their performances independent of each other. However, we also see immense and accretive market potential for Evosys and Mastek to link their individual strengths through co-sell and cross-sell opportunities and bring more value to all our customers. As the synergies in customer acquisition and servicing begins to solidify, we foresee it becoming a significant growth engine for Mastek over the next three to five years.

EVOSYS ADVANTAGE

Agile Consulting

1000+ Global Customers with presences in 30+ countries

Expertise in all Oracle Cloud Pillars

Value Based Delivery

Deliver Measurable Outcome

Verticalised Approach

Vertical specific solution developed for prominent verticals

Evosys Glide (On Premises to Cloud)

Transformation Platform for Oracle EBs, PeopleSoft, & SAP to Oracle Cloud.

Brilliant team and model to scale

1200+ consultant & growing across all pillars of Oracle Cloud

Awards and Recognition

Gartner MQ (2019,20)

Oracle's Leading Global Partner (2017,19)

Oracle UK User Groups (2016-19)

Oracle Regional Partner (2016-19)

To continue offering cutting edge solutions in the fast-paced and highly competitive eCommerce landscape, we join an elite group of digital transformation Companies to help businesses implement a blueprint and solution for modern commerce, which will enable them to provide compelling customer experiences. Commerce Transformation is a critical component of the digital transformation strategy of our clients, as they look to deliver an exceptional customer experience to their end consumers. Mastek now takes to market the next generation of digital solutions that both B2C and B2B organisations need to compete and win in the experience economy.

To support this alignment, during the year TAISTech rebranded to Mastek Americas. This rebrand represents the exciting expansion of our digital commerce services to create transformative customer experiences and systems to support those experiences across the enterprise. This rebrand was initiated under the ONE Mastek initiative to leverage a common, unified and global platform that seamlessly supports all our businesses.

We continue to believe that Mastek's success is driven by the success of our people, who are at the core of everything we do. Keeping this in mind, we have invested significantly in the professional development of Masketeers through significant e-learning investments, soft-skills development from Project Enhance and Leadership development Programme to build our next generation leaders from within. Respecting our heritage of being a business based on strong values, we reward and nurture engineering excellence, empowerment and ownership.

Building capabilities to deliver digital outcomes

For achieving resilient organic growth, we are focused on investing in existing high-growth activities. To support this objective, we continually review and reallocate funds from a variety of sources; creating new products, services, or business models; and performing better by constantly optimising our core capabilities.

As we continue on the growth phase of our strategy, it is important that we have the right leadership talent, experience and alignment to our value system that enables us to increase our velocity and accelerate our momentum. We have restructured and rebuilt our businesses across geographies by bringing in seasoned and experienced leadership professionals to drive and support business growth. During the year, we appointed Mr. Raman Sapra as President for Mastek Americas and Mr. Dennis Badman as Chief Business Officer for Mastek Group.

Mastek's way forward

We delivered another steady year of financial performance driven by broad-based growth, implying solid fundamentals and disciplined execution. Despite the market headwinds, we maintained our overall group growth momentum. To continue the evolution of Mastek into a leader in Enterprise Digital Transformation, we must also continue to evolve our management experience and invest in the systems and processes that allow us to cost-effectively and safely scale the business. Mastek, post Vision 2020, is now well-positioned to continue our growth agenda; however, I am excited to share that we are working to propel our growth to go beyond a simple extrapolation of the last twelve quarters under Vision 2020.

Although the integration of the Evosys acquisition, and maximising cross and co-sell opportunities are two key determinants of our overarching strategy, given the fundamental market correction brought about by the spread of COVID-19, we have built

> Global markets may remain volatile beset with coronavirus uncertainties, but I believe Mastek is a significantly changed organisation, a renewed Company, with a clear sense of direction and the strength to deliver a prosperous future.

an interim strategy to bridge from Vision 2020 to our next strategic five year plan: Cut and Grow.

Cut and Grow will help us navigate through this period as it provides a discipline to focus on what we can control versus worrying about what we cannot. In the face of this uncertainty, the "Cut" attribute of this strategy aims to align our operations with changing demand and economic dynamics. When economies are shut down as they have been during this lockdown, there is no question that there is going to have a profound economic impact through the supply chain. We have taken prudent and proactive action to simultaneously resize our organisation and realign our capacity with the new market reality, and quick and distinctive actions to continue to run the business, take care of our employees, look after the needs of our customers and our Company.

In doing so, we have successfully positioned ourselves and reallocated sufficient capital to "Grow" and gain the maximum benefits of our organic and inorganic strategies. Essentially, we recognise that to remain resilient; we must neither ignore the importance of being prudent in preventative action, nor ignore the importance of continuing to build towards our long-term growth objectives, but strike the right balance between the two. Having an experienced leadership team that can take decisive action in the face of such uncertainty is highly valuable in terms of Mastek's resilience. Through our actions, we expect our recovery to be quicker, the impact of the pandemic on our business to be shallower, and we expect to come out stronger than before.

In closing

In summary, we accomplished a tremendous amount of progress in a relatively short period of time and placed the Company on a robust footing as we enter CY2020. We have a diversified business that is well-positioned to navigate any market uncertainty, strong financial acumen to fund our plans and our long-term strategy to transform Mastek that means our long-term goal to be a leader in Enterprise Digital Transformation remains on course.

The coming year will continue to be one of transformation for Mastek. Despite the uncertainty, due to all the hard work we have done under Vision 2020, Mastek is in a privileged and enviable position to plan our course. Global markets may remain volatile beset with coronavirus uncertainties, but I believe Mastek is a significantly changed organisation, a renewed Company, with a clear sense of direction and the strength to deliver a prosperous future.

At the time of writing, I, along with the leadership team, have put resiliency plan in place to help weather the impact of the COVID-19 pandemic of the last several months. Our planning started in January when the crisis was confined to China, but as we moved into February, the impact had reached a global scale. Where we benefitted at Mastek was, that we did classify early on that COVID-19 as a potential Enterprise Risk to Mastek. This meant we mobilised a cross-functional team to look at the potential impact, our response and aligned our resources accordingly. This pre-event planning and mindset have allowed us to make informed decisions way ahead of the curve and be proactive with our customers. This allowed us to respond faster and more efficiently than many of our peers who saw this as a quick V-shaped impact and immediate recovery.

Our active management allowed all our customers to execute their business continuity plans smoothly. This enabled us to transition both Mastek's and Evosys's full operating model to a 100% Work from home operating model.

This plan had three priorities that shaped and will continue to shape our decision making:

1. **Protect our People**
2. **Protect our Business**
3. **Protect our Company**

This is what an agile, empowered, and customer-centric business can do with dedicated and collaborative employees. I thank our loyal customers and my fantastic employees for delivering this herculean outcome. We literally transitioned our business overnight, and we did not drop a heartbeat with our customers on quality, velocity or productivity.

In closing, on behalf of the Board of Directors, I want to express our appreciation to our customers for entrusting us with their business, our investors, who believe in the potential of Mastek, and to our dedicated employees, who are such a key part of unleashing the future potential of this great Company.

John Owen
Group Chief Executive Officer

OUR RESOURCES

Our unique assets form the foundations of Mastek's business model and our continued success in the digital transformation market

1 Human

- +3,200 Talented Employees
- 35 years Average Employee Age
- A broad diversity of profiles and expertise

2 Financial

- ₹ 79,046 lakhs Net Equity
- 5.2% Income Growth
- 24.1% Revenue Growth (CAGR FY'17 to FY'20)
- ₹ 16,900 lakhs Free Cash Flow

3 Intellectual

- Delivering innovative solutions through strategic partnerships with technology and business leaders
- Leveraging alliances with universities, schools, research centers, startups and recognised experts

4 Social & Sustainable

- In line with UN SDGs Sustainable technologies and energy
- CSR at the heart of our decisions

5 Industrial

- Global Delivery Model
- Resource Management
- Global Quality Management System

OUR DRIVERS

We drive our business through in-depth understanding of client needs.

Skills and Talents Deployment

- A continuous entrepreneurial spirit fostering innovation
- A culture that's human-centric, passionate, and deeply ethical

Motivating Development and Continuous Learning

- Best young and experienced talent tied to aspirational development paths
- Encouraging development of skills
- Regular training and learning adapted by each employee

Delivering Operational Excellence

- A seamless delivery by one team, anytime, anywhere
- Business and technology expertise through integrated teams
- Modernised IT infrastructures and applications

An Agile Organisation

- Responding quickly to changing market dynamics
- A combination of the most relevant strategic and emerging partnerships
- Capturing the value of the right technology

Positioning Key Leadership Personnel

- Restructuring and rebuilding leadership team and business processes at strategic locations
- Appointed President Americas to drive growth
- Appointed Chief Business Officer to bolster delivery credentials globally
- Appointed Sales Head for India/ APAC to tap into the latent market

OUR DELIVERABLES

As a technology-enabled transformation partner. we enable our clients to achieve innovation and sustainable competitiveness by deploying relevant technologies and business expertise. We deliver solutions in:

1. Application Development
2. Application Support & Maintenance
3. ERP & Cloud Migration
4. Business Intelligence & Analytics
5. Agile Consulting
6. Assurance & Testing
7. Digital Commerce

Clients

We serve 436 clients from totaling to ₹ 107,148 lakhs revenue during the year.

During FY2020, we acquired 53 new logos.

Using our operational excellence, innovative assets, and added-value partnerships, we link technology, business and society to deliver sustainable value to all stakeholders.

OUR OUTCOMES FOR SUSTAINABLE GROWTH

The combination of our capital assets and our business model allows us to create significant value for all our stakeholders:

People

- ₹ 58,414 lakhs paid in gross wages and salaries, payroll taxes and benefits
- 25% of women employees
- 24.52 hours of training per employee
- 38 FTEs trained and deployed in business

Shareholders and Investors

- ₹ 45.21 Earning per share
- ₹ 1,946 lakhs dividend paid (two Interim Dividends)
- 14.5% Operating margin
- 14.6% Return on Equity

Communities & Society

- ₹ 148 Lakhs contributed towards Global CSR activities
- Collaborated with 15 NGOs and social organisations
- Impacted 13,868 beneficiaries
- 1200+ students/budding engineers benefited by Deep Blue initiative.

Delivering Enterprise Success

- 97% outstanding programmes delivery rate
- 78% Customer advocacy rate
- +35 years of experience in delivering mission-critical enterprise applications

Sustainable

- 4.44 lakh KWH units of energy saved
- 1,932 Litres of diesel saved as compared to 2,111 Litres in FY2019.
- 1,893 Kgs of CO_2 emissions prevented

Mastering resilient growth

Mastering Resilient Growth can help to weather storms and uncover the opportunities.

All businesses are intertwined by invisible bonds that shape the organisation through a complex interaction of economic, social, political, technological and environmental trends. Aiming to be positioned for long-term success, there is a need to gain a holistic understanding of these relationships.

During the year, we rebuilt our business across the United States and India by bringing in seasoned and experienced leadership professionals to drive the business. Whereas, in the UK, even though Brexit impacted our growth momentum, our strategic accounts and framework was unaffected and witnessed positive growth.

For achieving a resilient organic growth, we restructured our team, stabilised our business and worked towards a growth business models. Our business strategy focuses on aligning our resources with customer needs, which can help us grow and create more cross-sell and up-sell opportunities.

Even though the year was marked with political and pandemic uncertainty, we have come out of it undeterred by witnessing a fourth consistent year of growth. Our priority is the health and well-being of our workforce whilst delivering seamlessly to the client requirements and maximising financial stability.

Over the course of three decades we have evolved from an offshore IT provider to an agile, digital transformation partner with a portfolio of leading companies. Today, we are engineering excellence for customers globally. Further, delivering on our Vision 2020 strategy, we are now a recognised leader in Enterprise Digital Transformation.

We believe that Mastering Resilient Growth is a systemised response towards handling change, appreciating the connections, harnessing new insights, shaping the context itself and creating a real competitive advantage that can be sustained for years to come.

5.2%

Increase in Income.
YoY Constant currency revenue growth of 4%

Accretive acquisition propelling long-term growth

The cloud services market continues to grow faster than traditional IT segments and is often the starting point for many company's digital transformation journeys.

During FY2019-20, we acquired Evosys, which allowed us to diversify our geographic concentration, leverage the customer acquisition velocity that Evosys brings, and provide an immediate addressable opportunity to increase our share of wallet and deliver more value for customers. Moreover, the successful 'sell with partnering' model that Evosys operates will help scale our combined businesses faster than traditional direct route to market.

Evosys proven business model addresses the in-demand ERP market, which in turn leverages its unique IP. This, coupled with our digital service offering and delivery reputation, creates an ideal opportunity for customers to accelerate their digital advantage and extract more value from all their digital assets: current, legacy and future.

20

Evosys offices across globe

With our combined capabilities, market reach and financial resources, we are confident that we will be able to reach our strategic goals faster. We look forward to delivering enhanced value to our customers and building services that meet their business goals.

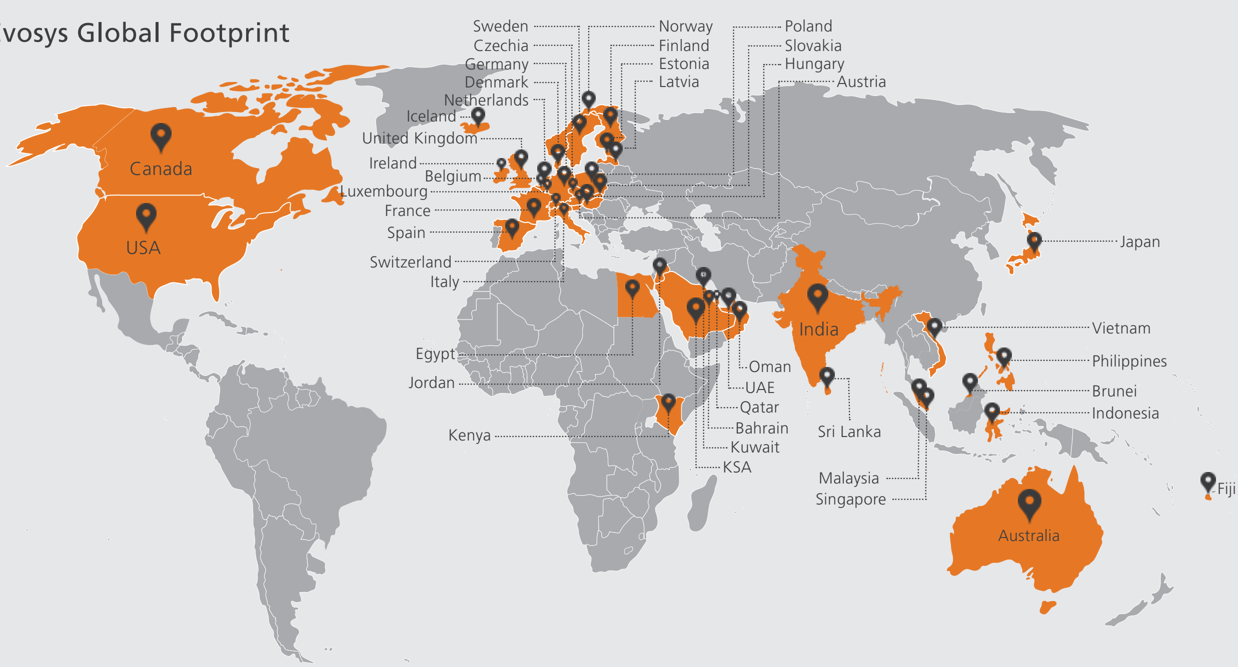
To capitalise on the opportunities of tomorrow, we need to focus on both organic and inorganic means to drive growth. This will help us to gain access to new markets, technology, customer sets and products, and is expected to be a significant growth engine for Mastek's future.

Evosys is a leading, Oracle Cloud implementation and consultancy company serving 1,000+ Oracle Cloud customers across 30+ countries. An Oracle Platinum partner, Evosys provides solution offerings like Oracle HCM Cloud, Oracle ERP Cloud, Oracle SCM Cloud, Oracle CX, Oracle EPM Cloud, PaaS solutions (including custom-built solutions), AI, IoT and RPA.

Evosys is one of the market leaders in driving on-premise to cloud migration, having successfully transformed more than 80 customers across Oracle EBS, SAP, and Peoplesoft to Oracle Cloud Application.

Evosys' diverse customer portfolio includes Government, Healthcare, Engineering and Construction, Retail, Hospitality, Manufacturing and Distribution organisations and is a testimony to their expertise and leadership in Oracle Cloud implementation. They have been 'Oracle Partner of the Year' at Oracle OpenWorld since 2017 and were recognised as the 'Dream Employer of the Year' by World HRD in 2019. Evosys has a global footprint with offices in more than 20 locations.

Evosys Global Footprint



Our strategies in action

Creating digitally durable organisations

Our mission is to assist our customers build their businesses of tomorrow whilst improving on their competitiveness and satisfaction of the end customer.

The IT industry is continuously witnessing digital transformation led by advanced tools and technologies. This has resulted in a shift from traditional legacy services towards a digital and platform-based services offered by service providers such as Mastek.

On the back of this, we have developed a cohesive and unified organisation, designed to serve the needs of our clients and adapt to the markets in which we operate. Leveraging our expertise and driving synergies between business lines, offers, and geographies, we are integrating the most advanced innovations, training our employees, and supporting our clients to solve the business and technology issues involved in their transformation challenges.

However, with the ongoing pandemic at the end of FY2019-20, the macro demand across the industry has declined. As we weather this crisis, including taking actions to strengthen our financial flexibility, we are also preparing for the post-COVID-19 world, which will require differentiated solutions for our clients and new methodologies and behaviours in our future work environment. We aim, not just to recover, but to emerge stronger through our close partnerships with our associates, clients and communities.

Against this backdrop, our strategy aims to protect and optimise our traditional business whilst winning in four strategic digital business segments, "Unlocking the Power of your Data, Developing and modernising your Applications, Accelerating your Digital Advantage and Enabling your Oracle Cloud Migration". We will increasingly lead with technology consulting as part of our overall evolution to more managed, outcome-based client engagements.

Navigating the digital sphere can seem complicated, with lots of different providers offering similar solutions. However, very few offer the reliability and assurance to support your digital transformation projects from end-to-end.

Our industry expertise will remain a core value proposition, and we aim to significantly increase the scale of our international business, which has significant growth potential.

Creating Opportunity Out Of Adversity:

This pandemic will lead to clients accelerating their shift to operating with digital business models. Digital channels in every industry, including retail, education, and healthcare, will increase in relevance. Remote access to work will be made stronger and more secure. Major IT trends such as core modernisation and cloud adoption will accelerate. And clients will need to quickly evolve into modern businesses that are able to stay relevant, on top of era-defining innovations, and sustain growth in the face of continuous technological change. All of this will make our vision, purpose and strategy more relevant than ever.

Unlocking the power of your Data

Developing and modernising your Applications

Accelerating your digital Advantage

Enabling your Oracle cloud migration

Building resilience through agile and competent workforce

As the question“What is the skill set of tomorrow?” has become increasingly crucial, we have launched a comprehensive learning programmes to enable Mastekeers to keep pace with the speed of digital transformation.

Our people are one of our most valuable assets. Their commitment, combined with the diversity of their professional experiences, capabilities, and skillsets enable Mastek to provide best-in-class and innovative services to various businesses globally. By actively investing in each Mastekeer, we aim to build an inherently capable and agile organisation.

FY 2019-20 was a year of achieving various milestones for Mastek. As a 37-year-old organisation, we have come a long way to become a leader in enterprise digital transformation. In the final phase of Vision 2020 - “Fix, Win and Grow” strategy, various initiatives to build and develop our workforce continued to be a focus area. The year ended with creating strategies to integrate the accretive acquisition of Evosys, along with successfully mitigating the disruptions caused by COVID-19 pandemic in an agile and resilient way. To mitigate the effects of the ongoing crisis, we initiated advisory communication in January 2020 and adopted an integrated approach to safeguard our people, enable business operations from remote locations, and support social welfare initiatives. We also formed a COVID Response Team to provide assistance to Mastekeers globally.

The operational and policy synergies are being created between Mastek and Evosys to solidify our dynamic workforce along with establishing a presence in the APAC and Middle East regions. By adding more than 1,300 employees to the Mastek family, our overall strength is now over 3,200 under the umbrella of ‘ONE Mastek’. We are determined to leverage the benefits of our combined forces through an open and collaborative process that is culturally and objectively united.

This year, we also continued work towards servicing our clients better by proactively hiring and deploying the right talent in line with our philosophy to “Attract, Develop and Retain” the best minds. To prepare our human capital for adapting to the accelerating pace of technological change and industry dynamics, we are consistently investing in high-end technologies. This enables us to support Mastek’s goal to perform better, grow faster and create a conducive environment for Mastekeers to take steps forward in their professional and personal lives.

Towards the end of the year, the pace of our human capital transformation sustained the uncertainty brought in by the COVID-19 pandemic in January. With an early understanding of the magnitude of the crisis, coupled with proactive decision making, we were able to safely transition all Mastekeers to a “Work-from-Home” model, creating an efficient and completely equipped remote workforce. Mastek HR team successfully collaborated with multiple teams across the organisation for definite solutions to ensure Mastekeers safety and business continuity during these unprecedented times. This has enabled Mastekeers to work and deliver with the same efficiency and quality as before.

Agility and flexibility are at the core of Mastek’s business model. Our ability to quickly adapt to the emerging situation, flexible processes and availability of required infrastructure to rapidly transition our entire workforce from office or customer-site to remote working enabled us to remain on the right trajectory.

Quarter 1	Quarter 2	Quarter 3	Quarter 4
70 Mastekeers Given the Fellowship awards	**4620+** hours of learning Instructor-led and self-paced	**Mastek BOT BFF Friend Forever –** launched an automated software application that provides 24*7 assistance and prompt responses to Mastekeers queries.	**Mastek Engagement Survey (MES) - Gallup** – conducted to gauge the progress made since the last survey in 2019 and the efficacy of the action plans
7130+ hours of learning Instructor-led and self-paced	**Behavioural Competency Framework –** rolled out to effectively tap into the collective competencies of all Mastekeers	**97 Mastekeers** benefited from project practitioner sessions	**Mastek Full Stack Foundation Programme –** Launched to cater to the business demands and support Mastekeers advance in their career
Employee Assistance Programme (EAP) – the initiative aims to provide Mastekeers and their family members' emotional support through professional counselling services	**23** UK graduates and **22** India graduates Trained through our Graduate Programme	**23 Mastekeers** Completed certification in areas like Testing, Development & Agile	**Dedicated hiring drives for women candidates -** organised on International Women's Day in India, US and the UK
43 Mastekeers Completed certification in areas like Service Management, Testing, Project Management, Development & RPA	**Toastmasters Club –** Participated in the International Humorous Speech and Evaluation Contest	**3820+** hours of learning Instructor-led and self-paced	**30 graduates** in India Participated in a pre-learning Programme covering Java and .Net
	20 Mastekeers Completed certification in areas like Agile, Architect, Development, Service Management & Testing		**14 graduates in the UK** Participated in a rigorous 3-month training Programme rolled out to train and assess them on Full Stack for Java JEE with Angular and MySQL MongoDB as backend and AWS as Cloud platform
			83 Mastekeers Given the Fellowship Awards
			4730+ hours of learning Instructor-led and self-paced
			6 Mastekeers Completed certification in areas like Testing, Development & Agile

As a global group, Mastek is directly or indirectly impacted by many socioeconomic and environmental trends. For that reason, we anticipate and manage our associated risks and implement a suitable policy to seize all available opportunities.

Big Data

1

The equivalent of **1.7 megabytes** of new data per person will be created every second in 2020. Source: IDC

That's the size of an MP3 file for a two-minute song. In terms of value, the market is estimated to reach 123 billion US dollars in 2025 (Grand View Research).

We have strengthened our expertise in data management technologies with our services offerings: Strategy and architecture, Data warehouse delivery, Cloud integration, Business Intelligence and Analytics, Data insight and innovation, and Security and governance.

Emergence of major regional hubs

2

The global information technology industry is on pace to reach **$5.2 trillion** in 2020. Source: IDC

The increased demand for IT services, electronics and software along with low skilled labour costs has enabled the rise of regional IT hubs across various emerging markets including India.

Providing rightshore solutions to our customer, we aim to drive Digital Transformation across UK, Europe, Middle East, US, SE Asia, and India.

97%

Outstanding programme delivery rate

Talent race

3

59% of organisations are facing a digital skills gap. Source: Capgemini Study

With fast-evolving technologies, established businesses with large workforces made up of highly skilled workers are unable to adopt the digital technologies that will make their businesses more effectively.

We dedicated to future-proofing the business and nurturing the next generation of tech evangelists by our "Mastek Graduate Programme". Further, our Self-Learning Tools and Certification Processes enables the workforce to re-skill themselves in line to the emerging needs of the business.

Explosion of new technologies

4

200 billion connected objects by 2020

Source: Intel

Artificial intelligence, blockchain, cloud, Internet of Things (IoT), immersive and emerging technologies are some of the technological challenges that companies must take up within a complex environment.

We have adapted our organisation by creating a dynamic business model, which aims to integrate the shared challenges of these disruptions.

Economic volatility

5

Rising uncertainty with COVID-19 pandemic and no-deal Brexit. Source: IMF

Amidst the pandemic, the economic activity has come to a standstill causing uncertain growth prospects across nations. However, there is a growing opportunity for IT companies as companies adapt 'work from home' facility and go digital, and free trade policies with no-deal Brexit.

We focus on providing platform and support needed to thrive in an era of digital transformation.

Digital divide

6

80% of people in the 47 least-developed countries still do not use the internet, whereas **81%** of people do use the internet in developed countries.

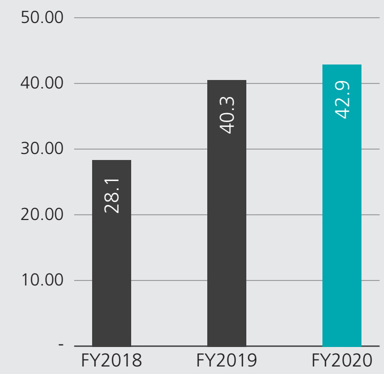
Source: ICT – Facts & Figures

Focus on providing digital skills training – along with lower costs and more relevant content – will help in bridging the digital divide.

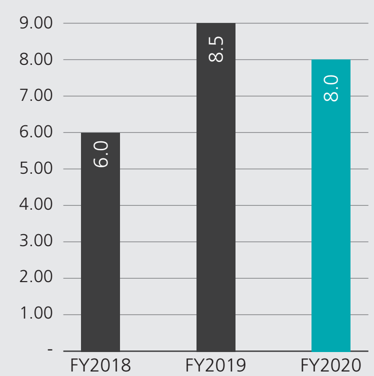
We provide digital inclusion as a part of formal education to our CSR beneficiaries by collaborating with various NGOs. Through the Deep Blue Project, we are supporting the next generation in contributing towards making the world a better place.

Our profitability and growth will only be sustainable if it is accompanied by an integrated approach encompassing our financial progress, our human capital, our environmental impact, and our efforts to promote where we operate.

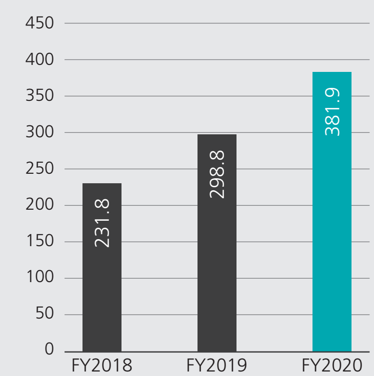
Earning Per Share - Diluted (₹)



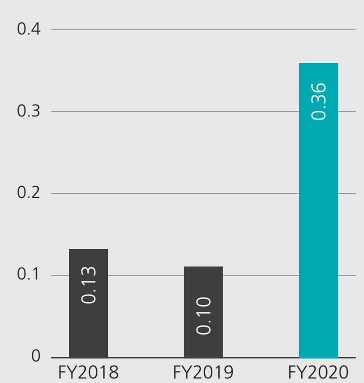
Dividend Per Share (₹)



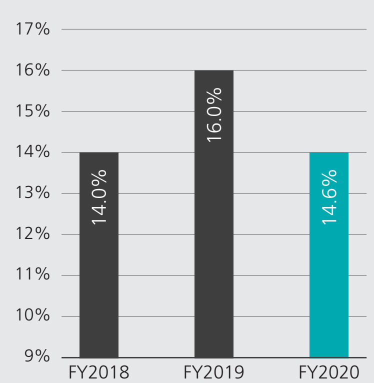
Book Value Per share (₹)



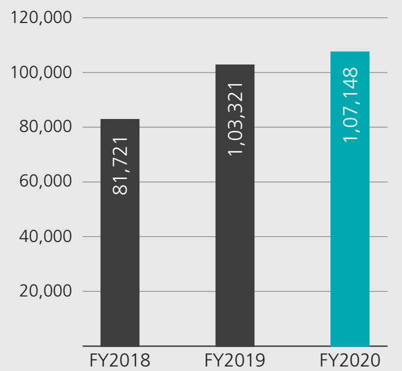
Debt Equity Ratio



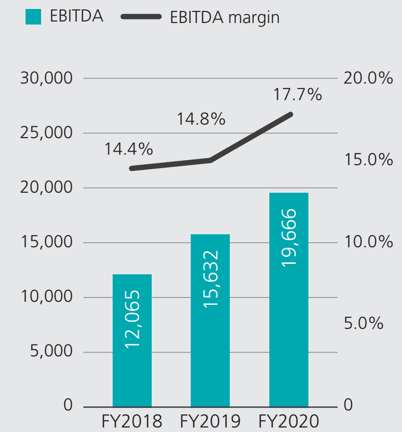
Return on Equity (%)



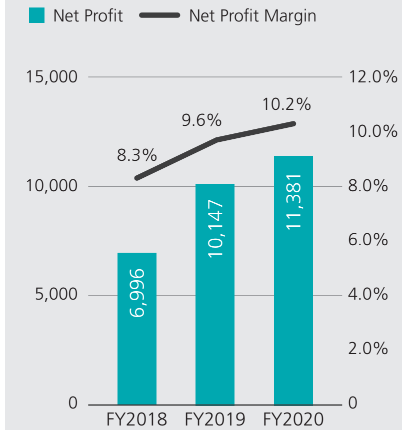
Revenue from Operations (₹ in Lakhs)



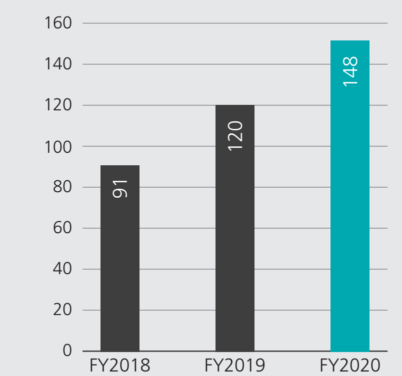
EBITDA (₹ in Lakhs) **and EBITDA margin** (%)



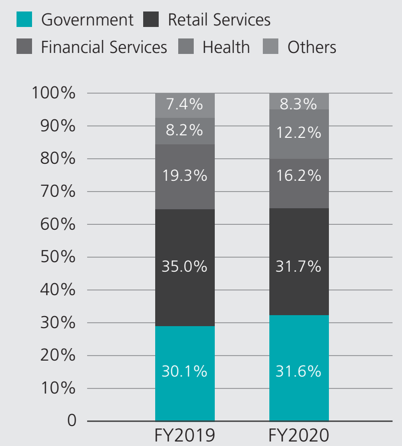
Net Profit (₹ in Lakhs) **and Net Profit margin** (%)



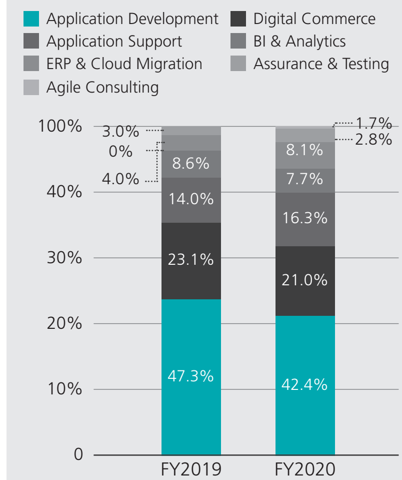
Global CSR Spending (₹ in Lakhs)



Revenue by industry (%) (YoY)

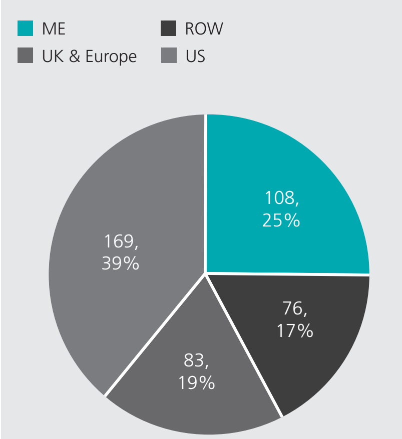


Revenue By Service Line (%) (YoY)

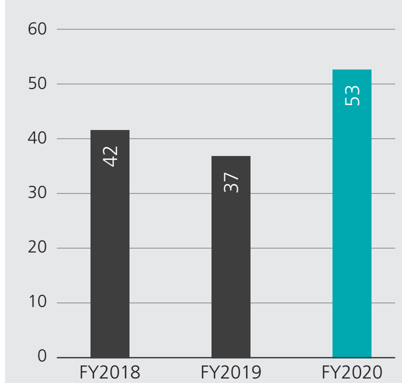


Revenue by Region (%) (YoY)

No. of Clients/Customers



No. of Clients Added YoY



We are proud of the recognition that we have received for our commitment towards our clients and our employees. These awards and accolades are a testament to our successes helping ambitious companies accelerate their growth in digital transformation.

Mastek

"Digital Service Company of the Year category" at Digital Technology Leaders Awards 2019 in London

Maharashtra Best Employer 2019 at the awards organised by the WHRD Congress

UK IT Industry Awards Finalist. Shortlisted for UK IT Vendor of the Year and Automation Project of the Year for the work done with IPF using AI to reduce fraud and improve customer experience

European Software Testing awards finalist in the category 'Best Use of Technology in a Project'

IT Vendor of the Year at UK IT Industry Awards. The award acknowledges an exciting year of development for Mastek and our continued investment in innovation, diversity and growth across the IT industry

Independently Accredited by Course Conductor as a Market Leader for our Agile Project Management Training

Evosys

We are a well respected and regarded company by the industry and have achieved widespread recognition, awards & accolades.

Oracle Open World 2019: Global Partner of the Year: HCM Cloud	Outstanding Innovation SaaS Contribution 2019: Oracle PaaS Partner Community Award
Oracle Excellence Awards FY19: Specialized Partner of the Year: ERPM Cloud – EMEA	Oracle Open World 2019: APAC Partner of the Year: ERP Cloud
Oracle Open World 2019: EMEA Partner of the Year: HCM Cloud	Global HCM Development Partner of the Year Award: Oracle MBX 2019 – USA
ASEAN Partner of the Year ERP 2019	Best SI Managed Service Provider – GESIA
Oracle HCM Cloud Partner of the Year 2019 – Denmark	Oracle HCM Cloud Specialised Partner of the year 2019 – Kenya & East Africa

Our commitment to sustainable development goes beyond our operating boundaries, as we continuously aim to increase stakeholders value by advancing knowledge and improving lives.

We believe that the philosophy and spirit of sustainable business should be understood and imbibed by our employees at all levels. Towards this end, we have generated awareness among our people about the integration of social and environmental processes with business operations.

Sustainable Development Goals:

Linking our sustainable development to UN SDGs

The Goal is aimed at ensuring access to affordable, reliable, sustainable and modern energy for everyone

The Goal is aimed at making cities and human settlements inclusive, safe, resilient and sustainable.

The Goal is aimed at ensuring sustainable consumption and production patterns across industries.

The Goal is aimed at taking urgent action to combat climate change and its impacts

To further the value of Sustainability in business, Mastek has adopted the Global Goals or Sustainable Development Goals by the United Nations. The SDGs are adopted by all members of the United Nations to accomplish sustainable development for all. They give us a framework for operating transparently; creating a culture of respect and dignity; and harnessing innovation to build efficient products that respect our planetary boundaries.

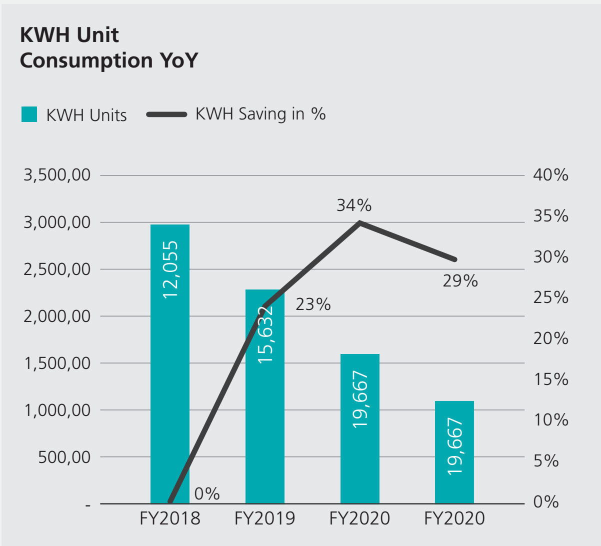
We are actively working towards achieving the UN SDGs with respect to our Company, which will ensure a better and sustainable future for all.

Our Initiatives

Efficient Consumption and Energy Saving Initiatives:

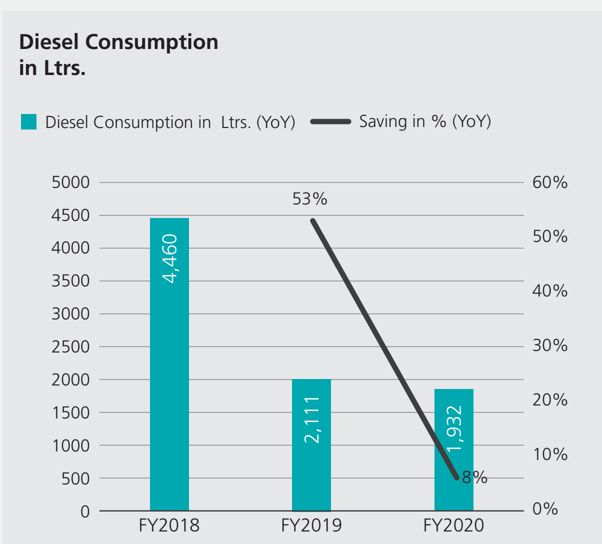
At Mastek, we believe in "Energy Conserved is Energy Generated". We are very much focused about environment sustainability and through our various initiatives we were able to achieve substantial savings Y-O-Y.

1. During the year, we have saved 4.44 lakhs KWH of electrical energy, i.e. 29% YoY.



2. Achieved savings in diesel consumption by 8% compared to FY18-19.

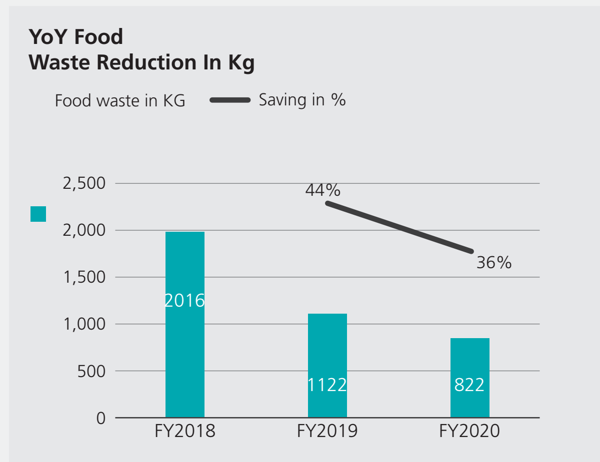
3. Implementation of energy efficient equipments and electrical components like – LED's, UPS. Smart Data Centres, HVAC etc.



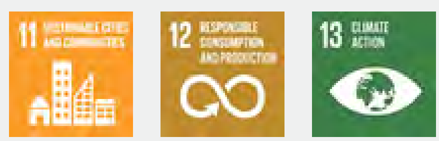
4. Promoted carpooling among employees by introducing carpooling solution. Approx. 1,900 Kgs of CO^2 emission was reduced during the year.

Food Waste Management

We have taken several measures to reduce food waste in the canteen and have achieved a reduction of 36% YoY.



Sustainable Consumption



Below initiatives were taken during the year.

– Reduction in plastic usage.

– Optimum utilisation of water.

– Implementation of Smart and energy efficient equipment's.

Board of Directors

S. Sandilya

(DIN:00037542)
Chairman (Non-Executive and Independent) Director

Mr. S. Sandilya is a Commerce Graduate from Madras University and holds an MBA from the Indian Institute of Management (IIM), Ahmedabad and he holds almost 5 (five) decades of rich and diverse professional experience.

Mr. Sandilya is presently the Non-Executive Chairman of Eicher Group. He joined Eicher Group in 1975 and has held various responsibilities in the areas of Group Finance including Information Technology, Strategy and Planning, Manufacturing and General Management. He was the Group Chairman and Chief Executive for 6 (six) years before becoming the Non-Executive Chairman, the post he continues to hold.

He has been a National Council Member of Confederation of Indian Industries (CII) for many years. He is also Independent Director on the Boards of a couple of Companies. He has been an Executive Committee Member of the Society of Indian Automobile Manufacturers. Additionally, Mr. Sandilya is a Past Member of the Board of Lean Global Network USA, Past President of Society of Indian Automobile Manufacturers and was also the President of International Motorcycle Manufacturers Association, Geneva for the period from 2012 to 2014. He was also providing his services as the Non-Executive President of SOS Children's Villages of India, a Non-Profit Organisation providing care for parentless, abandoned and vulnerable children. He continues to be associated with the organisation as the Chairman of SOS Children's Villages of India Trust.

Sudhakar Ram

(DIN:00101473)
Vice Chairman and Managing Director

One of the Co-founder Director of Mastek, Mr. Ram brings to the table extensive experience in strategic initiatives in the areas of Vertical Enterprise Platforms and Applications that enable business transformation. He has nearly 4 decades of rich and diverse experience in Information Technology (IT) Industry.

Mr. Sudhakar Ram, as a veteran of the IT industry and is also a keen observer of Domestic and Global IT and business trends. He has also handled the additional responsibilities of leading Mastek's business in the UK as CEO for Mastek (UK) Ltd. (Wholly owned Subsidiary of Mastek) from 2013 until March 2015. He was also on the Board of various overseas subsidiaries of Mastek in the past and contributed significantly towards establishment and growth in the respective geographies.

He is responsible for providing guidance and mentorship to the Group Chief Executive Officer and helps in translating the Board's vision and direction to operational directions and goals.

Mr. Ram is a silver medallist from Indian Institute of Management (IIM), Calcutta. (IIM-C ranks among the Top 5 Management Institutes in India)

Ashank Desai

(DIN:00017767)
Non-Executive Director

Mr. Ashank Desai, is an Information Technology (IT) Industrialist and has done B.E. from Mumbai University and had secured the second rank in the University. He holds a M. Tech Degree from the Indian Institute of Technology (IIT), Mumbai. He also holds Post Graduate Diploma in Business Management (PGDBM) from IIM Ahmedabad.

Mr. Desai is the Principal Founder and Former Chairman of Mastek and has more than 4 decades of rich and diverse experience in IT industry. Mr. Desai having been the CMD of Mastek and currently serving as the non executive Director of Mastek, brings with him valuable experience in managing the issues faced by large and complex organisations. The Company and the Board will immensely benefit by leveraging his demonstrated leadership capability,General business acumen and knowledge of complex financial and operational issues faced by the Company. Mr. Desai also brings rich experience in various areas of business, technology, operations, societal and governance matters.

Mr. Desai is widely recognised as an IT industry veteran and is one of the founder members & Past Chairman of NASSCOM. He has been felicitated by Prime Minister Shri Narendra Modi for his contribution to NASSCOM & IT Industry.

He also guides Mastek Foundation, whose mission is to enable "Informed Giving and Responsible Receiving".He has been conferred with the "Distinguished Alumnus" Award from IIT Mumbai and the Computer Society of India (CSI) "Fellow of the Society" honour. He has also been presented with the Honourable Contributors Award by ASOCIO - the only Indian to receive this recognition twice. He was conferred with the much-coveted Outstanding Entrepreneur Award at the Asia Pacific Entrepreneurship Awards (APEA) 2010 India.

Priti Rao

(DIN:03352049)
Non-Executive and
Independent Director

Ms. Priti Rao holds a postgraduate degree in Computer Science from Indian Institute of Technology (IIT), Mumbai.

Ms. Rao is the Managing Director at Pumpkin Patch Daycare which caters to the needs of young parents, who need a trusted place where they can keep their kids and be able to focus on their careers. Currently, she has 20 Daycare centres in Pune, with 1,000+ children under their care.

She is also the Chairperson of Aatmaja Foundation, Non-Profit Organisation, focused on enabling young girls from disadvantaged background to become successful professionals. Currently the foundation supports 220 girls.

She has over 2.5 decades of diverse experience in building and delivering IT services for customers across five continents. She has built large remote infrastructure services business for Infosys using global delivery model. She held senior executive positions with global teams P & L responsibility and large location responsibility for best of breed IT services companies like Infosys and L & T and multinational companies like Dell.

Ms. Rao is member of board for Serigen Mediproducts & Credible Infotech Solutions. She is mentor and investor for several start-up companies.

She won the prestigious "IT woman of the year award" from the Computer Society of India for 2002; and also the "PUNE 2007 SUPER ACHIEVERS AWARDS" in August 2007.

Atul Kanagat

(DIN:06452489)
Non-Executive and
Independent Director

Mr. Atul Kanagat is a B. Tech in Mechanical Engineering from Indian Institute of Technology (IIT), Mumbai and an MBA from Harvard Business School, Boston, Massachusetts. Mr. Kanagat has nearly 3.7 decades of experience in Consulting and Multinational Companies.

Mr. Kanagat initially joined Hindustan Lever, the Indian Subsidiary of Unilever. He spent 2 years as Management Trainee doing assignments in multiple functions of the Company. He then spent a year as Materials Manager for Hindustan Lever's Calcutta Manufacturing complex.

After completing his MBA at Harvard in 1982, Mr. Kanagat joined Mc Kinsey & Company in Chicago. He was elected as Partner in 1988, Director in 1994 and thereafter Managing Director of their Seattle office in the period 1995 to 2003. Mr. Kanagat has been a Member of the Boards of Seattle Symphony, Fred Hutch Cancer Research Centre and Greater Seattle Chamber of Commerce, as also the Board of Liberty Science Centre in Jersey City. Mr. Kanagat has also worked for Harman International as Vice President - Strategy & Mergers & Acquisition.

Rajeev Grover

(DIN:00058165)
Non-Executive and
Independent Director

Mr. Grover is a B. Com (Hons.) graduate from Shri Ram College of Commerce, University of Delhi. He is a member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India and has over 3 decades of rich and diverse experience across Finance, Operations, General Management & Business Transformation across Professional Services and Financial Services organisations like Mercer Consulting, Hewitt Associates (now Aon Hewitt), eFunds Corp. (now part of FIS), GE Capital International Services (now Genpact) and American Express.

He has been one of the pioneers of the Business Process Outsourcing industry in India and has led the setup for three organisations in the country. In his last role at Mercer Consulting, he served as the Global Head of Operations wherein he was responsible for driving Operational excellence across multiple lines of business represented by over 9,000 employees across 25 countries including shared service centers spread across India, Poland, Portugal, China & Ireland.

He is a Founder Director of ExempServ Professional Services Private Limited, which provides value-added financial reporting, compliance and allied services to social sector organisations. He is also a Non-Executive Treasurer of SOS Children's Villages of India, which is one of the largest self-implementing independent non-governmental social development organisation focused on Children's development.

Corporate Information

Board of Directors

S. Sandilya
Chairman (Non-Executive and Independent) Director

Sudhakar Ram
Vice Chairman and Managing Director

Ashank Desai
Non-Executive Director

Priti Rao
Non-Executive and Independent Director

Atul Kanagat
Non-Executive and Independent Director

Keith Bogg*
Non-Executive and Independent Director

Rajeev Grover#
Non-Executive and Independent Director (Additional Director)

**Resigned with effect from October 15, 2019*

#Appointed with effect from January 28, 2020

Audit Committee

S. Sandilya Chairman

Ashank Desai Member

Priti Rao Member

Atul Kanagat Member

Rajeev Grover# Member

#Appointed as a Member with effect from January 28, 2020

Nomination and Remuneration Committee

Atul Kanagat Chairman

S. Sandilya Member

Ashank Desai Member

Rajeev Grover# Member

#Appointed as a Member with effect from January 28, 2020

Stakeholders Relationship Committee

S. Sandilya Chairman

Ashank Desai Member

Atul Kanagat Member

Sudhakar Ram Member

Corporate Social Responsibility Committee

Priti Rao Chairperson

Ashank Desai Member

Sudhakar Ram Member

Governance Committee

Ashank Desai Chairman

Priti Rao Member

Sudhakar Ram* Member

Rajeev Grover# Member

**Ceased to be a Member with effect from January 28, 2020*

#Appointed as a Member with effect from January 28, 2020

Group Chief Financial Officer

Abhishek Singh

Company Secretary

Dinesh Kalani

Statutory Auditors

Walker Chandiok & Co. LLP
Chartered Accountants
(Firm Registration No. 001076N/ N500013)

Bankers

ICICI Bank Limited

Standard Chartered Bank

HDFC Bank Limited

Citibank N.A.

Registered Office

804 / 805, President House, Opp.
C N Vidyalaya, Near Ambawadi Circle,
Ahmedabad - 380 006 Gujarat, India
Phone: +91-79-2656-4337
Fax: +91-22-6695-1331
E-mail: investor_grievances@mastek.com
Website: www.mastek.com

Corporate Office

#106, SDF IV,
Seepz, Andheri (East),
Mumbai - 400 096, India
Tel: +91-22-6722-4200
Fax: +91-22-6695-1331

Registrar and Share Transfer Agent

KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
Selenium, Tower-B, Plot Nos. 31 & 32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad - 500 032, Telangana
Tel: +91-040-6716-2222,
Fax: +91-040-2300-1567
E-mail: einward.ris@kfintech.com
Toll Free No.: 1800-345-4001

Corporate Identification Number (CIN)

L74140GJ1982PLC005215

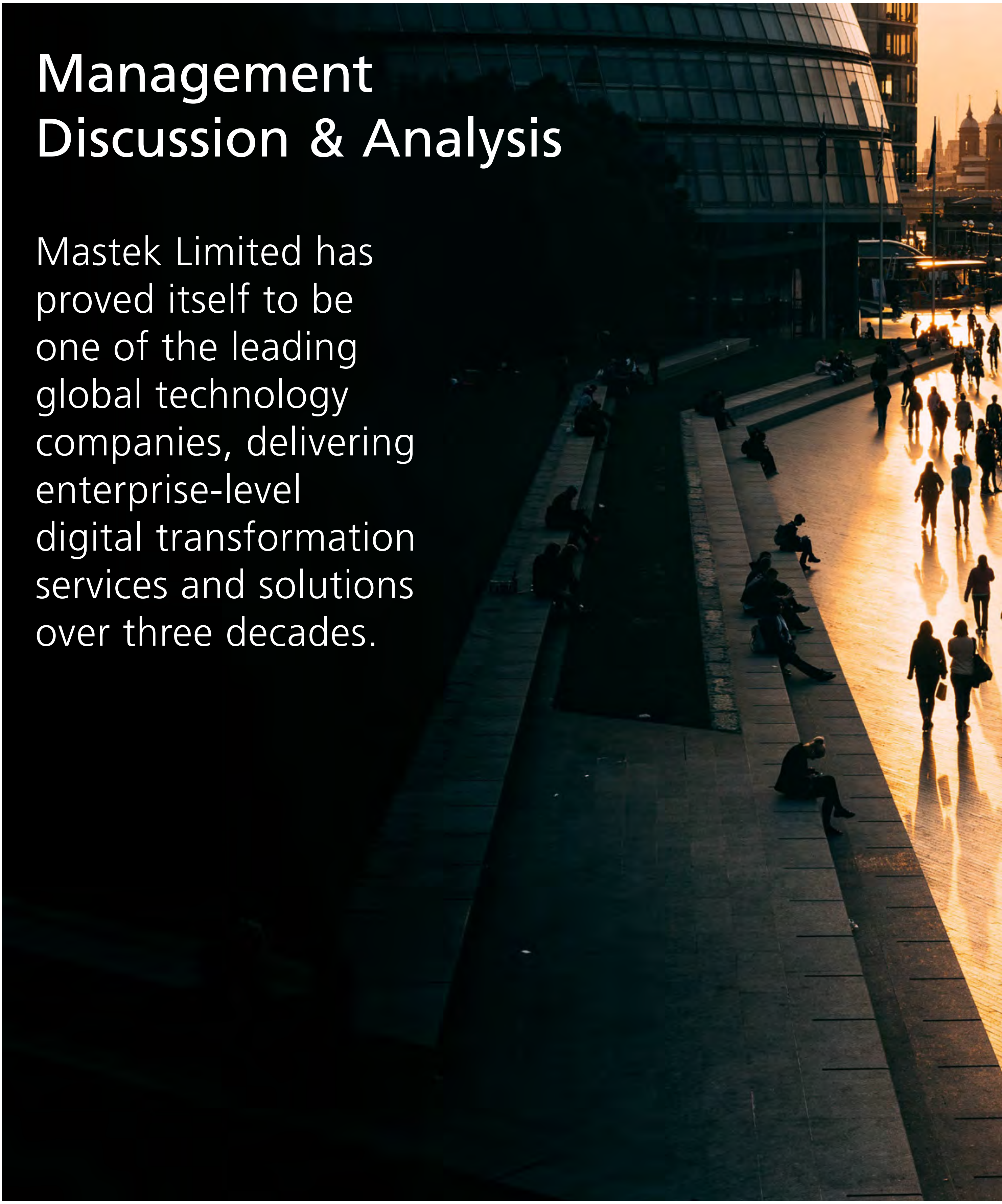
38TH ANNUAL GENERAL MEETING

Day and Date: Thursday, October 29, 2020

Time: 5.30 P.M. IST

Mode: AGM through Video Conferencing/ Other Audio Visual Means Facility

STATUTORY REPORTS



Management Discussion & Analysis

Mastek Limited has proved itself to be one of the leading global technology companies, delivering enterprise-level digital transformation services and solutions over three decades.

Global Economic Overview

As per the Global Economic Prospects by World Bank (January 2020), global growth in 2019 decelerated to 2.4% amidst weakening trade and investment, impacting both, Advanced and Emerging Market & Developing Economies (EMDEs). However, the economic growth was positioned for a modest rebound in 2020 and were estimated to rise by 2.5% as trade and investments recovered gradually.[1]

By the end of 2019, the global economy started easing from the fears that the year will record worst performance in the decade. Forecasters started changing their narrative towards growth recovery in 2020 with a belief that the worst has come to an end as the overhang of trade wars and geopolitical tensions like Brexit began to fade. But the outbreak of COVID-19 pandemic put break to the predictions as the global economy came to a standstill.

With the fast paced proliferation of the virus and consequent lockdown imposed by various governments globally, the risk of recession became imminent. Global trade and commerce came to a standstill with travel, hospitality, entertainment and retail sectors being massively impacted in the first phase. Supply chains are disrupted and consumer spending as well as consumer confidence are at its lowest. The economic disruption created by the virus outbreak is expected to be much worse than the Global Financial Crisis of 2008.

> If the second wave of infections is avoided, global economic activity is expected to fall by 6% in 2020 and OECD unemployment to climb to 9.2% from 5.4% in 2019.

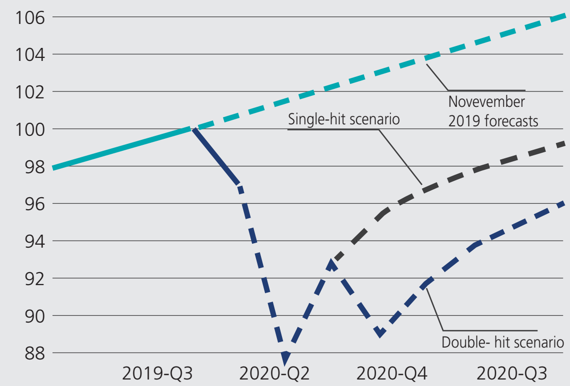
As restrictions begin to ease, the path to economic recovery remains highly uncertain and vulnerable to the second wave of infections. Strengthening healthcare systems and supporting people and businesses to help adapt to a post-COVID world will be crucial. The containment measures brought in by most governments were necessary to slow the spread of the virus and limit the death toll. However, they have also closed down business activity in many sectors and caused widespread economic hardship. Policymakers have used a vast array of exceptional measures to support healthcare systems and people's incomes, as well to stabilise businesses and financial markets.

For the year 2020, prospects of a viable vaccine and effective treatment continues to be remote. The OECD in its June 2020 outlook has taken an unusual step of presenting two equally likely scenarios – one in which the virus is brought under control, and one in which a second global outbreak hits before the end of 2020.

If a second outbreak occurs triggering a return to lockdowns, world economic output is forecasted to plummet 7.6% this year, before climbing back 2.8% in 2021. At its peak, unemployment in the OECD economies would be more than double the rate before the outbreaks, with little recovery in jobs next year. If the second wave of infections is avoided, global economic activity is expected to fall by 6% in 2020 and OECD unemployment to climb to 9.2% from 5.4% in 2019.[2]

[1]Global Economic Prospects by World Bank (January 2020)
[2]OECD – Economic Outlook – June 2020

A collapse in output followed by a slow recovery
World GDP, index 2019-Q4=100
In both scenarios, we won't be back at 2019 - Q4 level for at least 2 years



Source: OECD (2020), "OECD Economic Outlook No . 107 (Edition 2020/1)", OECD Economic Outlook: Statistics and Projections (database)

In both scenarios, the recovery, after an initial, rapid resumption of activity, will take a long time to bring output back to pre-pandemic levels, and the crisis will leave long-lasting scars - a fall in living standards, high unemployment and weak investment. Job losses in the most affected sectors, such as tourism, hospitality and entertainment, will particularly hit low-skilled, young, and informal workers.

The global economy is now too fragile for governments to gamble on an automatic sharp bounce back. Governments need to act swiftly and forcefully to overcome the coronavirus and its economic impact. Supportive macroeconomic policies can help to restore confidence and aid the recovery of demand as virus outbreaks ease.

United Kingdom Economic Overview

In the United Kingdom (UK), the growth is projected to remain weak at under 1% both in 2020 and 2021 from 1.4% in 2019. Growth in the Euro area is estimated to remain sub-par, at around 1% per annum on an average in 2020 and 2021. For the UK and the Euro area, the estimations are based on the assumptions that a basic free trade agreement for goods will come into force from the start of 2021. Even if this is executed easily, the expenses for service exports and non-tariff administrative barriers are likely to weigh on exports and output growth through 2021. Although the prospect of a no-deal Brexit is now off the cards, the outcome of these trade negotiations will determine the extent to which industries are affected.[3]

Pandemic Impact

Decisive mandate in the elections held in December 2019 along with the directional clarity on Brexit helped the year start on a positive note. The pace of decision making in the UK Public Sector picked up on the backdrop of pent up demands of prior year. Private sector continued to be cautious. However, the disruptive outbreak of COVID-19 put a break to the upbeat sentiment and likely to dominate the economic picture for the rest of the year.

According to KPMG - UK Economic Outlook - March 2020, the economy will slow down sharply in the spring and remain flat in the second half of the year before recovering in early 2021. Overall GDP is expected to fall by 2.6% in 2020, before picking up by 1.7% in the following year. Both consumption and investment are expected to fall sharply due to falling confidence, as well as the impact of public health measures put in place to contain the virus. [4]

United States Economic Overview

Before the outbreak of the novel coronavirus, the US economy was doing well and poised to deliver growth year on year despite weaknesses in manufacturing sector, falling investments and lower international trade. The United States (US) economy was forecasted to grow moderately from a growth rate of 2.3% in 2019 to 1.9% in 2020 and 2.1% in 2021.[5]

The Federal Reserve reduced the interest rates to near zero per cent and bought US$ 700 billion in Treasury & mortgage-backed securities to prop up the US economy in the face of escalating coronavirus crisis.[6] It is expected that the economic impact is likely to fade as and when the vaccine is available or the natural progression of pandemic reduces the number of infections and consumers venture out of their homes.

[3]Bank of England – The Economic Outlook
[4]KPMG – UK Economic Outlook – March 2020
[5]IMF – World Economic Outlook – January 2020

Indian Economic Overview

The World Bank in its Global Economic Prospects (January 2020 edition) projected a decelerated growth of the Indian economy to 4.8% in FY2019-20 amidst enduring financial sector issues. Key risks to the outlook included a slowdown in major economies, re-escalation of regional geopolitical tensions, and a setback in reforms to address impaired balance sheets in the financial and corporate sectors.

However, with the onset of the pandemic crisis, the forecast is now uncertain. According to the latest OECD Interim Economic Outlook Forecasts (March 2020), India's real GDP growth is expected at 5.1% during the fiscal year starting April 1, 2020, and improve to 5.6% in the following year. This is expected if the effect of the virus slows down in the second half of the year and restores confidence.

Concerns of the impact of deadly coronavirus on the domestic as well as the global economy have an adverse impact on confidence, financial markets, the travel sector and disruption to supply chains contribute to the downward revisions in all G20 economies in 2020, particularly ones strongly interconnected to China. (India is a member of G20, a grouping of developed and developing economies).

MENA Economic Overview

As the economies in the region face the global coronavirus outbreak and the collapse of oil prices, transparency will be key to the Middle East and North Africa's (MENA) economic recovery. The cost to the region of both of these shocks is estimated at US$116 billion. While estimates of the costs of these current crises are fluid, the shocks have exacerbated already slow economic growth in the region, due, in part, to lack of data transparency. The IMF revised its growth forecasts for MENA economy downward again according to its July 2020 regional economic report. It now expects MENA economies to contract 5.7% in 2020 due to the unusually high level of uncertainty regarding the length of the pandemic and its impact on firm closures, the resulting downside risks (including social unrest and political instability), and potential renewed volatility in global oil markets.

APAC Economic Overview

It is expected that the COVID-19 pandemic will leave lasting scars on Asia-Pacific (APAC), with the extraordinary measures needed to shore up economies leading to higher debt, weaker balance sheets, and less appetite for spending in the future. According to S&P Global, it is projected that Asia-Pacific's economy will contract by 1.3% in 2020 but shows 6.9% growth in 2021, implying $2.7 trillion of lost output over these two years, even assuming broad containment of the coronavirus. It still sees China's economy expanding 1.2% in 2020 before growth surpasses 7% next year. The largest downward revision of the growth estimates is for Japan, where it expects a 5% contraction in 2020 as consumers save more. India's economy will also shrink 5% this year as lockdowns compound underlying vulnerabilities, followed by a rebound next year.

Australian Economic Overview

The COVID-19 pandemic represents the largest shock to the global economy in many decades. The Australian economy experienced a severe contraction and is now in the early stages of recovery like many other economies. The Australian government unveiled its Economic and Fiscal Outlook, which forecasted Australia's economy would shrink 2.25% in 2020/21. Looking at the 2020 calendar year, the government is forecasting a 3.75% contraction in economic activity, before rising 2.5% in 2021. Further, the government forecasts that the unemployment rate will increase to 8.75% in 2020/21 from 7.4% in June 2020 (forecasting that unemployment will peak at 9.25% in December).

However, others have a more pessimistic outlook. The OECD July 2020 report forecast that Australia's economy will shrink 5% in 2020 (in a best-case scenario of a single wave of COVID-19 infections),

[6] US Federal Reserve

or decline 6.3% if there is a second wave of infections. It stated that consumption in Australia would be tempered due to' lost earnings, higher unemployment levels and ongoing caution, while reduced demand, more fragile finances and uncertainty will weigh on business investment.

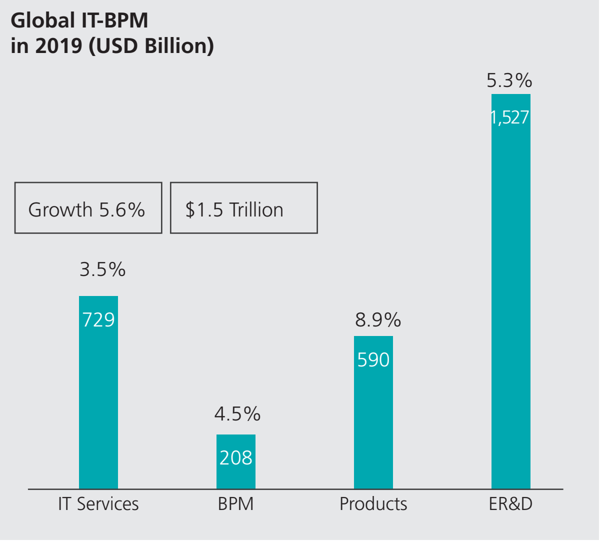
Global IT Outlook

The past decade has laid down the foundation of digital transformation. Technology innovation has become incredibly fast as businesses got intertwined with technology like never before. Nasscom views the next decade (2020-2030) to be a 'Techade' - where technology will create endless possibilities for a fulfilling and happy world. During Techade, the advanced digital technologies such as Big Data and Analytics, Cloud Computing, Cybersecurity, Artificial Intelligence (AI), Internet of Things (IoT), Robotics and Blockchain will emerge as fastest-growing technologies and will create high impact opportunities, at speed and scale, that will require unseen response agility from demand-supply-trust ecosystems built on a strong core of digital technologies and connectedness.

Global data has been doubling every three years and is projected to touch 175 Zettabytes (ZBs) by 2030. Nearly 2/3rd is expected to be machine-to-machine data, more than 1/3rd of which will have instantaneous shelf-life and will need real-time analysis and decision-making at the source.[7] Edge IoT and Edge Analytics will play a crucial role in saving data transmission, storage, and post-fact analysis costs. Mastek is well prepared for all these future opportunities. The given projections may change basis the resolution of this COVID-19 phenomena and restoration of economic activities.

According to NASSCOM, the global IT-BPM industry stood at US$ 1.5 trillion (excluding hardware), a growth of 5.6% in 2019 due to strong demand in the market characterised by a shift from traditional services to digital technologies. The IT services grew at 3.5% led by rising demand for application development and management services. BPM grew at 4.5% primarily driven by Robotic Process Automation (RPA) as organisations automated simple & repetitive work and shifted their focus on more strategic work.

Indian IT-BPM industry is estimated to grow by 7.7% to touch US$ 191 billion in FY2019-20 from US$ 177 billion in FY2018-19, as the IT industry's investments in digital technologies and projects continue to gather pace.[8] Digital platforms continue to remain the key focus areas, generating new services and new models. Moreover, various new platforms are gaining traction such as modernisation of legacy application program interfaces (APIs) & micro-services, integrated cloud-first/cloud-native approach, new ways of working like Agile, DevOps & crowdsourcing. With partnerships and domain expertise remain proven growth strategies, the Indian IT industry is gradually gaining prominence in the globe.



In 2019, NASSCOM conducted a demand-side survey to get an insight into the technology spending plan of top 100 enterprises across developed and developing markets. 60% of respondents mentioned that technology spends in 2020 would grow more than 5% over 2019. The future investments would be around cloud infrastructure, analytics for data monetisation and cybersecurity solutions, which will enable firms to improve product offerings and productivity along with operational efficiencies.

[7]IDC
[8]IBEF – Indian IT and ITeS Industry

NASSCOM also conducted a supply-side survey to understand the technology providers' perspective. Technology providers stated a promising outlook in terms of customers' technology spends. 83% of the respondents expect technology spend to grow between 4-6% in 2020. IT companies will continue to invest in building products and platforms, upskill its talent pool in anticipation of a shift in demand to advance digital technologies in the medium to long-term period.

IT Service Industry

The year 2020 will see transformational changes in how technology impacts businesses and societies. The global IT services market grew at 3.5% in 2019 as per NASSCOM, led by the demand for application development and management services along with cloud migration. The IT services industry is witnessing an increased shift from legacy services to digitalisation. Modernisation of the core services driven by automation and digital is now becoming mainstream for businesses.

To accelerate growth and power digital transformation, organisations are continually investing in emerging digital technologies, re-skilling, platform and partnerships. Gartner had published a report in January 2020, before the COVID-19 outbreak, projecting the global IT spend to grow by 3.4% to US$ 3.9 trillion in 2020 and anticipating it to cross US$ 4 trillion in 2021. IT services spending is estimated to grow by 5.0% in 2020 from 3.6% in 2019. Moreover, enterprise software will be the fastest-growing market reaching double-digit growth at 10.5% in 2020, driven by the adoption of software as a service (SaaS). By 2022, it is predicted that IT spending on cloud-based offerings will grow faster than non-cloud IT offerings. Organisations with a high percentage of IT spending dedicated to cloud adoption is indicative of where the next-generation, disruptive business models will emerge. In terms of geography, North America and Europe continue to remain key markets for IT services.

2019 was a year of transition toward cloud ecosystem dominance. Gartner's 2020 Magic Quadrant for Analytics and Business Intelligence (BI) Platforms suggests that augmented analytics continue to be the key driver for customers in the software market. The cloud is also a major consideration for organisations evaluating their options for BI and analytics. The Gartner report pointed out that the newest spending is on BI software in cloud deployments.

While the economic impact of the coronavirus outbreak will continue to unfold in the coming months, it has pushed the digital transformation agenda of the organisations. It opens an opportunity for IT services firms to handhold their customers in the hour of crisis as a trusted partner and help them sail through the situation, thereby accelerating their growth.

Digital Transformation

Digitising and digitalising businesses are critical to staying relevant, vis-a-vis consumer preferences. Digital transformation is all about integration of new innovative digital technologies such as Machine Learnings (ML), Robotics, BlockChain, Artificial Intelligence (AI), Internet of Things (IoT), Big Data & Analytics, Cloud Computing, Mobility and Social Media in all the business functions to improve operational efficiency and deliver better value and outcome to customers. These digital technologies facilitate the transformation of business process models along with better customer experience and competitiveness of companies in the market. Additionally, it also helps organisations increase their revenue and profitability. Digitally transformed organisations can adapt to the evolving technological landscape and can tackle sudden shifts or disruptions in the industry.

According to Meticulous Research report, the digital transformation market is forecasted to grow at a CAGR of 22.7% from 2019 to touch US$ 3,294 billion by 2025. The digital transformation systems are witnessing significant growth due to rising awareness of disruptive technologies and their benefits. This shift is driven by organisations inclination towards digitalising business functions to serve changing customer preferences, enhance operational efficiency, enable the rapid proliferation of mobile devices and apps, increase penetration of IoT and cloud services.

However, security and privacy concerns for confidential data is expected to hinder the growth of the market across the globe. Digital transformation is rapidly gaining traction, as organisations are finding solutions and technologies and platforms are transforming their operating processes and business models. Organisations are now stepping up to adapt digital transformation to get more operational efficiency, customer experience, brand and marketing efforts, and reduce cost and time to market.

Over the past few years, the IT industry witnessed the increasing focus on the digital transformation of businesses and also the expansion of digital-driven services to cater to customers across the globe. A similar trend is expected to continue to drive the growth of the industry in the coming years, and evangelising innovation in the domain. Mastek is very well placed to grab this opportunity and be among the top providers of agile digital transformation solutions.

COVID-19 Impact on Sector

For the past decade, businesses have focused on the power of technology to improve efficiencies and drive innovation. For many, especially older and more established businesses, it was an evolution from uncertainty to undeniability. The devastation and disruption caused by the pandemic has accelerated the digital transformation agenda of organisations. Technology is helping save lives, helping businesses stay afloat, and keeping people connected and active. It's safe to say, the new reality, when it finally takes hold, will have technology at its heart.

According to the International Data Corporation (IDC), growth in global IT spending is expected to reduce by 3-4% by the end of 2020, considering "Pessimistic Scenario" due to the outbreak of COVID-19 pandemic, as per IDC Worldwide Black Book Live Edition, February 2020. While the major impact is expected to be on Hardware business, the Software and Services businesses are also expected to slow down. However, adoption of collaborative applications, security solutions, Big Data and AI are set to see an increase in the coming days. It has also given an opportunity for IT vendors to test some concepts of "Future of Work" and some of them might become mainstream as the dust settles.

While the economic impact of the COVID-19 outbreak will be evident in the months to come, it has provided an opportunity for IT vendors to become more resilient and innovative. In the post-coronavirus world, businesses will undergo a transition, and the biggest gainer could be the IT industry. Many IT companies have digitised all their processes and invested in cutting edge infrastructure and collaboration tools to support their location-independent agile delivery models and secure borderless workspaces.

Businesses mainly those in the services sector like banking & other financial services, education, retail, healthcare, food & grocery delivery – will further embrace technology and automation to better leverage growth. Many organisations, through the rapid adoption of digital transformation, have already embraced cloud and mobility trends. The expanding information technology (IT) industry, along with the rising trend of digitalisation, is one of the key factors that will continue to drive the growth of IT companies.

As the work from home is beginning to become the new normal, more workloads will have to be migrated to the cloud to ensure that businesses can function as usual. Almost all sectors will move towards digitisation and automation, and going forward, digitisation, cloud computing, machine learning, and artificial intelligence will dominate the technology space.

Company Overview

Mastek is a global technology services company offering digital services and software for large public and private enterprises in the UK, US, Middle East, Asia-Pacific and India. Our services are built around unlocking the power of your data, developing and modernising your applications, accelerating your digital advantage and delivering measurable value with Oracle Cloud solutions.

Founded in 1982, Mastek is one of the leading global technology companies, delivering enterprise-level digital transformation services and solutions. Our customers trust us to deliver innovative technology solutions that make their businesses more efficient, competitive and service orientated. From the commercial sector to the public sector, we create, we modernise, and we recover IT projects, and we are consistently delivering game-changing results, exceeding our customers' expectations.

Evosys Acquisition

On February 8, 2020, Mastek Limited acquired Evolutionary Systems Private Limited (Evosys) in a two-stage transaction. The first leg of the transaction involved cash buyout of the Evosys middle-east business by Mastek Arabia FZ LLC for a cash consideration of US$ 64.9 million. Under the second leg of the transaction, rest of the world business which includes India, US, UK and other markets of Evosys will be demerged and consequently merged into Trans American Information Systems Private Limited (100% subsidiary of Mastek Ltd). In consideration of the said demerger, shareholders of Evosys will get ~15% stake in Mastek Limited and Compulsory Convertible Preference Shares (CCPS) equivalent to 30% interest in Trans American Information Systems Private Limited, through the issuance of new shares. Post completion of the transaction; the promoter shareholding will come down to 38.45% in Mastek from existing 45.2%.The shares will be issued subsequent to statutory and regulatory approvals.

This accretive acquisition will allow us to diversify our geographic concentration, leverage the customer acquisition velocity that Evosys brings, and provide an immediate addressable opportunity to increase our share of wallet and deliver more value for our customers. The combined entity will have a stronger portfolio, expanded digital offerings and act as a customer acquisition engine.

Accretive Acquisition

1. **Acceleration in Client Acquisition:** With 1,300 strong serviced global customer-base along with around 100+ customers having more than US$1 billion revenue enables in leveraging Digital Transformation services offered by Mastek through cross-sell and co-sell opportunities.
2. **Entry to New Geographies and Verticals:** With the acquisition, we get access to new industry sectors such as manufacturing, engineering, professional services, and education along with presence in more than ten countries in Mainland Europe, Middle East and Asia -Pacific.
3. **Combined Offerings:** Acquisition enables the combined organisation to offer "Total Digital Transformation" to large and Enterprise customers as a one-stop solution while competing with larger players in the space.

Evosys Profile

Headquartered in Ahmedabad, Evosys was founded in 2006 by Umang Nahata, Ummed Nahata and Rakesh Raman. Evosys possesses 13 years of experience and more than 1,000 Oracle Cloud customers across over 30 countries with 300 plus active customers. It is an Oracle platinum partner for the implementation of ERP (Enterprise Resource Planning), HCM (Human Capital Management) and SCM (Supply Chain Management) suites. With a team of 1,500 people, it caters to customers across healthcare, finance, logistics, manufacturing and distribution companies, in both public and private sectors.

During FY2020, the Company generated US$66.1 million in revenue as compared to US$ 59.7 million last year, at a CAGR 33.7% (FY2017-FY2020). Also, the EBITDA for FY2020 is at US$ 12.4 million with EBITDA margin of 18.6%.*

Our Key Differentiators

1. **Geographical Diversification:** Over three decades, we have built our strong presence in the UK, US and India. With Evosys acquisition, we have diversified our geographic mix to include Europe, APAC and Middle East regions while strengthen customer base in the UK and US. This provides an immediate addressable opportunity for Mastek Digital Transformation services.

2. **Strong Cloud and SaaS model:** The acquisition of Evosys brings in an Oracle Platinum partner that possesses 13 years of experience with more than 1,000 Oracle Cloud customers across over 30 countries. With an exclusive focus on Oracle Cloud implementation and consultancy, we endeavour to provide a gamut of solution offerings like Oracle HCM Cloud, Oracle ERP Cloud, Oracle SCM Cloud, Oracle CX, Oracle EPM Cloud, PaaS solutions (including custom-built solutions), AI, IoT and machine learning.
3. **End-to-end Service Provider:** To deliver digital change to our customers, our services span the end-to-end technology change process from inception to live. Moreover, Evosys' proven business model addresses the in-demand ERP market coupled with our digital service offering and delivery reputation, creates an ideal opportunity for customers to accelerate their digital advantage and extract more value from all their digital assets: current, legacy and future. The acquisitions enable us to provide end-to-end digital transformation and cloud migration services.
4. **Combined Capabilities:** Market data suggests that circa US$20+ Billion in services revenue is generated around Oracle licenses annually. This is concentrated with larger players who offer integrated service and outcome to the customers. Combining the platform implementation capability of Evosys with digital transformation capability of the organic business, Mastek is looking to reposition itself as a New-Gen company that can deliver end to end services and tap into this huge market.

**as per management reporting*

Mastek in the United Kingdom

As per the OECD report, the UK economic growth is projected to remain weak at under 1% in 2020 and 2021 from 1.4% in 2019. Although the prospect of a no-deal Brexit does not persist now, the outcome of UK-EU trade negotiations will determine the extent to which industries are affected. However, IT spend in government space is expected to increase for supporting huge changes in the existing systems and a myriad of new systems that are required to support the UK in post Brexit era.

The UK IT sector continues to be dynamic in adopting technology to impact business, public services and society and is at the forefront of many innovations. As per the Tech Nation report, investments in the UK IT sector surged to £10.1 billion ($13.2 billion) in 2019, marking an increase of 44% over 2018 and the highest level in UK history, mainly driven by the rapid expansion of digital technology growth across the UK regions.

This success is a testament to the UK's business-friendly environment, talented workforce, and longstanding reputation for innovation. Digital Outcome and Specialist (DOS) framework is driving the Digital by Default agenda for UK Govt and Citizens Services. Over the past several years, the UK public sector is fast catching up with most citizen services available online, 24x7, and with improved quality and speed of service. This substantially improves the customer experience and supports massive cost savings. Further, focusing on digitising the healthcare sector, the UK's publicly funded NHS-based health system contributes to the UK being one of the highest shares of publicly funded healthcare (79%) in the OECD. Aligning to the global trend, the IT spend is being repurposed to digital transformation. As a result, the digital spend is growing faster with a corresponding drop in legacy IT spend.

Key Growth Drivers:

There is an acceleration in the digital transformation projects taken up by the UK public sector to bring in efficiency and productivity whilst servicing its customers. Moving away from the traditional legacy projects, there is increasing implementation of digital projects, platform-based services and cybersecurity-related software and services.

The key drivers of the IT spend are on the service quality, user experience and cost-efficiency. As innovations appear in one sector, the customer expectations drive the adoption of these in other sectors. Digital transformation of the business is imperative for sectors such as retail, while for Financial Services and Public sector, improved user experience also leads to increased customer satisfaction. It also leads to cost efficiency as customers are willing to self-serve provided the user experience is effective.

Risks faced by the UK IT Sector

As the COVID-19 response accelerates the speed and scale of digital transformation, a lack of digital skills could jeopardise companies with misaligned talent plans. Even before COVID-19 pandemic, boards ranked digital and technology disruption as their top business priority for 2020 followed by obtaining the talent needed to execute tech transformation. But COVID-19 has escalated digital initiatives into digital imperatives, creating urgent pressure on HR leaders to work with their CEO, CFO and CIO to rethink skill requirements as business models are changing at light speed. Further, there is an added risk with the uncertainty about timing and terms of Brexit on matters such as bi-lateral trade agreements and opening of new departments in UK to handle post-Brexit workload. This will further impact the IT sector at large while generating newer opportunities.

As countries look to ease the restrictions and open their economies, beleaguered retailers have to rapidly adapt to doing business in the COVID-19 world. The COVID-led recession will likely weigh on credit metrics well into 2023 from the combination of lost output and increased debt burdens, threatening corporate solvency. The biggest challenge will be to invest and fund digital transformation while dealing not only with the pandemic, but the accelerated digital disruption most of the sector has endured in recent years.

Business Update

Mastek is registered on the UK public sector frameworks such as G-Cloud, and Digital Outcomes and Specialist (DOS). These are new and easier routes to market, adopted by the government for all digital transformation programmes. Through these frameworks, Mastek continues to serve major departments in delivering critical national infrastructure projects such as Home Office Biometrics, Immigration Platform and the National Health Service's 24x7x365 Care Identity System. Services including Application Development, DevOps and Data Services continues our long heritage of implementing successful transformational IT. To this prestigious list, we have now added customers such as the Ministry of Defence, and NHS Business Services Authority.

In the retail sector, we continue to serve our marquee customers across service lines encompassing Application Development, BI & Consulting to Testing and Maintenance. Repeat business continues to be a strong pillar supporting annual growth. We will continue to build on a strong foundation bringing new services to this sector in the coming year.

Mastek derives 72% of its group revenues from the UK. Despite market headwinds such as delayed commissioning of investment due to Brexit and Coronavirus impact, we have maintained the growth momentum.

The UK operations contributed ₹ 77,240 lakhs in total operating revenue for the year FY2019-20, reflecting growth of 1.2%. UK business grew by 2.4% on a constant currency basis.

Mastek in the United States

The US continues to be the largest tech market in the world, presenting huge growth opportunities to IT companies with solutions capabilities.

Over the last few years, the global digital commerce market has grown significantly and continues to evolve and experience high growth across the globe. Rising preference of consumers towards online shopping is propelling the demand for digital commerce globally.

As per 451 Research Agency - Global Unified Commerce Forecast, the digital commerce transactions are expected to grow globally at more than a 20% CAGR touching US$ 5.8 trillion by 2022. By then, more than 17% of business-to-consumer (B2C) sales across the globe will occur online.

As digital commerce helps organisations generate revenue through digital channels, retailers are incorporating mobile commerce and mobile payments to compete in the market. Retail digital transformation means experiencing two important shifts – one is technological, and the other is consumer behaviour and preferences. In short, rapidly shifting consumer behaviour, fast-changing technologies and challenging competitive dynamics are the main factors disrupting the industry, hence thriving for digital transformation.

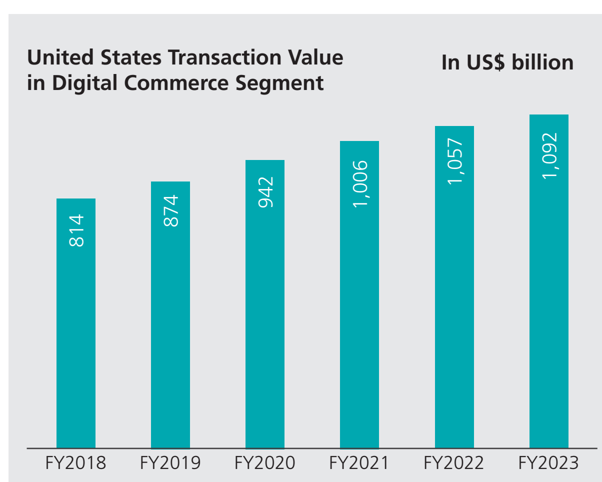
In future, all types of businesses, particularly those operating in the brick & mortar realm today are required to adopt the necessary strategies to meet their customers at the myriad digital touchpoints where they are increasingly looking to conduct commerce. As digital commerce is growing around 6x the rate of in-store sales through 2022, it is more than apparent that a well-executed digital transformation strategy will be a hallmark of long-term, sustainable growth in commerce.

Digital Transformation in the US Retail Sector

According to the National Retail Federation (NRF) report, in 2019 the US retail sale grew by 3.7% to US$ 3.8 trillion, and it is expected to grow between 3.5% & 4.1% to US$ 3.9 trillion by 2020. This is despite the headwinds of a lingering trade war, the COVID-19 outbreak and an upcoming presidential election. The retail industry group cited steady wage growth, lower interest rates, and strong consumer confidence to support its forecast. However, the given projection assumes that the pandemic will start fading its impact during the second half of 2020. Moreover, the report also stated that the business confidence and retail sales for the year 2020 could be hit if factory shutdowns continue in China, especially if the delivery of holiday season merchandise is affected.

As per Statista.com, US transaction value in the Digital Commerce segment is expected to be at US$ 942,252 million in 2020 and witness a CAGR growth of 5% from 2020 to 2023 resulting in the total amount of US$ 1,092,012 million by 2023.

Further, in the Digital Commerce segment, the number of users is expected to grow to 307.3 million by 2023. The average transaction value per user in the Digital Commerce segment is projected to be at US$ 3,358 in 2020.



The retail industry is continuing to experience digital transformation, which is evidenced with the fact that in 2019 around 9,302 US retailers closed physical stores, a 59% jump from 2018. Bankruptcies in the retail sector intensified this year, and many struggling chains cut stores that led to a spike in closings.

In coming years, more stores are expected to close as online shopping continues to replace in-store purchases. High debt levels and rent have also burdened traditional retailers. The retail apocalypse will continue to threaten brick-and-mortar formats resulting in more store closures by traditional retailers. However, it will be offset by the expanding retail footprint of direct-to-consumer brands and other niche retailers better positioned to thrive in this environment.

Retailers are increasingly adopting digital technologies such as AI, IoT, AR and cloud to improve visual search engine capabilities. This helps them in offering an omnichannel experience to customers by narrowing the gap between online and offline shopping experiences. Continued investment in Customer Experience, e-commerce sales are expected to grow in the range of 12% -15% to touch US$ 870.6 billion - US$ 893.9 billion in 2020.

The COVID-19 pandemic is rapidly accelerating the transition to digital commerce. As consumers are being asked to practice social distancing, e-commerce orders for groceries and other essentials have become a survival tool for the Americans. As per mobile application tracking company, Apptopia, the average daily downloads for popular digital grocery apps Instacart, Walmart Grocery and Shipt have surged since February 2020.

Retailers today are adopting the BOPIS (Buy Online, Pick Up in Store) model to meet customer expectations and are understanding the importance of enabling BOPIS to eliminate the pains of shipping and processing while delivering a convenient shopping experience. Consumers are buying products online and picking them up in stores at more than four times greater volume than prior to the pandemic, according to new research from e-commerce platform provider Kibo Commerce. It is expected that retail innovations will reshape physical retail. Brick-and-mortar is amidst a radical transformation as it transitions from an inventory led environment to a more frictionless, experiential environment. Emerging trends like cashier-less checkout, pop-up stores and data-driven merchandising are causing retailers to reimagine the retail experience for modern consumers.

This trend is transforming the overall retail industry and thus opening a new door for the IT industry. The retailers are restructuring their business to remain competitive in today's digital and online shopping age where consumers choice is changing rapidly. They are going to market by incorporating more intuitive, technology-driven user experiences.

23%

Total US Revenue

Business Update

Increase in digital commerce pie in the US, coupled with retailers restructuring their businesses creates a huge opportunity for companies like Mastek to grow. We can facilitate the digital transformation of retailers, help them deliver superior user experience and user interface, manage their legacy IT Infrastructure and help deploy new-generation technologies for better supply chain, inventory management and customer satisfaction.

In the United States, Mastek provides end-to-end solutions to financial and retail organisations using its unique agile-based Adapt 2.0 methodology. Mastek entered the US geography in 2016 by acquiring TAISTech, an IT services company specialising in implementation and support for Oracle Commerce (ATG and Endeca) and Oracle Commerce Cloud (OCC). TAISTech has an impeccable delivery track record that ensures high customer advocacy and retention rate compared to industry standards.

TAISTech was rebranded to Mastek Americas in FY2019-20. This was done to drive the wider digital transformation offering including digital commerce services to our customers. The rebranding was initiated under the Company's ONE Mastek vision and provided Mastek Americas with an expanded set of offerings to create the next generation of digital solutions that both B2C and B2B organisations need to compete and win in the user experience driven economy. Beyond Commerce Transformation, the services portfolio now includes Digital Strategy, Platform Development, Data & Analytics, and Automation.

Further, the Company is leveraging its Digital Commerce customer base to expand service offerings in areas of Business Intelligence & Analytics, Quality Assurance Automation and Robotic Process Automation, thus enabling clients to user experience a full spectrum of digital transformation services.

Evosys acquisition provides a larger customer base, and combined service offerings enable the geography to grow on the back of larger wallet share with existing customers through cross-selling and unfolds significant opportunity to co-sell.

In FY2019-20, the US operations contributed ₹ 24,886 lakhs in total operating revenue, i.e. 23% of the total revenues of Mastek, reflecting degrowth of 1.5% year on year. US business degrew by 3.1% on a constant currency basis.

The Company sees significant momentum going forward in Retail and Digital Commerce space, as the retail market is transforming its operations from Brick and Mortar model to Click and Ship model.

Mastek in APAC & MENA

Health, Manufacturing, Professional Services both in public an private sectors are facing significant technology-led disruption in their industries. Growth now depends on the ability to continuously adapt to rapid change in both technological possibilities and customer expectations. To shape and maintain APAC's leading position in the industrial future, today's enterprises must continue to adapt, innovate, and reinvent their businesses. They must manage a series of disruptive and converging "megatrends" – everything from accelerating consumer demand for electric and connected vehicles to the Industry X.0 revolution in industrial processes being driven by machine learning, real-time connectivity, smart robots, and more.

In APAC this transition is well underway, fuelling a disruptive innovation boom across the region. Industrial companies are undergoing extremely rapid digital transformation, adding US$1.16 trillion to APAC GDP and boosting annual growth rates by 0.8%.[9] The region is also a hotbed of industrial robotics innovation, with China, Japan, and South Korea the largest three global markets (Korea having the highest "robot density" of any country in the world). In addition, half of all APAC manufacturers are expected to have smart factories within three years. Government policy and support across the region is another key factor. APAC authorities are facilitating free-trade reforms to support cross-border industrial ecosystems, including the Regional Comprehensive Economic Partnership (RCEP): a proposed agreement between ten ASEAN countries and six other APAC states. Similarly, Japan has recently signed a new trade agreement with the European Union.

In the enterprise sector, organisations are increasing their spending on software, which continues to be the fastest growing sector in 2019. Software and IT services are projected to exhibit the strongest growth in 2019, with an 11.5% and 7.5% increase year over year respectively. Most organisations in the MENA region are paying off years of technology deficits, and implementing software systems that standardise and automate existing business processes. Only a few leading local organisations are overcoming technology hurdles, and moving more quickly toward artificial intelligence and digital business systems, and participation in digital business ecosystems.[10]

Business Update

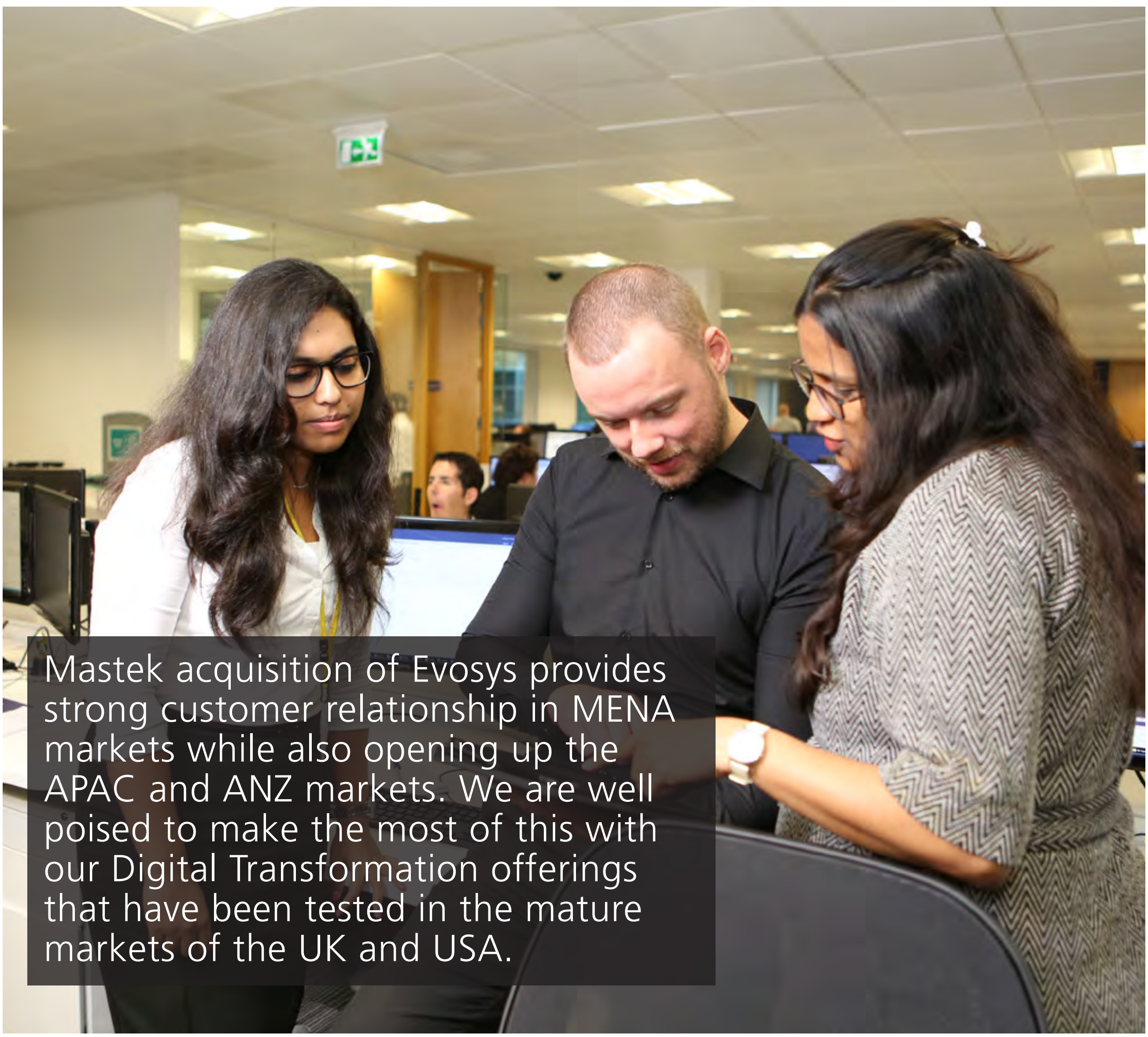
Our operations from Middle East, APAC including Australia and India contributed ₹5,022 lakhs, representing 4.7% of the total operating revenue in FY2020 IT Industry is poised to play a pivotal role in Digital Wave in these regions. With significant Millennial Population and the ability to scale to cater to the digital demand, they will be the powerhouse across both demand and supply side. Mastek is poised well to make the most of this phase with its Digital Transformation offerings that have been tested in the mature markets of the UK and USA.

Mastek acquisition of Evosys provides deep roots and strong customer relationship in MENA markets while opening up the APAC and ANZ markets. Evosys was founded in 2006 and grew significantly in Middle East to contribute circa ₹17,046 lakhs in FY2019-20. They have successfully implemented and supported Oracle ERP, HCM, SCM, EPM, CX, PAAS, both on-prem and cloud migrations, to the customers in Government, Public and Private organisations encompassing varied sectors including professional services, healthcare, financial services, engineering & construction, manufacturing and many more.

[9]IDC Report - Unlocking the Economic Impact of Digital Transformation in Asia Pacific
[10]Gartner - IT Spending Outlook for MENA - 2019

Company's Service Lines and Performance

Service Lines	Year ended March 31, 2020		Year ended March 31, 2019	
	₹ in Lakhs	% of Revenue	₹ in Lakhs	% of Revenue
Application Development	45,464	42.4%	48,917	47.3%
ERP and Cloud Migration	8,694	8.1%	-	-
Digital Commerce	22,453	21.0%	23,914	23.1%
Application Support & Maintenance	17,495	16.3%	14,394	14.0%
BI & Analytics	8,230	7.7%	8,899	8.6%
Agile Consulting	1,842	1.7%	3,109	3.0%
Assurance & Testing	2,970	2.8%	4,088	4.0%
Total	**107,148**	**100.0%**	**103,321**	**100.0%**



Mastek acquisition of Evosys provides strong customer relationship in MENA markets while also opening up the APAC and ANZ markets. We are well poised to make the most of this with our Digital Transformation offerings that have been tested in the mature markets of the UK and USA.

Company Business Geographies and Performance

Geographies	Year ended March 31, 2020		Year ended March 31, 2019	
	₹ in Lakhs	% of Revenue	₹ in Lakhs	% of Revenue
UK & Europe	77,240	72.1%	76,361	73.9%
USA	24,886	23.2%	25,275	24.5%
Middle East	2,354	2.2%	-	-
Rest of the World	2,668	2.5%	1,685	1.6%
Total	**107,148**	**100.0%**	**103,321**	**100.0%**

The UK & Europe operations contributed ₹ 77,240 lakhs in total operating revenue for FY 2019-20 as compared to ₹ 76,361 lakhs for FY 2018-19, resulting in an increase of 1.2%. UK & Europe business grew by 2.4% on a constant currency basis.

USA operations contributed ₹ 24,886 lakhs in total operating revenue for FY 2019-20 as compared to ₹ 25,275 lakhs for FY 2018-19, resulting in degrowth of 1.5%.

Middle East operations contributed ₹ 2,354 lakhs in total operating revenue for FY 2019-20. It is a new sector through the acquisition of Evosys during FY 2019-20.

Revenue from Rest of the World (ANZ, APAC etc.) is ₹ 2,668 lakhs for FY 2019-20 as compared to ₹ 1,685 lakhs for FY 2018-19, increasing by 58.3%. The increase is primarily driven by the acquisition of Evosys for part of the year.

Financial and Operational Performance Overview

Financial Performance Review

For the year ended March 31, 2020, the financial and operational performance in terms of revenue and profits saw good growth.

Financials

On a consolidated basis, the Group registered total operating revenue of ₹ 107,148 lakhs for the year ended March 31, 2020, as compared to ₹ 103,321 lakhs in the year ended March 31, 2019, which is an increase of 3.7%. The Group registered a net profit of ₹ 11,381 lakhs for the year ended March 31, 2020, as compared to ₹ 10,147 lakhs in the year ended March 31, 2019, thereby registering an increase of 12.2%.

Profitability

During the year ended March 31, 2020, the Group earned a profit of ₹ 11,381 lakhs as compared to ₹ 10,147 lakhs for the year ended March 31, 2019. The profits for the financial year ended 2019-20 witnessed growth on account of the following:

a. Productivity and other operational improvements and;

b. Profitable growth across geographies and accounts and;

c. Better management of variable cost structure and profitability levers

Balance Sheet

Assets

1) Property plant and equipment

Tangible assets including investment property as at March 31, 2020, were ₹ 7,618 lakhs as compared to ₹ 4,555 lakhs in the previous year. Variance is explained as below:

- Gross additions ₹ 4,723 lakhs and deletions of ₹ 38 lakhs towards Computer, furniture & fixtures and office equipment
- Depreciation charge of ₹ 1,688 lakhs
- Foreign Exchange translation adjustment (net) of ₹ 66 lakhs

2) Other intangible assets and Goodwill

Intangible assets and Goodwill as at March 31, 2020, were ₹ 78,056 lakhs as compared to ₹ 12,184 lakhs in the previous year. Variance is explained as below:

- Gross additions of ₹ 65,011 lakhs which is primarily due to Goodwill and Intangibles generated through the acquisition of Evosys.
- Depreciation charge of ₹ 825 lakhs
- Foreign exchange translation including other adjustments (net) of ₹ 1,686 lakhs

3) Non-current financial assets

A) Investments

The non-current investment comprises of Investment in Majesco USA (quoted), Investment in Mutual Funds, Bonds and Fixed deposits. Investment in Majesco USA as at March 31, 2020, were ₹ 8,338 lakhs as compared to ₹ 24,596 lakhs in the previous year; reduction driven by partial sale during the year and fair valuation of investments bases on Market price as on the closing day. Investment in Mutual funds and Bonds as at March 31, 2020, were ₹ 3,708 lakhs and ₹106 lakhs respectively. Investment in Fixed deposits as at March 31, 2020, were ₹ 30 lakhs.

Under Ind AS 109, financial assets designated at fair value through other comprehensive income (FVTOCI) are fair valued at each reporting date with changes in fair value reported through Other Comprehensive Income (OCI).

B) Loans and Other Non-current financial assets

The loans and other current financial assets as of March 31, 2020, were ₹ 649 lakhs as compared to ₹ 328 lakhs in the previous year. Movement is on account of margin money deposits with banks against the issuance of performance bank guarantee for certain contracts.

4) Other non-current assets

The other non-current assets as of March 31, 2020, stood at ₹ 119 lakhs as compared to ₹ 64 lakhs as at March 31, 2019. The difference is primarily on account of advances against services to be received or consumed.

5) Income Tax Assets/Liabilities

The current Income-tax assets balance as of March 31, 2020, was ₹ 1,221 lakhs as compared to ₹ 1,087 lakhs in the previous year. The income tax assets represent corporate tax. The current Income Tax liabilities balance as of March 31, 2020, was ₹ 1,266 lakhs as compare to ₹ 1,245 lakhs in the previous year. Current income tax liabilities represent estimated income tax liabilities relating to overseas geography.

6) Deferred Tax Assets/Liabilities

Deferred tax assets as at March 31, 2020, were ₹ 3,776 lakhs as compared to ₹ 3,672 lakhs in the previous year. Deferred taxes assets primarily comprise deferred tax on property plant and machinery, compensated absences, compensation to employees and provision against doubtful debts. Deferred tax liabilities were ₹ 1,473 lakhs as compare to ₹ 2,078 lakhs in the previous year. Deferred tax liability primarily comprises of undistributed profit of subsidiaries, the fair value of investments and cash flow hedge.

The Company aligned the delivery organisation to focus on improving the overall productivity and efficiency levels within projects.

7) Current financial assets

A) Investments

Investments comprised of unquoted mutual fund units and fixed deposits. The Investments balance was ₹ 15,376 lakhs as at March 31, 2020, as compared to ₹ 11,396 in the previous year. Under Ind AS, financial assets and financial liabilities designated at fair value through profit and loss (FVTPL) are fair valued at each reporting date with changes in fair value recognised in the statement of profit and loss.

B) Trade receivable

Trade receivables as at March 31, 2020, stood at ₹ 31,572 lakhs as compared to ₹ 20,849 lakhs in the previous year. Days sales outstanding was 104 compared to 72 days in the previous year.

C) Cash and cash equivalents

The cash and Bank balance as on March 31, 2020, was ₹ 22,097 lakhs as compared to ₹ 9,339 lakhs in the previous year. The difference was primarily on account of net cash generated from operations.

D) Loans and other current financial assets

The loans as of March 31, 2020, was ₹ 218 lakhs as compared to ₹ 46 lakhs in the previous year. The other current financial assets were ₹ 2,276 lakhs as compared to ₹ 1,863 lakhs in the previous year. The increase was majorly driven by margin money deposited against performance guarantee issued for certain contracts and rent receivables.

8) Other current assets

Other current assets were at ₹ 14,913 lakhs as at March 31, 2020, as compared to ₹ 4,947 lakhs in the previous year. The increase was driven by unbilled revenue, input tax credit receivables and prepaid expenses.

Equity and Liabilities

9) Total Equity

We have one class of share- equity share capital of par value ₹ 5 each. The issued, subscribed and paid-up capital stood at ₹ 1,214 lakhs as at March 31, 2020, which was ₹ 1,199 lakhs in the previous year. The Company has allotted 3,16,669 shares under employee's stock options plans during the financial year.

10) Non- current financial liabilities

A) Borrowings

The non-current borrowings as of March 31, 2020, were ₹ 24,085 lakhs as compared to ₹ 6,921 lakhs in the previous year. The increase is on account of term loan taken during the year to partially fund acquisitions during the year.

B) Other financial liabilities

The other financial liabilities as of March 31, 2020, was ₹ 22,546 lakhs as compared to ₹ 3 lakhs in the previous year. The increase is on account of lease liability accounting as per INDAS 116 and fair value of put option written on minority shareholding in one of the subsidiaries.

11) Provisions

The long-term provision balance as of March 31, 2020, was ₹ 2,536 lakhs as compared to ₹ 1,166 lakhs in the previous year. The increase is driven by higher employee base and related employee benefits as part of the acquisitions during the year.

₹22,097 lakhs

Cash and Cash Equivalents

12) Current financial liabilities

A) Borrowings

The current borrowings as of March 31, 2020, were ₹ 7,480 lakhs as compared to Nil in the previous year. The increase was due to working capital borrowings during the year.

B) Trade payables

The trade payables as at March 31, 2020, were ₹ 10,539 lakhs as compared to ₹ 948 lakhs in the previous year. The increase is primarily due to acquisitions made during the year.

C) Other current financial liabilities

The other current financial liabilities as of March 31, 2020, were ₹ 17,000 lakhs as compared to ₹ 10,550 lakhs in the previous year. The increase was on account of lease liability as per Ind AS 116 adoption, current portion of long term debt, higher expenses and employee benefits payable.

13) Other current liabilities

The current liabilities as of March 31, 2020, were ₹ 9,480 lakhs as compared to ₹ 3,565 lakhs in the previous year. The increase was due to customer advances and higher statutory dues payable.

14) Provisions

The short-term provision balance as of March 31, 2020, is ₹ 1,084 lakhs as compared to ₹ 575 lakhs in the previous year. The difference is on account of the actuarial valuation of employee benefits.

Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more) as compared to the immediately previous financial year) in key sector-specific financial ratios.

The Company has identified the following ratios as key financial ratios:

Particulars	Consolidated	
	FY 2019-20	FY 2018-19
Revenue Growth (%)	3.7	26.4
Net Profit Margin (%)	10.2	9.6
Operating Profit Margin (%)	14.5	12.7
Debtors Turnover (No. of days)	81	72
EPS Basic (₹)	45.2	42.6
Return on Equity (%)	14.6	16.0

Details of ratios where there has been a significant change from FY 2018-19 to FY 2019-20:

On a consolidated basis, operating revenue increased by 3.7% to ₹ 107,148 lakhs for the year ended March 31, 2020, from ₹ 1,03,321 lakhs in the previous year. This increase is on account of consistent performance across geography and acquisitions during the year.

Group net profit increased by 12.2% to ₹ 11,381 lakhs for the year ended March 31, 2020, from ₹ 10,147 lakhs in the previous year. This represents 10.2% and 9.6% of the total income for the years ended March 31, 2020, and March 31, 2019, respectively. This also resulted in an increase in basic EPS to ₹ 45.2 for the year ended March 31, 2020, from ₹ 42.6 in the previous year.

During the year, on a consolidated basis group earned operating EBITDA of ₹ 15,536 lakhs representing 14.5% of operating revenue, compared to ₹ 13,154 lakhs representing 12.7% of operating revenue, during the previous year. Improvement in operating margins driven by improved productivity, better utilisation, effective management of bench and change in business mix.

Return on equity is computed as net profit by average net worth where average net worth is adjusted for the timing of substantial and one-off event during the year. Net profit increased to ₹ 11,381 lakhs for the year ended March 31, 2020, from ₹ 10,147 lakhs in the previous year.

Operational Review

High-quality operational delivery has always been a core attribute at Mastek. The Company aligned the delivery organisation to focus on improving the overall productivity and efficiency levels within projects.

This year saw strengthening of our management team with induction of the Head of Americas and Chief Business Officer. Despite the challenges in the macro-economic environment, we managed our cost, invested in the business and grew YoY.

Update on Board of Directors:

The Mastek Board currently has 6 members, of which 4 are Independent Directors, and the remaining 2 are Promoter Directors.

Update on Management:

On June 04, 2019, Mastek appointed Mr. Raman Sapra as President of Mastek Americas. He has joined the Mastek Executive Committee and will be responsible for driving growth in the US market, which Mastek re-entered two years ago through the acquisition of TAISTech Inc. Mr. Raman will be based out of Mastek America's HQ in Dallas. He has more than 20 years of experience in IT sales and Digital Services and Healthcare.

Mr. Raman was Executive Vice-President and General Manager, Digital Services in Sasken Technologies. Previous to that, he held senior positions at Dell Services and Wipro and has a proven track record building large scale businesses with tier one customers.

On February 08, 2020, Mastek Limited acquired Evosys and consequence to which complete executive team of Evosys led by Founder and CEO Umang Nahata and Co-Founder and COO Rakesh Raman became the part of Mastek group.

People Strength:

As on March 31, 2020, the Group had a total headcount of 3,404 as compared to 2,069 employees at the end of March 31, 2019. Of this, 2,229 employees were based offshore in India while the rest were at various onsite locations.

Dividend:

The Board of Directors had declared and paid a second interim dividend of ₹ 5 per share during the quarter ended March 2020. This interim dividend, together with the first interim dividend of ₹ 3 per share results in total Dividend for the year to 160% (₹ 8 per share).

COVID-19 Impact

Unprecedented health crisis triggered by COVID-19 has culminated into a global economic crisis. It has impacted all the sectors in varying degrees. While the Healthcare sector has had a positive impact due to obvious reasons, the Travel, Hospitality & Retail sectors had significant negative impact. Mastek businesses have also had an impact, albeit in varying degrees, across the geographies and verticals.

UK Public Sector: Political certainty post elections in December 2019 and directional clarity on the Brexit has helped the sector immensely. Decision making is back, which has resulted in business momentum. The sales pipeline is robust, and we have multiple opportunities to pursue existing and new customers. Payment and cash flow are steady from this sector. However, cost pressures are expected in the coming quarters as Government looks to optimise its spend. This will present wallet share opportunities.

UK Private sector: Retail and Financial Services customers reacted immediately with a reduction in their discretionary spend. This led to partial ramp down across multiple customers and deferment of the sales opportunities to later part of the year. Customers are revisiting their operating model and looking to reduce their operating spend leading to enquiries for automation and offshoring of work.

US: Mastek in the US is entirely focused on the Retail sector through its digital commerce capability. The impact was sharp and immediate with customers standing down the team, delaying the projects, followed by requests for a price reduction and longer credit period. However, Mastek has seen vendor consolidation opportunities and spend towards in-store sales support to facilitate returning customers and COVID-19 norms. The new Sales team is corralling the market and customer base for new opportunities.

During the year, the Company acquired Evosys, which allowed Mastek to diversify its geographic concentration, leverage the customer acquisition velocity that Evosys brings and provides and immediate addressable opportunity to increase it's share of wallet and deliver more value for customers.

ERP and Cloud Migration (Evosys): This business has shown greater resilience both in sales and delivery. The pipeline is robust with a healthy conversion rate in all the major markets. Initially, project go-live was delayed as clients were facilitating their workforce with remote working. However, customers resumed the project implementation, and we have seen the acceptance of remote delivery. We see higher onshore hiring in the intermediate-term till air travel normalises. COVID-19 has accelerated the digital transformation of the organisation and adoption of the Cloud solutions.Cloud-based solutions and infrastructure is the way to support work from home/ work from anywhere, and Evosys is accelerating that transition by helping customers move to cloud.

We have enabled 100% of our workforce to work remotely in record time. In the first 30 days, Mastekeers had attended or hosted 24,000+ meetings over MS Teams and/or WebEx. IT infrastructure and Cyber Security parameters have been enhanced to ensure the integrity of deliverables while working from home.

Business Outlook

Mastek delivered another year of steady financial performance driven by UK Public Sector growth, disciplined execution and proactive cost management. Despite the market headwinds caused by the BREXIT and other geopolitical issues during the fiscal year, the Company maintained its overall growth momentum. The year saw monetisation of non-core assets and acquisition of Evosys. Here onwards, Mastek sees its growth hinged on four factors viz. UK Public Sector, Oracle implementation and Cloud Migration (Evosys), Private Sector businesses and Cross-Sell opportunities emanating from legacy Evosys clientele. Mastek is committed to making continuous investments to secure its market share and growth from these avenues.

The IT industry is continuously witnessing digital transformation led by advanced tools and technologies resulting in the lesser growth from traditional legacy services and generating new, digital and platform-based services opportunities for service providers like Mastek.

During the year, the Company acquired Evosys, which allowed Mastek to diversify its geographic concentration, leverage the customer acquisition velocity that Evosys brings and provide an immediate addressable opportunity to increase its share of wallet and deliver more value for customers. The successful sell-with partnering model that Evosys operates will help scale the combined businesses faster than traditional direct route to market.

The cloud services market continues to grow faster than traditional IT segments and is often the starting point for many company's digital transformation journey. With Evosys' proven business model addressing the in-demand ERP market, which leverages unique IP coupled with Mastek's bespoke service offering and delivery reputation creates an ideal opportunity for customers to accelerate their digital transformation and extract more value from all their digital assets, i.e. current, legacy and future.

Vision 2020, which successfully concluded in March 2020, provided the much-needed focus and discipline to grow business and provide better financial performance and transparency to Mastek's stakeholders. The Company is well-positioned in its core markets to capitalise on these future growth opportunities sans the near term impact of the pandemic.

Risks and Mitigation Strategies

Enterprise Risk Management

Enterprise Risk Management (ERM) framework at Mastek is designed to address and respond to various risks or potential threats that pose against Mastek and the business of Mastek. Given the complexities brought in by Mastek's diversified business, ERM framework plays a vital role in achievement of its strategic and business objectives. This framework is driven through a strong risk management culture and focusses on the risk identification, risk assessment and monitoring, mitigating actions, governance and reporting structure at corporate, business, functional and regional levels.

Risk Governance

The success of a Company is dependent on how it manages the risk inherent in the business. The Company operates in a highly competitive segment, which is widely affected by the various external and internal risks. Thus, to minimise the effect of such risks, the Company has put in place a strong risk governance model to ensure risk management. The ERM framework is approved by the Governance Committee of the Board and is executed through the business, functional and geographical teams.

- Identification and management of risk at micro, macro, functional, geographic, strategic and operational levels;
- Setting strategy and process for managing the identified risk;
- Implementing risk management process with the proper understanding of the risk and monitoring mechanism;
- Driving risk awareness within the organisation including appropriate training; and
- Periodic updates and reviews by local entity Boards and Mastek Board.

Driving risk management

Accountability is a key aspect of the ERM framework. Each risk owner including the Business Unit heads are responsible for:

- Providing support and guidance 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 beginning when the projects are conceptualised and /or commissioned;
- Ensuring compliance with the risk management procedures; and
- Periodically review risk register at geography and unit/ functional level followed by an update to the Governance Committee of the Board.

Key Business Risks

Mastek provides a diverse array of services, and there are multiple factors that could affect its future performance. Following are some of the key risks:

Macro-economic risks

The unprecedented Covid-19 pandemic has affected the industries and Mastek is not an exception. Company's business may be adversely affected owing to the direct impact to few clients and indirect effect on others due to sharp slowing down of major economies. Political tensions with worsening economic conditions may continue to impact the business of the Company. Falling oil demand has greatly reduced the growth projections for major oil producing countries in MENA region. Threat to global mobility owing to visa restrictions further aggravated by Covid-19 in key markets could lead to project delays and increased costs. Considering the nature of the business, the volatility in foreign currency exchange rates could have a negative impact on the Company's performance. However, on the back of continuous improvement of business efficiencies and sharpening focus on key client industries, Company is expected to improve its competitiveness and delivery.

Strategic risks:

This is an era of disruption. The Company is prone to a significant and unfavourable shift in returns on capability investments due to change in industry or customer preferences. The Company is further prone to the risk of innovation or change in the business or product portfolio mix of its customers. These risks are partially offset by Mastek's relationship with its customers at multiple levels and understanding of factors implementing business life cycle of its customers.

M&A related risk:

A merger or acquisition involves multiple moving parts. New stakeholders, cross country regulations, different cultures and the need to work seamlessly adds to the complexity and the associated risk of limited integration or extraction of value. Mastek pursues such deals in a comprehensive manner, addressing the identification, agreement and closing through stringent diligence and valuation criteria and managing the post-closing integration through effective planning, execution and with high standards of corporate governance practices.

Competition-led risks:

The Company operates in a multi-vendor environment. Its business faces risk of 'consolidation' with other vendors if customers are looking for single sourcing or vendor consolidation. Business is further at risk due to innovation and disruption brought in by the competition. These risks are partially offset by strong domain expertise, robust delivery capabilities, and significant project experience.

Dependence on key personnel:

Employee attrition and/or constraints in the availability of skilled human resources could pose a challenge to any services company. The Company believes that human capital is the key to its success and has initiated multiple steps for overall development and retention of its employees. Company encourages entrepreneurship culture within the organisation and offer new challenges and opportunities for our employees. significant investments have been made in recruitment and training procedures to enable self-learning and certification tool to increase employability. Mastek continuously endeavours 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 strategic customer 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 its customers. In most cases, it is involved with the customers planning initiatives, thereby addressing any risks arising out of client concentration.

Contractual, execution and delivery related risks:

The Company faces delivery and execution risk arising out of changing customer requirement, comprehension of those requirements and timeliness of the response. Any inability to adhere to delivery timelines or requisite quality can adversely affect our relationship with the customer. Any termination or modification of contracts and non-fulfilment of contractual obligations by clients due to their own financial difficulties or changed priorities or other reasons can expose the Company to operational risk. Mastek has strong operational review and quality check mechanisms in place to mitigate such risks. In addition, independent Customer Satisfaction Surveys covering all the aspects of customer interaction.

Cyber Security risk:

Cyber-attacks risk are looming forever. It can cause reputational damage, significant business loss to customers, penalties and legal and financial liabilities to Mastek in addition to impact on business operations. At Mastek, we make continuous investment to upgrade our security infrastructure. This includes endpoints solution (on desktops/ laptops and servers) with enhanced threat monitoring and controls including Live Malware Protection, Deep Learning malware detection, Exploit Prevention, Potentially Unwanted Application (PUA) Blocking, Automated Malware Removal, Malicious Traffic Detection, Ransomware File Protection (CryptoGuard), Download Reputation, Peripheral Control (e.g. USB). We also carry out periodic testing to ensure effectiveness through vulnerability assessment and penetration testing, data backup, strict access control, enterprise-wide training and awareness programme on information security, data leak prevention tools, review and implementation of stringent security policies and procedures, etc.

Litigation risk:

Considering the scale and geographic spread of the operations, litigation risks can arise from commercial disputes, employment-related matters and perceived violation of intellectual property rights, etc. It poses reputational risk in addition to incurring legal cost and the distracting management from business focus. At Mastek, we have inhouse legal counsels and network of reputed global law firms in countries of operations to assist the Management team with any potential and real litigations. We also have a mechanism to track and respond to notices and defend ourselves in all claims and litigation. We continuously strengthen our internal processes and controls to ensure compliance with Contractual obligations, information security and protection of intellectual property to avoid litigation.

Data protection risk:

Protection of personal data continues to attract greater scrutiny by the regulators on the back of extra-terrestrial laws like GDPR in Europe, Data Protection Act in UK, and CCPA in state of California in US. These legislations carry severe consequences for non-compliance or breach and violation of data protection laws or security breaches can result in substantive liabilities, fines or penalties and reputational impact. Company has various controls in place governed under data privacy policies covering applicable laws and geographies. Policy framework ensures technology controls, training and awareness of staff when working with privacy data to foster a responsible culture, review and negotiations of vendor contracts to support compliances, implementation and maintenance of data transfer agreements, and periodic reviews and audits to assure compliance.

Human Resource Management

At Mastek, we believe that our people are at the core of our inspirational growth agenda. We are committed to creating opportunities for Mastekeers at every turn and it reflects in our policies, engagement activities, initiatives, and conducive environment that empowers every Mastekeer, irrespective of their race, color, gender or background. FY 2019-20 was an eventful year for Mastek that started on a celebratory note with Mastek's 37th birthday, followed by numerous events & initiatives and acquisition of Evosys that added 1,300+ new Mastekeers to the Mastek family. Towards the end of the fiscal, the unprecedented public health crisis posed a novel challenge of enabling 100% Work-from-home (WFH) with continued productivity. With strategic planning and effective execution, we successfully transitioned all 3,400+ Mastekeers from a work-from-office environment to work-from-home set-up with 100% productivity.

FY2019-20 was an eventful year for Mastek that started on a celebratory note with Mastek's 37th birthday, followed by numerous events & initiatives and acquisition of Evosys that added 1300+ new Mastekeers to the Mastek family.

In the beginning of the fiscal, the UK government recognised Mastek's contribution to the UK tech economy and commended our £12m digital skills programme for graduates in the UK. We trained 37 graduates in the UK and 52 in India and provided them hands-on experience on live projects to prepare them for the IT industry. We continued to provide world-class learning opportunities to Mastekeers globally with our various digital learning programs, such as the Full Stack Foundation Program which is completely online and very popular among Mastekeers. We continued with our tradition of honoring long-term Mastekeers and more than 150+ loyal Mastekeers with at least 5 years of tenure at Mastek were felicitated. To streamline the promotion process and align it with industry benchmarks, the promotion cycle was changed from a bi-annual to an annual cycle. We continued to focus on balancing the diversity ratio, hiring through reference & social media, organising hiring drives for women candidates, and wherever possible, filling positions internally. Mastek Engagement Survey was conducted through Gallup to gauge the progress made since the last survey in 2019 and the efficacy of the action plans. Throughout the year, we provided many avenues to Mastekeers for enhancing their physical, emotional, financial and social wellbeing, and more than 83% Mastekeers in India contribute for a social cause through our unique payroll giving programme.

Information Technology

The COVID-19 pandemic created a business mayhem in the month of March-2020 with lot of uncertainties. As over 70% of our human resources were dependent on desktops, there was need to quickly support them by providing technology access to start work from home effectively. To ensure smooth transition for our people, we did the following:

a. Proactive and thoughtful decisions taken to maintain peace amongst various teams and establishing systems to reduce the impact on IT infrastructure security.

b. Look for all options to purchase/lend the laptops.

c. Alternative methods to quickly build laptops securely.

d. Built additional VPN channels to support increasing requirement of VPN connectivity.

e. Upgraded Mastek IT Infrastructure to support increasing number of work from home personnels.

f. Provided cost optimised MS Teams solution as a enterprise communication channel. We have witnessed average 20,000 meetings per month.

Mastek has also enhanced security to protect its infrastructure from threats. Following are the key enhancements

a. Web Security: Feature designed to prevent threats from reaching the web browsers through the internet.

b. Web Control: Block high risk category websites on Mastek desktops and laptops.

c. Application Control: Block the access of high risk applications on Mastek systems.

d. Data Loss Prevention: DLP to restrict the transfer of files containing large number of sensitive data from Mastek laptops/desktops and servers.

e. Exploit Protection: Provide protection from a number of exploitative mitigation techniques for operating system processes and applications.

f. Credential Guard: Credential Guard prevents the attacks by protecting network password hashes, Kerberos Ticket Granting Tickets, and credentials stored by applications as domain credentials.

g. Two Factor Authentication: MFA is enabled for Mastek enterprise applications and VPN connectivity

Internal Control System

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

The Company has mechanisms in place to establish and maintain adequate internal controls over entire 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 programme 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.

Cautionary Statement

Statements made in the Management Discussion and Analysis Report describing the Company's objective, projections, estimates, expectations may be forward-looking statements within the meaning of applicable laws and regulations, based on beliefs of the management of the Company. Such statements reflect the Company's current views with respect to future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different from those projected in this report, including among others, changes in the general economic and business conditions affecting the segment in which the Company operates, changes in business strategy, changes in interest rates, inflation, deflation, foreign exchange rates, competition in the industry, changes in Governmental regulations, tax laws and other Statutes & other incidental factors. The Company does not undertake any obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Corporate Social Responsibility Initiatives

Our mission is to inspire our employees to contribute back to the community by sensitising them to the issues and needs of the community as well as to engage them through volunteering opportunities.In addition to this, we support credible non-profit organisations to scale and build their capabilities through our core skill of Information Technology.

Mastek Foundation has inscribed this mission on three pillars: **GIVE, ENGAGE, and BUILD.**

GIVE

Giving back to the society has been an integral part of Mastek Foundation's mission since 2002. Our CSR initiatives are aligned to the UN's Sustainable Development Goals. Beyond the CSR spends, employees are encouraged to contribute through employee payroll to support non-profit organisations and help them scale their operations by purchasing handmade merchandise and organic products. Additionally, Mastek Foundation organises annual fundraisers, and provides crowdfunding platforms to support social causes in collaboration with credible non-profit organisations.

In FY 2019-20, through our CSR grants, 15 credible non-profit organisations received support towards their social development projects. The supported projects focused on diverse social causes such as education, health, women empowerment, livelihood, disaster relief and animal welfare, and impacted 13,868 beneficiaries.

Going Beyond CSR Spends

Mastek employees donated ₹12,60,241 in support of social projects focused on holistic child development and disaster relief, impacting 383 beneficiaries. Through all our initiatives, Mastekeers add value to Mastek's corporate social responsibility initiatives.

Furthermore, through Mastek Foundation's annual musical fundraiser called Inspired, we seek tobring all stakeholders and donors together to support social projects by credible non-profit organisations. The initiative serves as a crowdfunding platform.

Inspired - Singer and Host Ms. Sanjeevani Bhelande

As, Education is one of the most substantial aspect in the overall economic and social development of the society, we envisioned to make it accessible to underprivileged and abandoned and orphaned children. In light of the need, we collaborated with Parivaar Education Society through Inspired 2019 and have raised ₹1,00,00,000 towards construction of a residential school in Khategaon, Dewas district of Madhya Pradesh. The project aims to impact 2,000 underprivileged children by providing access to quality education and holistic development.

Marketplace for NGOs – Indian Association for the Blind and Srujna Charitable Trust

NGO marketplace is a platform for credible non-profit organisations and social enterprises to exhibit their handmade merchandise and organic products to employees for purchase and gain support towards the livelihood of their direct beneficiaries.

Mastek Foundation through Mastek's employee participation and support has been able to empower specially-abled and women entrepreneurs through generating sales proceeds of ₹25,325. The initiative was organised in collaboration with Indian Association for the Blind and Srujna Charitable Trust.

Lending a Helping Hand

When natural disasters strike, Mastek Foundation is swift to collaborate with credible non-profit organisations to address the immediate financial support required for operations on ground zero.

During 2019 Assam, Bihar and Maharashtra Floods, Mastek Foundation in association with Goonj, a non-profit organisation encouraged Mastekeers to donate towards disaster relief operations for flood victims. The employee giving generated ₹ 1,02,491 towards provision of 75 disaster relief kits to flood affected families.

Mastek organises Gratitude is Attitude event for Mastekeers and its partner non-profit organisations every quarter. This initiative is a platform to collectively celebrate gratitude and kindness for the many good causes Mastek and its Mastekeers support. In addition, this platform sensitises employees towards social causes and encourages them to donate In FY 2019-20, Mastek employees pledged to support integrated education, health and nutrition expenses of 8 underprivileged children in Bihar. The donations were channelled through SOS Children's Villages of India.

ENGAGE

Employee Involvement Beyond Funds

Marketplace for NGOs – Indian Association for the Blind and Srujna Charitable Trust

Mastek Foundation believes in contributing to improve the environment and spread awareness about the same. With an objective to preserve and promote environmental sustainability, Mastek Foundation conducted a tree plantation drive in collaboration with Hariyali, a non-profit organisation working towards environmental sustainability in July 2019. With an aim to increase green cover in the area, 32 saplings of neem, mango and ficus religiosa were planted in Tetavali village in Rabale.

Mastekeers with donated boxes of clothes

During the grim situation of Maharashtra floods in 2019, Mastekeers extended their support by donating 18 boxes of clothes as well. These donations were utilised to procure critical relief kits for flood affected victims during ground zero operations by Goonj.

Mastekeer with their Block Printing

Mastek Foundation organised DaanUtsav – Joy of Giving Week in collaboration with PRASAD Chikitsa and Srujna Charitable Trust in October 2019. Mastek employees volunteered to create art to help generate funds for the livelihood of the underprivileged artisans. The 'Art Daan' involved warli painting and block printing on cloth bags.

Participants at Mastek Foundation Run

Since 2013, the Mastek Foundation Run initiative with the unwavering support of

Mastekeers, Marathoners, Running Enthusiasts, NGOs and Volunteers promotes world peace and social change.

Mastek Foundation organised its eighth annual Mastek Foundation Run in November 2019, with a vision to inspire the society towards the significance of empowering women and children. The run was a merger of 1,331 individuals belonging to diverse groups. From pacer-champions to spirited youth to the experienced elderly, all came together for social social good and well-being The platform raised ₹ 42,60,000 in collaboration with SOS Children's Villages of India and Srujna Charitable Trust. The funds sponsored education of underprivileged children in Bhuj, Gujarat. It was also utilised to create sustainable livelihood opportunities for underprivileged women artisans of Mumbai, Thane and Palghar in Maharashtra.

BUILD

Riding high on the stupendous success of the last four seasons, Project Deep Blue witnessed the Season 5 finale, with 48 teams of the 348 teams registered, from 14 engineering colleges across Mumbai. The problem statements were on diverse topics such as long term capacity planning for water management, measuring visual acuity with cost effective solution, predicting queue wait time, and urban sanitation & public health issues with emphasis on deploying technology for waste segregation.

Project Deep Blue Season Second Runner up Team Datta Meghe College of Engineering. Mumbai, Maharashtra Problem Statement - Public Toilet Health Check

Project Deep Blue Season First Runner up Team Pillai Institute of Technology. Mumbai, Maharashtra Problem Statement - Measuring Visual Acuity

ORGANISATIONS AND PROJECTS SUPPORTED FOR GRANT IN FY2019-20

Education

1. **Parivaar Education Society**

   Project: Construction of a residential institution for impoverished tribal and destitute children

   About the Project: The residential institution provides access to formal education, nutrition, care and development to impoverished tribal and destitute children. The residential campus provides them with hygienic living conditions up to their higher education level or till their employable age.

   Location: Dewas, Madhya Pradesh

   Beneficiaries impacted: 50

2. **SOS Children's Villages of India**

   Project: Education sponsorship programme for underprivileged children

   About the Project: The project addressed the needs of underprivileged children from SOS residential care model (Family Based Care) to continue their formal education. The grant sponsored their admission fee, school fee, transport, books and uniform expenses

   Location: Bhuj, Gujarat

   Beneficiaries impacted: 110

3. **Prabodhini Trust**

   Project: Sponsorship for school transport facilities for specially-abled underprivileged children

   About the Project: The project enabled differently-abled children's uninterrupted access to education and therapy sessions by organising continued school transport facilities. The sponsorship ensured door pickup and drop provisions for the children.

   Location: Nashik, Maharashtra

   Beneficiaries impacted: 68

4. **Surman Sansthan**

   Project: Sponsorship for formal education and medical expenses of underprivileged and destitute children

   About the Project: The project delivered access to formal education, regular tuition sessions and periodic health checkups of underprivileged and destitute children.

   Location: Jaipur, Rajasthan

   Beneficiaries impacted: 50

5. **Sunaayy Foundation**

   Project: Development of smart class infrastructure for low cost & efficient teaching delivery to underprivileged migrant children

   About the Project: The project achieved to conduct remote classes using information and communication technology (ICT), as an alternative and efficient method, for teaching children belonging to underprivileged and marginalised communities and households. Regular classes were held, in this pilot phase of the project, for 50 students from Class I and Class II in three subjects, namely English, Mathematics and Science by experienced teachers.

   Location: Warishpur, Bihar

   Beneficiaries impacted: 50

6. **PURE India Trust**

   Project: Sponsorship for learning and skill development of underprivileged women and children

   About the Project: The project achieved organising informal education coaching classes for children of ages 1-8, computer coaching classes for students of Class IV and above and career guidance and mentoring sessions for students of Class VIII and above.

   Location: Asola, New Delhi

   Beneficiaries impacted: 269

Health and Nutrition

7. MAHAN Trust

Project: Sponsorship for purchase of medicines for treatment of tribal patients at MAHAN Mahatma Gandhi Tribal Hospital

About the Project: The project aimed at successful purchase and provision of essential medicines required towards the uninterrupted treatment of underprivileged inpatients and outpatients at MAHAN Mahatma Gandhi Tribal Hospital.

Location: Amravati, Maharashtra

Beneficiaries impacted: 11,361

8. Jai Vakeel Foundation

Project: Holistic healthcare sponsorship programme for specially-abled children

About the Project: The project focused on developing the potential of children with intellectual disability to ensure their inclusion. The interventions are designed to improve their communication, functionality, behaviour, enhanced learning and parental counselling & training.

Location: Mumbai, Maharashtra

Beneficiaries impacted: 68

9. Cuddles Foundation

Project: Sponsorship for nutrition and care of children battling cancer

About the Project: The project achieved provision of regular FSSAI approved nutrition meals, counselling support and aid to underprivileged children battling cancer.

Location: Mumbai, Maharashtra

Beneficiaries impacted: 114

10. Child Help Foundation

Project: Adolescent healthcare (MHM) project for female students in government residential schools

About the Project: The project focused on sensitising underprivileged adolescent girls on issues related to menstrual hygiene and management and provided access to affordable sanitary napkins.

Location: Palghar, Maharashtra

Beneficiaries impacted: 565

11. Sangopita

Project: Sponsorship for nutrition programme of specially-abled children and adults

About the Project: The project made provision of nutritious and adequate food supply to specially abled children and adults.

Location: Thane, Maharashtra

Beneficiaries impacted: 70

Women Empowerment & Livelihood

12. Srujna Charitable Trust

Project: Ajivika - Sustainable livelihood opportunities for underprivileged women artisans

About the Project: The project aimed at enabling and empowering underprivileged women to earn an income in urban, semi-urban and rural communities. Srujna set-up production units in the communities and created market linkages so that women from marginalised communities have access to continued work and a source of income.

Location: Mumbai, Thane and Palghar, Maharashtra

Beneficiaries impacted: 150

13. Under The Mango Tree

Project: Improving livelihood of tribal farmers through beekeeping with indigenous bees (Apis cerana indica)

About the Project: Scaled up existing work with Apis cerana beekeeping and trained farmers in Trigona beekeeping. The project created a cadre of bee keepers who could increase pollination cover for identified villages while simultaneously increasing yields of their crops and their neighbours' crops. As a result, locally trained service providers could also extend their services to other farmers in the region.

Location: Palghar, Maharashtra

Beneficiaries impacted: 50

Disaster Relief

14. Goonj

Project: Sponsorship for immediate relief supplies for flood victims

About the Project: In light of the grim situation in Maharashtra due to massive floods, the project focused on provision of immediate and critical relief supplies to flood affected victims.

Location: Kolhapur, Maharashtra

Beneficiaries impacted: 750

Animal Welfare

15. Plants & Animals Welfare Society

Project: Sponsorship for surgeries of abandoned and stray animals

About the Project: The project focused on identifying stray animals with broken limbs, tumours and those who needed to be sterilised. The main objective of the project was to ensure provision of surgical care for all such identified animals.

Location: Mumbai, Maharashtra

Beneficiaries impacted: 143

Setting Priorities

Mastek is supporting the fight against COVID-19. The organisation announced a fundraiser in April 2020 to help tribal families that were severely affected and on the verge of losing the source of their livelihood. Mastek collaborated with PRASAD Chikitsa a non-profit organisation to provide immediate essential food kits to these to all such families in Palghar, Maharashtra. the fundraiser successfully generated ₹1,27,000 through Mastek's payroll giving programme.

The employee giving donations for FY 2020-21 will be entirely channelled towards COVID-19 interventions with various credible NGOs.

Mastek Foundation has planned to organise its annual musical fundraiser Inspired 2020, using a digital platform that would aim to raise funds to support migrant families.

In addition, Project Deep Blue Season 6 would encourage engineering students to develop solutions to address problems related to the COVID crisis.

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With our strong commitment towards an adherence on sustainability and sustainable best practices across our ecosystem, we are delighted to present herewith, the ***First Business Responsibility Report*** of the Company for the Financial Year ended March 31, 2020. The reporting framework is based on 'National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business' (NVGs) released by the Ministry of Corporate Affairs, Government of India, which requires businesses to embrace 'Environmental, Social, Governance' perspective in a sustainable manner. The report has been prepared as prescribed and in accordance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

This report essentially includes our responses to questions on the Company practices and performance on key principles defined by the Regulation, covering topics across environment, governance and stakeholder relationships.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	**Corporate Identity Number (CIN) of the Company**	L74140GJ1982PLC005215	
2.	**Name of the Company**	Mastek Limited	
3.	**Registered address**	804/ 805 President House, Opposite C.N. Vidyalaya, Near Ambawadi Circle, Ahmedabad – 380006, Gujarat.	
4.	**Website**	www.mastek.com	
5.	**E-mail ID**	investor_grievances@mastek.com	
6.	**Financial Year reported**	2019-20	
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	**NIC Code**	**Product Description**
		620	Computer Programming, Consultancy and Related activities
8.	**List three key products/ services that the Company manufactures/ provides (as in balance sheet)**	The Company's offering portfolio includes business and technology services comprising of Application Development, Application Maintenance, Business Intelligence & Data Warehousing, Testing & Assurance and Legacy Modernisation.	
9.	**Total number of locations where business activity is undertaken by the Company**	There are more than 20 locations all over.	
	a. Number of International Locations (Provide details of major 5)	**Geographic Zones**	**Locations**
		United Kingdom	• Reading • Leeds • Middlesex
		United States of America and Canada	• Dallas • Massachusetts • Chicago • Toronto
		Middle East	• Dubai • Abu Dhabi • Egypt • Saudi Arabia • Bahrain • Kuwait • Qatar
		Rest of the World	• Singapore • Malaysia • Australia • Netherlands

	b. Number of National Locations	• Ahmedabad, Gujarat • Mumbai, Maharashtra • Pune, Maharashtra • Noida, Uttar Pradesh • Gurugram, Haryana • Chennai, Tamil Nadu Please refer the Annual Report for detailed information.
10.	**Markets served by the Company – Local/ State/ National/ International**	The Company has spread its wings both in the domestic and international market.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital of the Company	2,42,89,472 Equity Shares having face value of ₹ 5 each aggregating to ₹ 12,14,47,360/-
2.	Total Turnover	₹ 16,344 Lakhs
3.	Total profit after tax	₹ 2,745 Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year, the Company has contributed ₹ 113 lakhs towards the CSR activities which is 4.1% of profit after tax. For details, refer to **Annexure 5** of the Directors' Report which forms part of this Annual Report (instead of 2% as prescribed).
5.	List of activities in which expenditure in point no. 4 above has been incurred	Refer to **Annexure 5** of the Directors' Report which forms part of this Annual Report.

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	During the year under review, the Company has 20 Subsidiaries. The brief details of these subsidiaries are available under Form AOC-1 Annexure to the Directors Report.
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The Subsidiaries of the Company are separate legal entities and our responsibility practices and reporting are focused on India. However, our subsidiaries may follow BR initiatives as per rules and regulations as may be applicable to them.
3.	Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company has not mandated any vendors, suppliers, business partners, etc. to participate in the BR initiatives of the Company. However, they are encouraged to adopt BR Initiatives and follow the concept of being responsible business entities.

SECTION D: BR INFORMATION

1.	**Details of Director/ Directors responsible for BR**		
	a.	**Details of the Director/ Director responsible for implementation of the BR policy /policies**	
		DIN Number	00101473
		Name	Mr. Sudhakar Ram
		Designation	Vice-Chairman & Managing Director
	b.	**Details of the BR head**	
		DIN Number if applicable	NA
		Name	Mr. Abhishek Singh
		Designation	Group Chief Financial Officer
		Telephone No.	022- 6722 4200
		Email ID	investor_grievances@mastek.com

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted 9 (nine) areas of Business Responsibility. These briefly are as follows:

P1:	Business should govern and conduct by themselves with Ethics, Transparency and Accountability.
P2:	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3:	Business should promote the well-being of all employees.
P4:	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5:	Business should respect and promote human rights.
P6:	Business should respect, protect and make efforts to restore the environment.
P7:	Business when engaged in influencing public and regulatory policy should do so in responsible manner.
P8:	Business should support inclusive growth and equitable development.
P9:	Business should engage with and provide value to their customers and consumers in responsible manner.

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

	Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
1.	Do you have a policy/ policies for **#**	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in Consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
		All the policies have been developed in consultation with the Management of the Company and accordingly the relevant policies have evolved over a period of time.								
3.	Does the policy conform to any National / international standards? If yes, specify? (50 words)	The spirit and content of the Code of Conduct and all the applicable laws and standards are captured in the policies articulated by the Company.								

4.	Has the policy being approved by the Board? if yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All the policies mandated under the Companies Act, 2013 and SEBI Listing Regulations are approved by the Board and other applicable policies are approved by the Managing Director or Functional Heads of the Company as appropriate.								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
		The policies of the Company strengthen the internal governance structures on compliance and beyond compliance efforts. All the policies are mapped to the respective business functions and their implementation is based on the commitment framework.								
6.	Indicate the link for the policy to be viewed online?	Policies mandated to be displayed on website of the Company as per the Companies Act, 2013 and SEBI Listing Regulations are displayed at Company's website (https://www.mastek.com/corporate-governance) and all other policies are displayed on our intranet.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, wherever appropriate								
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
		Yes, any grievances or feedback to the policies can be sent to investor_grievances@mastek.com								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	NA	Y	Y
		Yes. Regular internal audits are carried out to check compliance to the corporate policies pertaining to the area of audits. Further, the Internal department team carry out assessment/ evaluation of working of these policies from time to time.								

#List of Policies:

P1 - Code of Business Conduct & Ethics, Code of Conduct for Directors and Senior Management, Anti-Bribery and Corruption Policy, Whistle Blower Policy

P2 - Sustainability Policy & Health and Safety Policy

P3 - Equality and Diversity, Code of Business Conduct & Ethics, Prevention of Sexual Harassment Policy

P4 - Corporate Social Responsibility Policy, Code of Business Conduct & Ethics

P5 - Code of Business Conduct & Ethics, Prevention of Sexual Harassment Policy, Equality and Diversity, Whistle Blower Policy

P6 - Sustainability Policy & Health and Safety Policy

P7 - NA

P8 - Corporate Social Responsibility Policy

P9 - Quality Policy, Code of Business Conduct & Ethics

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

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-

3.	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify) *While there is no specific policy outlined for this principle, the Company, through trade bodies and associations, puts forth suggestions, if any, with respect to the economy in general and the IT sector in particular*	-	-	-	-	-	-	Y	-	-

3.	**Governance related to BR**	
a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Board of Directors have formed various Committees for areas where more focused, specialised and extensive discussions are required or which are required by law. Some of the Board functions are performed through specially constituted Board Committees consisting of Executive, Non-executive and Independent Directors, who then report to the Board. The Board's Committees include Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Governance Committee. All Committees have a formally established terms of reference/ charter. The Board of Directors and aforesaid Committees monitors the constituents of BR elements at different frequencies. The Audit Committee takes note of the Whistleblower Complaints if any, on a quarterly basis. Observations from Internal Audits on HR practices and Vendor management are reviewed as and when such reports are issued. CSR Committee reviews the CSR activities of the Company on an on-going basis. The Stakeholders Relationship Committee takes note of the status Investor Complaints on a quarterly basis. These Committees meet as per statutory requirements and also in case there is any matter which needs to be reviewed/ approved by a specific Committee.
b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	This is the First Business Responsibility Report being published for the Financial Year 2019-20 by the Company. The same is being displayed as part of this Annual Report on the website of the Company at www.mastek.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should govern and conduct by themselves with Ethics, Transparency and Accountability.

Code of Business Conduct & Ethics, Code of Conduct for Directors and Senior Management: The standards on ethics, transparency and accountability are stated under the Code of Business Conduct & Ethics (COC) of the Company. COC is the statement of values and represents the standard of conduct, which everyone associated with the Company is expected to observe in all business endeavors. COC covers a wide range of business practices and procedures and serves as a guide to ethical decision-making and behaviors expected of all employees of the Company. Further, COC also mandates the Directors, Senior Management and Employees (including its subsidiaries) of the Company to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Company has well defined Code of Conduct for Board of Directors and Senior Management of the Company that covers issues, *inter alia*, related to ethics, honesty, misconduct, etc. and it also covers dealings with vendors, customers and other business partners. All the employees are compulsorily required to sign this Code at the time of joining the Company. The Board members and Senior Managerial Personnels are also bound to provide duly signed Annual confirmation affirming compliance with their Code of Conduct framed.

Anti-Bribery and Corruption Policy: The policy is framed to conduct all of our business in an honest and ethical manner. We take a zero tolerance approach to bribery and corruption and are committed to act professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery and corruption. This policy is intended to provide employees of the Companies with a level of awareness and guidance about certain applicable anti-bribery laws in order to prevent inadvertent violations and to recognise potential issues in time for them to be addressed appropriately.

Whistle Blower Policy: This Policy allows employees to bring to the attention of the Management promptly and directly, any unethical behavior, suspected fraud or irregularity in the Company practices, which is not in line with the COC. The Policy entails a transparent approach, with safeguards in place to protect the victimisation of those who raise concerns. The Whistle Blower Policy and their implementation are explained in detail under the Directors Report and the Corporate Governance Report which forms part of this Annual Report.

For Mastek, compliance with the statutory requirements has always been one of the focus areas. There is a centralised compliance function which enables business teams to know their statutory responsibilities and ways to fulfil those responsibilities. The compliance function, while on one hand keeps the Board and the Senior Management updated about the status of compliance with statutory requirements, on the other hand works with business teams to build capabilities through trainings and assessments.

In order to further strengthen the internal controls for prevention of insider trading in its shares, the Company has a robust system to protect the confidentiality of unpublished price sensitive information. The Company has framed its Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for regulating, monitoring and reporting trading by Insiders in such a manner that it not only satisfies the regulatory requirements, but also instills a sense of responsibility among the designated persons for making timely and adequate disclosures.

➢ **Questionnaire:**

1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?
	Yes, the Company has an Anti-Bribery and Corruption Policy in place that governs the ethics, bribery and corruption related matters at Mastek. The mentioned policies are applicable to the employees across all grades including Senior Managerial Personnel's, the members of the Board and fixed-term or temporary employees like contractors, consultants, trainees, interns, volunteers, third party agents or any other person associated with the organisation. All companies under Mastek Group are covered by these policies. Our business partners are expected to align to our ethical values.
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.
	The Company has in place a mechanism for dealing with complaints received from various stakeholders. The details of shareholders complaints received and resolved during the Financial Year 2019-20 are provided in the Corporate Governance Report. There is no complaint pending at the end of the year.

Principle 2: Business should provide goods and services that are safe and contribute to Sustainability throughout their life cycle.

As we move forward in a world that is rapidly changing and getting competitive, the onus is on us to create a responsible supply chain that is aligned to our sustainability practices. We at Mastek have always focused on delivering value with utmost integrity and transparency. We as a sustainable procurement part, are always committed towards Business Ethics, Social Improvement, Green Environment Initiatives and Quality products and services. We are following our sustainable procurement guideline document, which is drafted in line with applicable laws, regulations & internal policies.

➢ **Questionnaire:**

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

   Since the Company is in the business of Information technology, the Company does not manufacture physical products but create and offer software development, IT solutions and services. Thus, product policies are not applicable to the Company. In spite of that we are committed to adopt operational activities which will help in reducing GHG emissions and thus will support to sustain the global environment aspects. All the laws applicable to the Company under the environmental laws are duly complied with.

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

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

   Not Applicable.

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

   Being a software company we prominently focused on conserving electrical energy consumption year by year. We are proud that every year we are achieving our energy savings.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   The company has set procurement guidelines, which also covers sustainable sourcing including transportation vendor. All hired vehicles including transport buses are compliant in regards to environmental requirements.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Criteria for selection of vendor depend on nature of service/ goods, quality, price and reliability. The Company normally gives priority to local small vendors for procuring goods/ material for its operations and thus gives motivation to their business. The Company also helps local vendors to improve their capacity and capability.

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

   - Company uses the common effluent treatment plants to drain out waste water from its premises provided & managed by developers, and /or government agencies.
   - We are focused towards restricting plastic usage and discarded use of plastic drinking bottles during business meetings.
   - Company ensures disposal of E-Waste & Hazardous waste through MPCB/ CPCB approved vendors/recyclers.

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

Equality and Diversity: Mastek is an equal opportunity employer and does not employ any child labour. Mastek recognises that ensuring equality of opportunity, fairness and valuing diversity in all areas of employment, helps us innovate, deliver our competitive edge and anticipate customer needs. The Company is committed to attract, develope and retain the brightest and best talent with a focus on recruiting, training and promoting the best person for the job and future needs of our organisation. We encourage everyone to reach their full potential, regardless of age, gender, marriage/ civil partnership status, gender reassignment, race or ethnicity, nationality, trade union membership or non-membership, disability, religion/ belief, sexual orientation, family/ care responsibilities including pregnancy/ maternity. We are also determined to create a working environment which supports our values and which is free from any form of discrimination, harassment or bullying and within which all individuals are treated with respect, fairness and courtesy. The principle of non-discrimination and equality of opportunity applies equally to the treatment of employees, job applicants, visitors, clients, customers and suppliers.

Prevention of Sexual Harassment Policy: This policy has been framed in accordance with the provisions of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" and rules framed thereunder. The Company has a robust mechanism in place to redress complaints reported under it. The Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC). The ICC is composed of internal members and an external member who has extensive experience in the field. Sexual harassment is an unacceptable form of behavior which is and will never be tolerated by the Company under any circumstances.

We have various practices and processes that ensure employee well-being is looked after and employees are able to have a work-life balance:

- Mastek has gone a step ahead to empower employees through adoption of the Mastek 4.0 culture, e.g. leaves are auto approved and do not require any approval by the manager. We have a flexible reporting time approach. Work from home is another option given to employees. Similarly, there are numerous other practices that ensure employees are empowered and have the flexibility at the workplace.
- For women employees, we are planning to introduce a home drop facility which will ensure that those who leave work after a specific time are dropped home safely.
- To encourage professional growth at the workplace we have the promotion policy which gives opportunity to Mastekeers to nominate themselves and be evaluated for the next level by a neutral panel.
- There are numerous learning platforms that are available for employees to self-learn and apply for relevant opportunities that may be available through the job board. Onsite opportunities are also available to employee basis the skills displayed, availability of role and requirements from the client.
- To keep a check on employee morale there are various engagement initiatives that are driven at regular intervals. As part of engagement special focus is given to employee wellness which focusses on physical, social, emotional and financial wellness. Employee pulse rate is also checked through regular HR skip and connect sessions. Formal pulse surveys are also run through external vendors. Eg. Gallup was involved in running an employee engagement survey for us.
- As part of emotional wellness we have also tied up with an external counselling vendor to provide consultation from trained EWAP (Employee Wellbeing Assistance Program) professionals to achieve better work-life balance and overall emotional well-being.
- We have quarterly business updates that are shared through the Q-meet platform that ensure employees are updated and kept informed. Any other information that is critical or important is shared through other communication channels namely emails, intranet etc.
- We have also used technology to ease employee access to information with the introduction of the Chat Bot. The Helpdesk tool is also available for employees to raise a query or a concern which can be tracked for the response and the TAT for it. The queries are routed to the respective owner basis the nature of the query that is raised.
- We also have policies around grievance handling, harassment at the workplace, disciplinary action policy, etc. to ensure we are able to foster a professional, open and trusting workplace.

COVID-19 perspective: Employee wellness faced with a pandemic that was characterised by both unfamiliarity and uncertainty, Mastek was quick to respond through its precautionary measures, stringently followed throughout all its offices. We went the extra mile to meet and exceed the guidelines laid down by the WHO, State and Central Government authorities, to prevent exposure to the virus and ensure the safety of our employees. We are making extensive use of technology and social media platforms to engage and communicate with employees. Senior leadership often speak through our "All Hands Meet", to boost employee morale. Further, during the lockdown, we shared a significant amount of training content with employees via U-Academy portal as well as our Knowledge Management (KVault). Apart from encouraging employees to learn and grow, the Company has also conducted various programs focused on physical, emotional and financial wellness. These include virtual physical activities viz; Yoga, Zumba, workshops on financial health, and mental health emotional counseling sessions for overall well-being of employees.

➢ **Questionnaire:**

1.	Please indicate the Total number of employees.	Global employee count stands at 3,404 as on March 31, 2020 (including temporary / contractual)
2.	Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.	Global temporary/ contractual employee count stands at 303 as on March 31, 2020
3.	Please indicate the Number of permanent women employees.	Global Full time permanent women employee count stands at 816 as on March 31, 2020

4.	Please indicate the Number of permanent employees with disabilities	Being an equal opportunity employer, the Company does not discriminate specially-abled people at the time of recruitment. As per Company's policies, disclosure of special ability is not mandatory. However, as on March 31, 2020, 8 specially-abled people have voluntarily declared their status
5.	Do you have an employee association that is recognised by management?	No
6.	What percentage of your permanent employees is members of this recognised employee association?	NA

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

Category	No. of complaints filed during the Financial Year	No. of complaints pending as on end of the Financial Year
Child labour/ forced labour/ involuntary labour	0	0
Sexual harassment	0	0
Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year? - Safety training is given to each employee as a process at the time of mock evacuation drills. Overall Skill up-gradation training data which considers any of the learning interventions including technical, soft-skills and compliance trainings are as below:

(a) Permanent Employees	94.30%
(b) Permanent Women Employees	93.44%
(c) Casual/ Temporary/ Contractual Employees	52%
(d) Employees with Disabilities	100 %

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

We at Mastek are committed to spend upto 2% of the average net profit of the immediately preceding 3 (three) Financial Years on CSR projects or programmes related activities specified in Schedule VII to the Companies Act, 2013.

Mastek Foundation: Founded in 2002, Mastek Foundation is the preferred CSR arm of Mastek. Its mission is – ***'Informed Giving, Responsible Receiving'***. Mastek Foundation was established with the objective of "The relief of poor, education, medical and advancement of any other object of general public utility in India, not involving the carrying on of any activity for profit" among other charitable objectives. The foundation works towards sensitising and inspiring individuals, employees, and corporate professionals and encourages them to come forward and contribute to society as informed givers. It also provides them with regular help and support for participation in community and social work. The foundation also works with Non Profit Organisations with capacity building through use of information technology thereby promoting responsible receiving. Mastek has mapped its beneficiary stakeholders through its charity wing, Mastek Foundation. The mapping allows Mastek to evaluate and improve its social value and accountability towards its stakeholders and create a collective impact on our society.

➢ **Questionnaire:**

1.	Has the company mapped its internal and external stakeholders? Yes/ No
	Yes. The Company has mapped its internal and external stakeholders and their mode of engagement is as below:

Stakeholders	Mode of engagement
Government and regulatory authorities	Industry body/ forums
Employees	Newsletters, employee satisfaction survey and various trainings, rewards and recognitions, meeting with eminent personalities and team building activities
Local community	CSR activities
Investors and shareholders	Analyst calls, Annual General Meeting and Annual Report
Bankers, customers & vendors	Visits

2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?
	Yes.
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.?

- Mastek through its Mastek Foundation and in collaboration with credible Non Profit Organisation identifies disadvantaged, vulnerable and marginalised beneficiaries (stakeholders). Mastek's constant quest is to create value for all stakeholders and at the same time, serve wider interests of the society.
- Mastek's CSR wing, Mastek Foundation drives specific programmes and undertake community development projects focused on providing grant and support towards health, education, women empowerment, disaster relief, livelihood and animal welfare, etc. areas.

Principle 5: Business should respect and promote human rights.

The Code of Business Conduct & Ethics (COC) has been introduced by the Company to ensure consistency of our standards of business conduct on a worldwide basis. The Company is an equal opportunity employer and unlawful harassment of any kind (including but not limited to) sexual harassment is strictly forbidden. Our Code aims to promote diversity and equality in the workplace, as well as compliance with all laws, while encouraging the adoption of international best practices

Mastek encourages diversity and constantly ensures that the business culture as well as activities are more inclusive and all-encompassing. While specific policies are present to address areas like Anti Bribery and Corruption Policy, equality and diversity, and others, our 'COC' is fortified and supplemented by the 'Employee Workplace Behavior Guideline', which outlines behavior in resonance with our Company's reputation, vision and core organisational values.

We believe in conducting ourselves in conformity with professional standards of personal integrity, honesty and ethical conduct. We are committed to provide and maintain a work environment that is free of harassment and any kind of discrimination based on caste, creed, race, religion, national origin, age, gender, sexual orientation, region, appearance or any disability or other protected classifications while in India or abroad.

To encourage professional growth at the workplace we have a Promotion Policy which provides Mastekeers the opportunity to nominate themselves and be evaluated for the next level by a neutral panel.

Numerous learning platforms are made available to employees to self-learn and apply for relevant opportunities that may be available through the job board. Onsite opportunities are also available to employees' basis the skills displayed, availability of role and requirement from the client.

➢ **Questionnaire:**

1.	Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors /NGOs/ Others?
	The principles stated in our Code of Business Conduct & Ethics which includes respect for human rights and dignity of all stakeholders, extends to the entire group and our contractors.

2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?
	The Company has not received any complaint regarding violation of human rights.

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

Energy conservation has been the major pillar of our sustainability strategies. At Mastek, we believe responsible growth is just as important as profitable growth to drive our success as a global corporate. Led by this belief, we have made sustainability one of the central agendas of our business model and are constantly trying to do our bit by integrating sustainability into day-to-day operations at Mastek.

➢ **Questionnaire:**

1.	Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.
	The policy and practices related to Principle 6 extends to the Company and its Subsidiaries.
2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.
	Yes. Office at Mahape, which is a global office, is accredited by DNV-GL for EMS i.e. ISO 14001:2015 and OHSAS 18001:2007. Best practices are adopted in facility management operations to conserve the environment and continual efforts are made to improve health and safety standards. **“Energy Conserved is Energy Generated”**. We as a Mastekeers are very much focused about electrical consumption and various energy savings initiatives are implemented across Mastek facilities. Apart from energy conservation, we are also committed towards reduction in GHG emission by way of implementing various green initiatives. • Replacement of CFL lights with energy efficient LED Lights. • Replacement of old conventional global datacenter with new modular smart rack data center at Mahape office. • Replacement of old conventional UPS systems with new energy efficient modular UPS systems. • Reduction in usage of Plastic water bottles. • VRV AC systems are not only energy efficient AC machines but also are using R410 eco-friendly refrigerant gas, which is also a step towards eliminating R22 refrigerant gas. • Company is encouraging all employees across India for using carpooling services option. • Optimum utilisation of water across Mastek facilities and reduction in Diesel consumption. • All company vehicles are compliant with government laid pollution control norms.
3.	Does the company identify and assess potential environmental risks? Y/N
	Yes. The company is taking various measures to mitigate the identified environmental risks.
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?
	Not Applicable.
5.	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.
	Yes. • Installed solar water heater at office canteen. • Most of the initiatives are mentioned above in response to question no. 2.
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?
	Yes. Since, the Company is in the business of software development services and products, hence we submit the reporting for the Emissions/Waste generated i.e. Form V to SPCB.
7.	Number of show cause/ legal notices received from CPCB/SPCB, which are pending (i.e. not resolved to satisfaction), as on end of Financial Year.
	NIL

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

The Company has always welcomed public initiatives and have been pro-active on compliance with the relevant regulatory requirements. While at the design stage or during implementation of a public policy, if any difficulty has been foreseen or experienced by the industry, the same has been brought to the notice of the regulators through industry bodies for seeking required clarification or resolution. However, ensuring that any such representation is not or cannot be prejudicial to public interest.

➢ **Questionnaire:**

1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
	The Company is a member of the following major trade associations in addition to other chambers or associations, to name a few; - NASSCOM - FICCI - CII - Computer Society of India - Bombay Chamber of Commerce & Industry
2.	Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)
	No

Principle 8: Business should support inclusive growth and equitable development.

As a responsible corporate citizen, inclusivity is key to our Corporate Social Responsibility delivery which focuses on Education, Empowerment and Environment. As a business, we are also conscious of the carbon footprint we create. Our tree plantation and water conservation initiatives help sustain the planet while also creating opportunities for equitable development.

➢ **Questionnaire:**

1.	Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof
	Details of the various initiatives undertaken at Mastek include: **Health** • Provision of medicines for treatment of underprivileged tribal patients • Therapy and medical interventions for specially abled children • Provision of meals for nutritional balance amongst specially abled children and children battling cancer • Provision of sanitary napkins and reproductive health session amongst adolescent tribal girl students • Number of beneficiaries: 12,178 **Education** • Construction of a residential school for underprivileged tribal children • Formal education sponsorship for underprivileged and specially abled children • Establishment of a smart class for underprivileged migrant children • Formal education supports for destitute children • Number of beneficiaries: 605 **Women Empowerment** • Provision of sustainable livelihood opportunities for underprivileged women artisans • Number of beneficiaries: 150

Livelihood

- Provision of awareness and training programmes on beekeeping and pollination for underprivileged tribal individuals
- Number of beneficiaries: 50

Disaster Relief

- Support for disaster relief operations
- Number of beneficiaries: 750

Animal Welfare

- Sponsorship for abandoned animal surgeries
- Number of beneficiaries: 143

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

CSR initiatives implemented by Mastek Foundation through NGO's having good track record of carrying on specific activities.

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

- Mastek Foundation monitors outcome of each CSR activities through project report and assessment conducted by NGO/ implementing agencies.
- Mastek contributed ₹ 113 lakhs in Financial Year 2019-20 towards CSR activities which is much higher than statutorily required under the Companies Act 2013, which benefitted 13,868.
- The contributions were made to support various initiatives under health, education, women empowerment, livelihood, disaster relief and animal welfare.

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

Total amount spent on community development project during Financial Year 2019-20 is ₹ 113 lakhs. Details of project undertaken are given in **Annexure 5** of the Directors' Report which forms part of the Annual Report.

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

Yes. Initiatives conducted under CSR tracked to determine the outcomes achieved and benefits to community. Mastek Foundation has engaged highly trained team to drive and monitor CSR activities. Internal tracking mechanism, periodic report, field visit, telephonic, email communications are regularly carried out. Mastek's CSR interventions are focused on 6 (six) thrust areas i.e. health, education, women empowerment, livelihood, disaster relief, and animal welfare.

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

Quality Policy: The aim of this policy is "Building and delivering systems, services and processes that help customers deliver their Digital vision". The same is achieved through

- Aligning to customer customers' objectives, being proactive and taking actions to exceed their business impact

  Providing innovative digital solutions and building software using latest delivery methodology & engineering practices to deliver superior value to our customers
- Effective practice of "Quality Management System" ensuring quality standards of products and services are met prior to delivery through appropriate quality assurance and quality control
- Practicing risk management as inherent part of our operations with appropriate mitigation planning and regular risk tracking
- Striving for continual improvement of the Quality Management System

Our customers trust Mastek because we deliver what we promise, no matter how challenging the task. We have proven excellence in engineering innovation solutions and delivery track record spanning over more than 3 (three) decades. Our customers trust us to deliver innovative technology solutions that make their businesses more efficient, competitive and service orientated. From the commercial sector to the public sector, we create, we modernise and we recover IT projects when they go wrong. We are consistently delivering game changing results, exceeding our customers' expectations. We believe that digital transformation should be defined by customer experience and quality of innovation, and not by the race to develop technology at a low cost.

➢ **Questionnaire:**

1.	What percentage of customer complaints/ consumer cases are pending as on the end of Financial Year.
	The customer complaints are technology specific and are resolved at the delivery of the software and before contract closure. There are no customer complaints that are material in nature and giving rise to the litigations. No consumer cases have been raised by customers during the year.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks (additionalinformation)
	Since the Company is in the business of software development services and products, this requirement does not strictly apply to the Company. The Company makes necessary disclosures about the software products being developed to its clients as per its contractual obligations.
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.
	There is no anti-competitive behavior, abuse of dominant position or unfair trade practices case pending against the Company.
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?
	Mastek carries out periodical client satisfaction surveys for its own clients only.

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Financial Highlights - At a Glance

Financial Highlights - At a Glance

(₹ in Lakhs, except EPS and Ratios)

Particulars / Financial Year	2019-20	2018-19	2017-18	2016-17
Total Income	**111,278**	105,799	83,820	57,276
Operational Revenue	**107,148**	103,321	81,721	56,016
EBITDA (Including other income)	**19,666**	15,632	12,065	6,116
EBIT	**17,177**	13,897	10,189	4,623
Net Profit	**11,381**	10,147	6,996	3,241
EPS- Basic (₹)	**45.21**	42.61	29.74	13.96
EPS- Diluted (₹)	**42.93**	40.32	28.14	13.38
DPS (₹)	**8.0**	8.5	6.0	3.5
Annualised growth in				
Revenue (%)	**3.7**	26.40	45.90	6.30
Net Profit Margin (%)	**10.2**	9.60	8.30	5.70
EBITDA Margin (%)	**17.7**	14.80	14.40	10.70
Return on Equity (%)	**14.6**	16.00	13.70	6.90
Debt / Equity Ratio	**0.36**	0.10	0.13	0.14
Current Ratio	**1.85**	2.9	2.3	2.6
Debtors Turnover (No. of days)	**81**	72	67	55
Operating Cashflows	**18,447**	7,507	6,488	4,285
Current Investments and Cash and bank balances	**37,473**	20,735	20,572	15,299
Price Earning Multiple	**4**	10	18	13
Group Employees as at the year end (No.)	**3,404**	2,069	2,058	1,577
Offshore (No.)	**2,229**	1,264	1,327	1,045
Onsite (No.)	**1,175**	805	731	532

Dear Members,

Your Directors have immense pleasure in presenting the 38th Annual Report of Mastek Limited ("Mastek" or "the Company" or "Your Company") on the business and operations of the Company together with the Audited Financial Statements (Consolidated and Standalone) for the Financial Year ended March 31, 2020.

This report is in accordance with the applicable provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

1. HIGHLIGHT OF COMPANY'S FINANCIAL RESULTS

The highlight of Company's Financial Results (Consolidated and Standalone) for the Financial Year ended March 31, 2020 compared to the previous Financial Year is summarised below:

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Revenue from operations	**107,148**	103,321	**16,344**	18,944
Other income	**4,130**	2,478	**4,886**	3,459
Total Income	**111,278**	105,799	**21,230**	22,403
Expenses	**91,612**	90,167	**16,006**	17,252
Depreciation and amortisation expenses	**2,489**	1,735	**1,113**	1,208
Finance costs	**362**	613	**45**	27
Exceptional items - (loss) / gain	**(2,407)**	55	**(683)**	-
Profit Before Tax	**14,408**	13,339	**3,383**	3,916
Tax expense	**3,027**	3,192	**638**	865
Profit After Tax	**11,381**	10,147	**2,745**	3,051
Other comprehensive income	**767**	8,755	**152**	872
Total Comprehensive Income	**12,148**	18,902	**2,897**	3,923
Equity Holders	**12,148**	18,902	**2,897**	3,923
Dividend	**(3,139)**	(1,788)	**(3,139)**	(1,788)
Dividend Distribution Tax	**(10)**	-	**(10)**	-
EPS				
- Basic	**45.21**	42.61	**11.40**	12.81
- Diluted	**42.93**	40.32	**10.82**	12.12

Note: *The above figures are extracted from the Consolidated and Standalone Financial Statements which have been prepared in compliance with the Indian Accounting Standards (Ind AS) and it complies with all aspects of the Ind AS notified under Section 133 of the Act read with [Companies (Indian Accounting Standards) Rules, 2015 (amended)] and other relevant provisions thereof.*

2. OVERVIEW OF COMPANY'S OVERALL FINANCIAL PERFORMANCE

- **Mastek Operations**

  On a Consolidated basis, the Group registered revenue from operations of ₹ 107,148 lakhs for the year ended March 31, 2020 (as compared to ₹ 103,321 lakhs in the previous year ended March 31, 2019), which is an increase of 3.7%. The Group registered a Net Profit of ₹ 11,381 lakhs for the year ended March 31, 2020 (as compared to ₹ 10,147 lakhs in the previous year ended March 31, 2019), thereby registering an increase of 12.2%. Further details are included in notes to the Accounts of Consolidated Financial Statement, which forms part of this Annual report.

On a Standalone basis, Mastek registered revenue from operations of ₹ 16,344 lakhs for the year ended March 31, 2020, (as compared to ₹ 18,944 lakhs in the previous year ended March 31, 2019). Mastek also made a Net profit of ₹ 2,745 lakhs for the year ended March 31, 2020 (as compared to Net Profit of ₹ 3,051 lakhs in the previous year ended March 31, 2019). Further details are included in notes to the Accounts of Standalone Financial Statement, which forms part of this Annual report.

The Financial Statements of the Company have been prepared based on the Audited Financial Statements of the Company and Audited Financial Statements of its Subsidiaries, which have been reviewed by the Statutory Auditors and have been approved by their respective Board of Directors. The Company discloses Consolidated and Standalone financial results on a quarterly basis, which are subject to limited review, and publishes Audited Financial Results (both Consolidated and Standalone) on an annual basis. In accordance with the provisions contained in Section 136 of the Act, the Annual Report of the Company, containing therein its Consolidated and Standalone Financial Statements are made available on the website of the Company at web link https://www.mastek.com/financial-information.

Further, a detailed analysis of Company's performance is included in the Management Discussion and Analysis Section, which forms part of this Annual report.

- **Break-up of the Operating Revenue by Geographies**

Geographies	Year ended March 31, 2020		Year ended March 31, 2019	
	₹ in Lakhs	% of Revenue	₹ in Lakhs	% of Revenue
UK & Europe	77,240	72.1	76,361	73.9
USA	24,886	23.2	25,275	24.5
Middle East	2,354	2.2	NA	NA
Rest of the World	2,668	2.5	1,685	1.6
Total	**107,148**	**100.0**	**103,321**	**100.0**

The operations by UK & Europe Geographies contributed ₹ 77,240 lakhs in total operating revenue for the year ended March 31, 2020 (as compared to ₹ 76,361 lakhs in the previous year ended March 31, 2019), resulting in a growth of 1.2%.

The operations by USA Geography contributed ₹ 24,886 lakhs in revenue for the year ended March 31, 2020 (as compared to ₹ 25,275 lakhs in the previous year ended March 31, 2019), resulting in a marginal decrease of (1.5%).

The operations by Middle East Geography contributed ₹ 2,354 lakhs in total operating revenue for the year ended March 31, 2020. Revenue of Rest of the World Geographies i.e. India and Asia Pacific is ₹ 2,668 lakhs for the year ended March 31, 2020 (as compared to ₹ 1,685 lakhs in the previous year ended March 31, 2019), resulting in a growth of 58.3%.

The above revenue includes revenue from the Acquisition of Evosys group of Companies business for part of the period only.

- **Break-up of Revenue by Service Lines**

Service Lines	Year ended March 31, 2020		Year ended March 31, 2019	
	₹ in Lakhs	% of Revenue	₹ in Lakhs	% of Revenue
Application Development	45,464	42.4	48,917	47.3
ERP & Cloud Migration	8,694	8.1	-	-
Digital Commerce	22,453	21.0	23,914	23.1
Application Support & Maintenance	17,495	16.3	14,394	14.0
BI & Analytics	8,230	7.7	8,899	8.6
Agile Consulting	1,842	1.7	3,109	3.0
Assurance & Testing	2,970	2.8	4,088	4.0
Total	**107,148**	**100.0**	**103,321**	**100.0**

- **Break-up of Revenue by Industry**

Industry	Year ended March 31, 2020		Year ended March 31, 2019	
	₹ in Lakhs	% of Revenue	₹ in Lakhs	% of Revenue
Government	**33,918**	**31.6**	31,114	30.1
Financial Services	**17,344**	**16.2**	19,984	19.3
Retail Services	**33,935**	**31.7**	36,102	35.0
Health	**13,038**	**12.2**	8,506	8.2
Others	**8,913**	**8.3**	7,615	7.4
Total	**107,148**	**100.0**	**103,321**	**100.0**

PROFITABILITY

For the year ended March 31, 2020, the Group earned a profit of ₹ 11,381 lakhs (as compared to ₹ 10,147 lakhs in the previous year ended March 31, 2019). The profits for the year ended March 31, 2020 witnessed growth mainly on account of the following:

a. Productivity and other operational improvements;

b. Profitable growth across geographies and accounts and;

c. Better management of variable cost structure and profitability levers.

3. COVID-19

The WHO declared COVID-19, as a global pandemic in March 2020. The threat of the rapid spread of COVID-19 triggered various State Governments and Union Government of India to declare an unprecedented lockdown. However, with an early understanding of the magnitude of the crisis, coupled with proactive decision making, your Company was able to ensure safe and swift transition of all the employees to a "work from home" model, creating an efficient completely equipped remote workforce. We are glad to report that 100% of your Company's workforce has been working from home and your Company has been able to meet all the committed deliverables to the customers, earning appreciations by many customers despite the challenging conditions.

The Company has assessed the impact of Covid-19 Pandemic on its operations as well as financial reporting process, including but not limited to the areas of financial controls, credit risk, effectiveness of hedge relationship, goodwill, impairment of financial and non-financial assets, and Cyber security pertaining to the remote access of information for the year ended March 31, 2020 and up to the date of this report. While assessing the impact, Company has considered all internal and external sources of information like industry reports, economic forecast, credit reports and company's business forecast basis the global economic consensus. The Company will continue to closely monitor any material changes to the business due to future economic conditions.

4. ACQUISITION/ SCHEME OF ARRANGEMENT

Acquisitions are a key enabler for driving capability to build industry domain, focus on key strategic areas, strengthening presence in emerging technology areas including Digital, and increase market footprint in newer markets. Your Company focuses on opportunities where it can further develop its domain expertise, specific skill sets and its global delivery model to maximise service and product enhancements and higher margins.

About Evosys: Evosys is a leading Oracle Cloud implementation and consultancy Company serving 1,000+ Oracle Cloud customers across 30+ countries. An Oracle Platinum partner, Evosys provides solution offerings like Oracle HCM Cloud, Oracle ERP Cloud, Oracle SCM Cloud, Oracle CX, Oracle EPM Cloud, PaaS solutions (including custom-built solutions), AI, IoT and machine learning. Evosys diverse customer portfolio consisting Government, Healthcare, Finance, Logistics, Manufacturing & Distribution Organisation, is a testimony to the expertise and leadership in Oracle Cloud implementation. Evosys was recognised for winning 'Oracle Partner of the Year' Award at Oracle Open World 2019 for three times and the 'Dream Employer of the Year' award from World HRD in 2019.

Strategic Rationale:

- Evosys delivers diversification to Mastek
  - Geographic: Reduces concentration from UK to other markets. Opens up access to Continental Europe and Middle East
  - Revenue: Strong transactional revenue model, Mastek has more steady annuity revenue model
  - Market segment: Enterprise and SME
- Evosys complements Mastek strengths
  - ERP migration is growing faster and often starting point for digital transformation journey
  - Evosys has established sales channel and partnership with Oracle
  - Evosys has been recognised by Gartner as one key player in cloud migration
- Mastek and Evosys combination increases addressable market for both
  - No overlap of capability; Upside potential for Companies
  - Strong Offshore model
- Excellent cultural and values fit
  - Strengthens Mastek Leadership
  - Evosys brings strong sales engine; Mastek brings delivery excellence

During the year under review, Mastek (UK) Limited, a wholly owned subsidiary of the Company, entered into a Business Transfer Agreement ("BTA") on February 8, 2020 to acquire the business of Evolutionary Systems Arabia FZ LLC and also entered into Share Transfer Agreements (STA) to acquire its investments in identified Middle East Companies by paying a cash consideration (net of debt and including cash & cash equivalents) of USD 64.9 million i.e. ₹ 48,204 lakhs. The closing of such transaction occurred on March 17, 2020, which is considered to be the date of transfer of control or the date of acquisition, as per Ind AS 103, and necessary effects have been recognised in the Standalone Financial Statements of the respective entities and Consolidated Financial Statements of the Company.

While the acquisition has been effected and full consideration has been paid, procedures to complete the legal process viz., registering sale of shares, etc. in certain geographies is ongoing. The legal procedures are delayed because of COVID-19 pandemic related lockdown in certain geographies and the parties to the BTA expect to complete these administrative process before long stop date post the lockdown is relaxed/ lifted i.e. second half of the Financial Year 2020-21.

With respect to the overseas business of Evolutionary Systems Private Limited (ESPL) including investment in certain subsidiaries of ESPL, the parties entered into a Demerger Co-operation Agreement (DCA) and Shareholders Agreement on February 8, 2020 (DCA acquisition). The manner of the acquisition of legal ownership, is decided to be achieved through a demerger scheme to be filed before the National Company Law Tribunal (NCLT) ("the Scheme"), or, as per DCA between the Company and the shareholders of ESPL, the Company shall complete this transaction with the same economic effect, by an alternate arrangement within the period specified in the DCA. The DCA gives Mastek and Trans American Information Systems Private Limited (TAISPL) a wholly owned subsidiary of the Company (collectively referred as Mastek Group) the right to appoint majority of the board of directors in ESPL and its subsidiaries and also provides for the relevant activities of ESPL and its subsidiaries to be decided by a majority vote of such board of directors, thereby resulting in transfer of control of business of ESPL and its subsidiaries to the Mastek Group. The transfer of legal title of such business undertaking is expected to be completed in current Financial Year. Discharge of consideration through demerger will be done through issue of 42,35,294 equity shares of Mastek (face value of ₹ 5 each) and balance through 15,000 Compulsorily Convertible Preference Shares (CCPS), (face value of ₹ 10 each) of TAISPL for every 10,000 equity shares of ESPL of face value of ₹ 10 each. The CCPS to be issued subject to regulatory approval, carries a Put Option which can be exercised by the holders of such CCPS at agreed EBIDTA multiples over the next 4 (four) years. Pending completion of legal acquisition, this transaction has been disclosed in the standalone financial statements and will be given effect to on receiving NCLT approval or on executing the alternate arrangement in accordance with the DCA. Accordingly, the equity shares which are proposed to be issued have not been considered for calculating the earnings per share both basic and diluted.

5. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of provisions of Regulation 34(2) of the SEBI Listing Regulations, a detailed review of the operations, performance and outlook of the Company and its business is given in the Management Discussion and Analysis, which is presented in a separate section forming part of this Annual Report.

6. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of the Company which have occurred from the end of the Financial Year of the Company to which the financial statements relate till the date of this report.

7. CREDIT RATING

The Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations. During the year under review, ICRA Limited, Credit Rating Agency, had reaffirmed the ratings assigned for the Bank facilities as [ICRA] A+ (Positive) rating for fund-based limits and [ICRA] A1+ for non-fund based limits for the Working Capital Facilities granted to the Company by its Bankers.

8. TRANSFER TO GENERAL RESERVES

There was no amount from profit, which was transferred to General Reserves during the year under review.

9. DIVIDEND (RETURNS TO INVESTORS)

Pursuant to the approval of the Board of Directors of the Company on October 17, 2019 and March 17, 2020, the Company paid an Interim Dividends of ₹ 3/- per Equity Share (face value of ₹ 5/- each) i.e. @60% and ₹ 5/- per Equity Share (face value of ₹ 5/- each) i.e. @100% respectively, to the members of the Company. Having declared two Interim Dividends, your Board does not recommend payment of Final Dividend for the year ended March 31, 2020 and recommends to consider these two Interim Dividends as Final Dividend.

Accordingly, the total dividend for the Financial Year ended March 31, 2020 stands at ₹ 8.00/- per share, (Previous Year ₹ 8.50/- per share) involving a total outflow approximately of ₹ 1945.59 lakhs (Previous Year ₹ 2,035 lakhs).

10. TRANSFER OF UNCLAIMED DIVIDEND AMOUNT AND CONCERNED SHARES TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY

As required under the provisions of Section 125 and other applicable provisions of the Act, dividends that remain unpaid/ unclaimed for a period of consecutive 7 (seven) years, are required to be transferred to the account administered by the Central Government viz. Investor Education and Protection Fund ("IEPF"). Further, according to the said Rules, the shares on which dividend has not been paid or claimed by the members for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

There were neither unpaid/ unclaimed dividend amount nor concerned Shares which were due and required to be transferred to IEPF Authority during the year under review.

Any person claiming to be entitled to the unpaid/ unclaimed amount and concerned shares transferred to IEPF, may apply to the IEPF Authority by submitting an online application in Form IEPF-5 available on the website www.iepf.gov.in, along with the fee specified by the IEPF Authority. The claimant can file only one consolidated claim in a Financial Year as per the IEPF rules. All corporate benefits accruing on such shares viz. bonus shares, etc. including dividend shall be credited to IEPF.

The details of the unpaid/ unclaimed dividend amounts which will be transferred to IEPF Authority in the current year and subsequent years are given in the Corporate Governance Report, which forms part of this Annual report.

The Company sends specific advance communication to the concerned members at their registered addresses available with the Company and also publishes notice in the newspapers providing the general details of such unpaid/ unclaimed dividend and concerned shares due for transfer, so as to enable them to take appropriate action.

11. EMPLOYEE STOCK OPTION PLANS

The Company has 4 ongoing Employee Stock Option Plans (ESOPs) at present. The members by way of Postal Ballot on August 9, 2007 approved ESOP Plan IV, in the Annual General Meeting held on March 20, 2009 approved ESOP Plan V, in the Annual General Meeting held on October 1, 2010 approved the ESOP Plan VI and in the Annual General Meeting held on July 17, 2013 approved the ESOP Plan VII for issuance of the Employee Stock Options (''Options") to the eligible employees of the Company. ESOPs aims to promote desired behavior among employees for meeting the Company's long term objectives and enable retention of employees for desired objectives and duration, through a customised approach.

The Nomination and Remuneration Committee of the Company, *inter-alia*, administers and monitors ESOPs, implemented by the Company in accordance with the provisions of the Act and the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended. During the year under review, the Company had granted 170,750 Options to its selected employees. The Board of Directors confirms that there is neither any new plan introduced nor there were any material changes made in the existing Plans and all the existing Plans comply with the aforesaid SEBI Regulations.

The yearly disclosure requirement under the SEBI (Share Based Employee Benefits) Regulations, 2014, for the aforesaid ESOPs is annexed as "**Annexure 1**" to this report, in respect of the year ended March 31, 2020. Further, a certificate from M/s. Walker Chandiok & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, with respect to implementation of ESOP in compliance with the Act, aforementioned SEBI Regulations and the Members' approvals, will be obtained and shall be available for inspection by the members. The members desiring inspection may write at investor_grievances@mastek.com

12. SHARE CAPITAL

During the year, the Company has issued and allotted 316,669 number of Equity Shares of face value of ₹ 5/- each for a total nominal value of ₹ 15,83,345/- under various Employee Stock Option Plans 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.

The movement of share capital during the year was as under:

Particulars	No. of shares allotted	Cumulative outstanding No. of shares of face value ₹ 5 each	Cumulative outstanding Total share capital
Share Capital at the beginning of the year, i.e. as on April 1, 2019	**-**	**23,972,803**	**119,864,015**
Allotment of shares to employees pursuant to exercise of options granted under Employee Stock Option Plans on –			
1. April 16, 2019	8,705	23,981,508	119,907,540
2. July 1, 2019	32,032	24,013,540	120,067,700
3. October 16, 2019	99,005	24,112,545	120,562,725
4. January 27, 2020	142,688	24,255,233	121,276,165
5. March 17, 2020	34,239	24,289,472	121,447,360
Share Capital at the end of the year, i.e. as on March 31, 2020	**-**	**24,289,472**	**121,447,360**

Your Company is listed with the BSE Limited and National Stock Exchange of India Limited and the Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.

13. SUBSIDIARY COMPANIES

As on March 31, 2020, the Company has 20 Subsidiary Companies, which has been increased due to recent acquisition of Evosys Group Companies.

During the year under review, TAIS Tech LLC has been merged with Trans American Information Systems Inc. USA, step down subsidiary of the Company with due regulatory approval, so as to enable greater synergies between the Companies and to achieve higher operational efficiencies. Accordingly, TAIS Tech LLC now cease to exist effective December 31, 2019.

Additionally, a new entity Mastek Arabia - FZ LLC as wholly owned subsidiary of Mastek (UK) Limited was incorporated in UAE on March 3, 2020 and has acquired the identified business of Oracle cloud implementation and consultancy services in Middle East from Evolutionary Systems Arabia FZ LLC, as envisaged under the Business Transfer Agreement.

Further, on April 30, 2020 a new entity i.e. Mastek Digital Inc. at Canada has been incorporated as wholly owned subsidiary of Mastek Inc.

As per Section 129(3) of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014, the Company has prepared its consolidated financial statements covering all its subsidiaries (including the recent acquisition of Evosys Group entities), which contains a list of all the subsidiaries of the Company as on March 31, 2020, and forms a part of this Annual Report and a statement containing salient features of the financial statements of the subsidiaries and their contribution to overall performance of the Company in **Form AOC-1** is annexed as "**Annexure 2**" to this Report.

Further, pursuant to the provisions of Section 136(1) of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company https://www.mastek.com and the same are also available for inspection by the members. Due to COVID-19 pandemic, the Company shall not be printing the annual accounts of the subsidiaries, the members are therefore requested to download the same from the website of the Company, as mentioned above.

There has been no material change in the nature of the business of the Company or any of its subsidiaries.

14. MATERIAL SUBSIDIARIES

Your Company has approved a policy for determining material subsidiaries and the same is uploaded on the Company's website which can be accessed using the link https://www.mastek.com/corporate-governance. In terms of this policy, Mastek (UK) Limited and Trans American Information Systems Inc., are the only material subsidiaries of the Company. The Company has appointed its Independent director on their Board and also periodically reviews all the major decisions and Board minutes.

15. RELATED PARTY TRANSACTIONS

During the year under review, the Company has not entered into any material transactions with Related Parties (except with its wholly owned subsidiaries which are exempt for the purpose of Section 188(1) of the Act). As defined under Section 2(76) of the Act, read with Companies (Specification and Definitions Details) Rules, 2014, all of the Related Party Transactions entered into were at an arm's length basis and in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. There are no materially significant Related Party Transactions made by the Company with its Promoters, Directors or Key Managerial Personnel, etc., which may have potential conflict with the interest of the Company at large.

Omnibus approvals are given by the Audit Committee for the transactions, which are foreseen and are repetitive in nature on yearly basis. 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 & conditions of the transactions. The said transactions were unanimously approved by the Audit Committee as well as by the Board.

None of the transactions with the related parties fall under the scope of Section 188 (1) of the Act. The details of related party transactions pursuant to Section 134(h) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, are given in **Form AOC-2** is annexed as **"Annexure 3"** to this Report.

In compliance with the requirements of the SEBI Listing Regulations, the Company has in place a Policy on Related Party Transactions the same is uploaded on the Company's website which can be accessed using the link https://www.mastek.com/corporate-governance.

16. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in the financial statements. In compliance with the provisions of the Act, there were no loans given by the Company during the year. Further, the Company had provided a Guarantee and also security/ charge/ mortgage over its Properties as a Security for a loan facilities availed by its wholly owned subsidiary.

Considering the ongoing business requirements, Company proposes to increase the limits under Section 186, 180 (1)(a) and 180 (1)(c) as mentioned in the Notice of the ensuing Annual General Meeting and being placed before the members for their approval.

17. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company have a broad-based Board of Directors which believes in good corporate governance practices. The composition of the Board of Directors is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations, with an optimum combination of Executive, Non-Executive and Independent Directors.

As on the date of this Annual Report, the Board of Directors of the Company consists of 6 (six) members, out of which there are 4 (four) Independent Directors including 1 (one) Woman Director, there is 1 (one) Non-Executive Director and 1 (one) Executive Director who are also the Promoters of the Company. The Company has Non-Executive Independent Director as Chairman.

- **Non-Independent Director - Director Retiring By Rotation**

  In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act and pursuant to the Articles of Association of the Company, Mr. Ashank Desai (DIN: 00017767) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. Accordingly, the re-appointment of Mr. Ashank Desai is being placed for the approval of the members at the ensuing Annual General Meeting. A brief profile of Mr. Ashank Desai along with other related information forms part of the Notice convening the ensuing Annual General Meeting.

- **Director Resignation during the year under review**

  Mr. Keith Bogg (DIN: 07658511), a Non-Executive Independent Director of the Company, conveyed his resignation to the Board on October 3, 2019 stating his resignation with effect from October 15, 2019, due to his personal reasons, which was reviewed and accepted by the Board at its meeting held on October 17, 2019.

- **Independent Directors and their Declarations**

  During the year under review, the members at 37th Annual General Meeting held on July 23, 2019, approved the re-appointments of Mr. S. Sandilya (DIN: 00037542), Ms. Priti Rao (DIN: 03352049) and Mr. Atul Kanagat (DIN: 06452489) as an Independent Directors of the Company for their second term, pursuant to the provisions of the Act and the SEBI Listing Regulations. In the opinion of the Board, Independent Directors fulfill the conditions specified in the Act, read with the Schedules and Rules framed thereunder as well as SEBI Listing Regulations and are independent from the Management and are persons of integrity and possesses relevant expertise and vast experience and brings an independent judgement on the Board's discussions.

  The Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Mr. Rajeev Grover (DIN: 00058165) as an Additional director (Independent) for a term of 5 (five) consecutive years commencing from

January 28, 2020 upto January 27, 2025, subject to approval of the members at the ensuing 38th Annual General Meeting of the Company. In terms of Section 161 of the Act, Mr. Grover holds office up to the date of ensuing Annual General Meeting. The Company has received declaration from Mr. Grover confirming that he meets the criteria of Independence as prescribed under both, Section 149(6) of the Act and the SEBI Listing Regulations. In the opinion of the Board, Mr. Grover has requisite qualifications and experience. Accordingly, the Board of Directors recommends his appointment to the members of the Company. A brief profile of Mr. Grover along with other related information forms part of the Notice convening the ensuing Annual General Meeting.

In accordance with Section 149 (7) of the Act, and Regulation 16(1)(b) of the SEBI Listing Regulations, each Independent Director of the Company has provided a written declaration confirming that he/she meets the criteria of independence as stipulated under Section 149(6) of the Act.

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

All the Independent Directors of the Company have enrolled their names in the online database of Independent Directors by Indian Institute of Corporate Affairs in terms of the recently introduced regulatory requirements.

- **Board Independence**

  The definition of 'Independence' of Directors is derived from Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationship as disclosed by the Directors in all of their declarations submitted to the Company, the following Non-Executive Directors are Independent of the Management:

  a. Mr. S. Sandilya
  b. Ms. Priti Rao
  c. Mr. Atul Kanagat, and
  d. Mr. Rajeev Grover (appointed w.e.f. January 28, 2020)

  There has been no change in the circumstances affecting their status as Independent Directors of the Company.

- **Re-appointment of Mr. Sudhakar Ram**

  Mr. Sudhakar Ram (DIN: 00101473) was appointed as Vice-Chairman & Managing Director of the Company for a period of 3 (three) years i.e. from July 1, 2017 to June 30, 2020 vide members' resolution dated June 22, 2017. Upon completion of the term of his appointment the Board of Directors on recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Sudhakar Ram and propose the members to consider and approve his re-appointment on the terms and conditions including his remuneration as the "Vice - Chairman & Managing Director" of the Company for a further period of 5 (Five) years commencing from July 1, 2020 upto June 30, 2025. A brief profile of Mr. Sudhakar Ram along with other related information forms part of the Notice convening the ensuing Annual General Meeting.

- **Key Managerial Personnel**

  Pursuant to the provisions of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended from time to time), the following are the Key Managerial Personnels of the Company:

  a. Mr. Sudhakar Ram - Vice-Chairman & Managing Director;
  b. Mr. Abhishek Singh - Group Chief Financial Officer; and
  c. Mr. Dinesh Kalani - Company Secretary

  There is no change in the composition of Key Managerial Personnel during the year under review.

18. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, audit and reviews performed by the Internal, Statutory and Secretarial Auditors and the reviews undertaken by the Management and the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls have been adequate and effective during the year under review.

Pursuant to the requirements under Section 134(5) read with Section 134(3)(c) of the Act, and to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm the following statements:

a) that in the preparation of the Annual Financial Statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) that such accounting policies as mentioned in 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, 2020 and of the profits 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 Act 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.

19. BOARD EFFECTIVENESS

- **Performance Evaluation**

  In compliance with the relevant provisions of the Act, read with the Rules made thereunder and the SEBI Listing Regulations, the performance evaluation of the Board as a whole, its specified Statutory Committees, the Chairman of the Board and the individual Directors was carried out for the year under review. The manner in which the performance evaluation was carried out and the outcome of the evaluation are explained in the Corporate Governance Report, which forms part of this Annual report.

- **Familiarisation Programme**

  The Company has conducted Familiarisation programmes for the Independent Directors of the Company covering the matters as specified in Regulation 25(7) of the SEBI Listing Regulations. The details of the training and Familiarisation programme conducted by the Company are hosted on the Company's website under the web link https://www.mastek.com/corporate-governance. The details of the induction and Familiarisation Programme for the Directors are given in the Corporate Governance Report, which forms part of this Annual Report.

- **Code of Conduct on Directors' Appointment and Remuneration**

  The Nomination and Remuneration Committee of the Company formulates the criteria for determining the qualifications, positive attributes and independence of Directors in terms of its charter. In evaluating the suitability of individual Board members, the Committee takes into account factors such as educational and professional background, general understanding of the Company's business dynamics, standing in the profession, personal and professional ethics, integrity and values, willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively. The Committee also assesses the independence of Directors at the time of their appointment / re-appointment as per the criteria prescribed under the provisions of the Act and the rules made thereunder and SEBI Listing Regulations.

The Company has formulated a "Code of Conduct for the Board of Directors". The confirmation of compliance of the same is obtained from all the Board members on an annual basis. All Board Members have given their confirmation of compliance for the year under review. A declaration duly signed by Vice-Chairman & Managing Director is given under Corporate Governance Report, which forms part of this Annual report. The Code of Conduct for Board of Directors is also posted on the website of the Company at web link https://www.mastek.com/corporate-governance.

20. MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met 7 (seven) times during the year ended March 31, 2020. The details of the Board Meetings and the attendance of the Directors there at, are provided in the Corporate Governance Report, which forms part of this Annual report. The maximum interval between any 2 (two) meetings did not exceed 120 (one hundred and twenty) days as prescribed in the Act.

21. INDEPENDENT DIRECTORS MEETING

As per Schedule IV of the Act, Secretarial Standards-1 on Board Meetings ('SS-1') and SEBI Listing Regulations, during the year under review, 1 (one) meeting of the Independent Directors was held on October 17, 2019.

22. COMMITTEES OF THE BOARD

The Board of Directors have constituted the following Committees:

a. Audit Committee

b. Nomination and Remuneration Committee

c. Stakeholders' Relationship Committee

d. Corporate Social Responsibility Committee, and

e. Governance Committee

The detailed information of the Committees along with their composition, charter, number of meetings held during the year under review and their attendance at the meetings held during the year under review are provided in the Corporate Governance Report.

The brief Composition of Board Committees as on March 31, 2020 is as follows:

Particulars	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Governance Committee
Mr. S. Sandilya	√	√	√		
Mr. Sudhakar Ram			√	√	
Mr. Ashank Desai	√	√	√	√	√
Ms. Priti Rao	√			√	√
Mr. Atul Kanagat	√	√	√		
Mr. Rajeev Grover	√	√			√

23. COMPANY'S POLICY ON NOMINATION AND REMUNERATION

Nomination and Remuneration Committee ('NRC') has formulated a Nomination and Remuneration Policy laying out role of NRC, policy on director's appointment and remuneration including recommendation of remuneration of the Key Managerial Personnel and Senior Managerial Personnel's and the criteria for determining qualifications, positive attributes and independence of a Director. The policy is available at the website of the Company at web link https://www.mastek.com/corporate-governance.

Some of the salient features of which are as follows:

a. To regulate the appointment and remuneration of Directors, Key Managerial Personnel and the Senior Managerial Personnel;

b. To identify persons who are qualified to become Directors as per the criteria/ Board skill matrix identified by the Board;

c. To ensure proper composition of Board of Directors and Board diversity;

d. To ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Managerial Personnel and their remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to Company's working and its goals.

Additionally, during the year under review, the Board has on the recommendation of NRC, approved the list of core skills/ expertise/ competencies required from the Directors in the context of Company's business and sector for it to function effectively.

Please refer the Notes to Accounts and Corporate Governance Section for the details on Remuneration of Directors and Key Managerial Personnels.

24. AUDITORS

A. STATUTORY AUDITORS AND AUDITORS' REPORT

M/s. Walker Chandiok & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 001076N / N500013) were appointed as the Statutory Auditors of the Company in terms of provisions of the Act to hold office for a term of 5 (five) consecutive years from the conclusion of the 35th Annual General Meeting (AGM) held on June 22, 2017 until the conclusion of the 40th AGM of the Company to be held in the year 2022, subject to ratification by members every year.

Pursuant to the provisions of Section 139 of the Act and the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification from the members for the continuation of re-appointment of the Statutory Auditors has been withdrawn from the Statute, hence re-appointment of M/s. Walker Chandiok & Co. LLP, Statutory Auditors of the Company does not require ratification and will continue to be Statutory Auditors of the Company. Hence, the resolution seeking ratification of the members for their appointment is not being placed at the ensuing AGM.

M/s. Walker Chandiok & Co. LLP has confirmed their eligibility and consent under Sections 139 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2014 for their continuance as the Statutory Auditors of the Company for the Financial Year 2020–2021. In terms of the SEBI Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

The Auditors of the Company have not reported any material fraud as specified under Section 143(12) of the Act, during the year under review. The Auditors' Report issued during the year under review is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

B. INTERNAL AUDITOR

The Board, based on the recommendation of the Audit Committee, had re-appointed M/s. S M S R & Co. LLP (Chartered Accountants), Mumbai as the Internal Auditor for the Financial Year 2019-20. The audit is based on an internal audit plan, which is reviewed each year and approved by the Audit Committee. In line with international practice, the conduct of internal audit is oriented towards the review of internal controls and risks in the Company's operations.

C. SECRETARIAL AUDITOR

Pursuant to Section 204 of the Act and Rules made thereunder, the Company had re-appointed Mr. Prashant S. Mehta, Proprietor of P. Mehta & Associates, Practising Company Secretaries, as Secretarial Auditor of the Company for the Financial Year 2019–20 to conduct the Secretarial Audit and issue the Secretarial Audit Report in **Form MR-3**. The report of the Secretarial Auditors for the Financial Year under review is annexed as **"Annexure 4"** to this report. The report is self-explanatory and does not contain any qualification, reservation, adverse remark or disclaimer.

25. ENTERPRISE RISK MANAGEMENT (ERM)

The Company has developed and implemented a comprehensive ERM Framework for identification, assessment and monitoring of risks that could negatively impact the Company's goals and objectives. This framework is periodically reviewed and enhanced under the oversight of the Governance Committee of the Board as well as by the Board of Directors of the Company. Audit Committee of the Board has additional oversight in the area of financial risks and controls.

Mastek is committed to further strengthen its risk management capabilities in order to protect interests of stakeholders and enhance shareholders value. The detailed information pertaining to ERM is given under the Management Discussion and Analysis Section which forms part of this Annual Report.

26. INTERNAL CONTROL SYSTEMS

Internal Financial Controls over Financial Reporting

The Company believes that internal control is a necessary prerequisite of Governance and that freedom should be exercised within a framework of checks and balances. The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. The management is committed to ensure an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.

Internal Audit

An independent and empowered Internal Audit Firm at the corporate level carries out risk-focused audits across all businesses (both in India and overseas), to ensure that business process controls are adequate and are functioning effectively. These audits include reviewing finance, operations, safeguarding of assets and compliance related controls. Areas requiring specialised knowledge are reviewed in partnership with external subject matter experts. The Internal Audit's functioning is governed by the Audit Charter, duly approved by the Audit Committee of the Board, which stipulates matters contributing to the proper and effective conduct of audit.

The Company's senior management closely monitors the internal control environment and ensures that the recommendations of the Internal Auditors are effectively implemented. The Audit Committee of the periodically reviews key findings and provides strategic guidance.

27. HUMAN RESOURCES

Human Resources are vital and most valuable assets for the Company. 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 the excellent talent.

The additional information pertaining to Human Resources initiatives taken by the Company is given under the Management Discussion and Analysis section, which forms part of this Annual Report.

As on March 31, 2020, Mastek Group had a total head count of 3,404. Mastek Group continues to focus on attracting new talent & help them to acquire new skills, explore new roles and realise their potential by way of providing training Programme and retain such high quality talent.

28. MANAGEMENT OF EQUALITY, RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES

- **Equal opportunity employer**

  The Company has always provided a congenial atmosphere for work that is free from discrimination and harassment, including but not limited to sexual harassment. It has also provided equal opportunities of employment to all irrespective of their caste, religion, colour, marital status and gender.

- **Prevention of Insider Trading**

  The Company has adopted the Code of Internal Procedures and Conduct for regulating, monitoring and reporting of trading by Insiders in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 to regulate, monitor and report trading by its Designated Person(s)/ and other connected person(s). Further, for effective implementation of the Code, the Company has put in place the Penalty Framework and the Internal Guidelines on violation of the said Code.

  The Company's Code of practices and procedures for fair disclosure of unpublished price sensitive information is available on the Company's web link https://www.mastek.com/corporate-governance

- **Whistle Blower Policy / Vigil Mechanism**

  To create enduring value for all stakeholders and ensure the highest level of honesty, integrity and ethical behaviour in all its operations, the Company in compliance with the requirements of the Act and the SEBI Listing Regulations, has established a Whistle Blower Policy / Vigil Mechanism Policy and the same is placed on the web site of the Company at web link https://www.mastek.com/corporate-governance.

  The Company has a Vigil Mechanism for Directors, Employees and Stakeholders to report their concerns about unethical behavior, leakage of unpublished price sensitive information, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against victimisation who avail the mechanism.

- **Anti - Corruption and Bribery Policy**

  In furtherance of the Company's Philosophy of conducting business in an honest, transparent and ethical manner, the Board has laid down 'Anti-Corruption and Bribery Policy' as part of the Company's Code of Business Conduct and Ethics. As a Company, Mastek has zero-tolerance to bribery and corruption and is committed to act professionally and fairly in all its business dealings. To spread awareness about the Company's commitment to conduct business professionally, fairly and free from bribery and corruption and as part of continuous education to the employees an 'Anti- Bribery', mandatory online training & testing through a web-based application tool was conducted for relevant employees. The above policy and its implementation are closely monitored.

  The concerned employees of the Company are made aware of the said policy at the time of joining the Company and are also provided online training, wherever necessary.

29. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at work place in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, neither any complaints with allegations of sexual harassment were filed and nor any complaint was pending at the end of the year.

30. CORPORATE SOCIAL RESPONSIBILITY(CSR)

Mastek Foundation is the CSR wing of the Company. Founded in 2002, the mission of Mastek Foundation evolves as ***Informed Giving, Responsible Receiving.*** The institution seeks to inspire Company employees by creating awareness among them to give back to the community in ways which would meet the needs and challenges faced by the community members. One such medium could be through volunteering and giving opportunities. The Foundation also supports Non - Governmental Organisation (NGOs) to scale and build their capabilities through our core skill of IT. Hence, the Foundation has 3 clearly defined pillars: **GIVE, ENGAGE, and BUILD**.

The disclosures required to be given under Section 135 of the Act, read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **"Annexure 5"** to this report. The CSR Policy of the Company is available on the Company's website which can be accessed using the link https://www.mastek.com/corporate governance.

31. PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES

The ratio of remuneration of each Director to the median employee's remuneration as per Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 is annexed as **"Annexure 6"** to this report.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, perquisites and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committees of the Company. The Managing Director of the Company has not received any remuneration or commission from any of Company's subsidiaries.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules and the disclosures pertaining to ratio of remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the said Rules are part of this report. Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company and others entitled thereto. Details of employee remuneration as required under aforesaid provisions are available with the Company and shall be sent m Members electronically who request for the same by sending e-mail to Company at investor_grievances@mastek.com from their registered e-mail address.

32. BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34 of the SEBI Listing Regulations, 'Business Responsibility Report' forms part of this Annual Report, which describes the initiatives taken by the Company from an environmental, social and governance perspective.

33. CORPORATE GOVERNANCE

Maintaining high standards of Corporate Governance has been fundamental and integral principle to the business of your Company since its inception. Your Directors reaffirm their continued commitment to good corporate governance practices. Report on Corporate Governance and Certificate of the Secretarial Auditor of the Company regarding compliance of the conditions of Corporate Governance as stipulated in Part C of Schedule V of the SEBI Listing Regulations, are provided in a separate section and forms part of this Report.

34. ANNUAL RETURN

As required under the provisions of Sections 134(3)(a) and 92(3) of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the extract of Annual Return in **Form No. MGT-9** is annexed as **"Annexure 7"** to this report.

35. COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable Secretarial Standards on meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India in terms of Section 118(10) of the Act.

36. INSURANCE

The Company has sufficiently insured itself under various Insurance policies to mitigate risks arising from third party or customer claims, property, casualty, etc. The Company also have in place an insurance policy for its Directors & Officers with a quantum and coverage as approved by the Board. The policy complies with the requirements of Regulation 25(10) of SEBI Listing Regulations.

37. DETAILS OF CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy and Technology Absorption

The Company is entirely a Service Company and thus essentially, a non-energy intensive organisation.

Additionally, the Company's facilities are set up at locations chosen for adequate availability and supply of energy. The Company has optimisation of IT power usage as well as higher operational efficiency.

Further, the Company was able to reduce the energy consumption and reduce the carbon footprint through implementation of highly energy efficient equipment's and smarter solutions.

We are also committed towards reduction in GHG emission by way of implementing various green initiatives. Some of the initiatives taken by the Company are as follows;

- Replacement of CFL lights with energy efficient LED Lights.
- Replacement of old conventional global datacenter with new modular smart rack data center at Mahape office.
- Replacement of old conventional UPS systems with new energy efficient modular UPS systems.
- Reduction in usage of Plastic water bottles.
- VRV AC systems are not only energy efficient AC machines but also are using R410 eco-friendly refrigerant gas, which is also a step towards eliminating R22 refrigerant gas.
- Company is encouraging all employees across India for using carpooling services option.
- Optimum utilisation of water across Mastek facilities and reduction in Diesel consumption.
- All Company vehicles are compliant with government laid pollution control norms.

The Company continues to adopt and use the latest technology to improve the productivity and quality of its services. The Company's operations do not require significant import of technology.

Foreign exchange earnings and outgo

Total Foreign Exchange used and earned by the Company are as follows:

(₹in lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Foreign Exchange Used	**271**	413
Foreign Exchange Earned	**18,450**	19,526

38. OTHER DISCLOSURES

No disclosure or reporting is made with respect to the following items, as there were no transactions during the year under review:

- There was no revision in the Financial Statements.
- The Company does not have any scheme or provision of money for the purchase of its own shares by trustees for employees benefit.
- The Company is not required to maintain cost records as per Section 148 of the Act.
- There was no buy back of shares during the year under review.
- The Company has not accepted any deposits from public, under the provisions of the Act and the rules framed thereunder.
- No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations and legal compliances.

39. INDUSTRY RECOGNITION

During the year under review, your Company and its Subsidiaries received various awards and felicitations conferred by reputable organisations. The detailed updates on the same is included in the Management Discussion and Analysis Section, which forms part of this Annual report.

40. APPRECIATION AND ACKNOWLEDGEMENT

Your Directors are grateful to the Investors for their continued patronage and confidence in the Company over the past several years. Your Directors also thank the Central and State Governments, Statutory and Regulatory Authorities, Stock Exchanges for their continued guidance, assistance, co-operation and support received.

Your Directors wants to take an opportunity to thank all our esteemed clients, associates, vendors, banks, financial institutions and contractors within the country and overseas for their continued support, faith and trust reposed in the professional integrity of Mastek. With continuous learning, skill upgradation and technology development Company will continue to provide world class professionalism and services.

Your Directors value the professionalism and commitment of all employees of the Company and place on record their appreciation of the contribution and efforts made by all the employees in ensuring excellent all-round performance. Their talent and agility have ensured that the Company continues to be a significant and leading player in Information Technology Industry.

Your Directors appreciate your continued support, trust & confidence, and we work each day to grow the value of your investment in the Company. We look forward to deliver another year of value adding growth.

For and on behalf of the Board of Directors

	Sudhakar Ram	**S. Sandilya**
	Vice - Chairman &	Non- Executive Chairman
Date: July 29, 2020	Managing Director	& Independent Director
Place: Mumbai	(DIN: 00101473)	(DIN: 00037542)

ANNEXURES TO THE DIRECTORS' REPORT

Annexure 1	Disclosure as required under SEBI (Share Based Employee Benefits) Regulations, 2014
Annexure 2	Statement containing salient features of the financial statements of the subsidiaries and their contribution to overall performance of the Company in Form AOC-1
Annexure 3	Disclosure of particulars of contracts /arrangements entered into by the Company with related parties (Pursuant to Section 134 (3) (h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014) in Form AOC-2
Annexure 4	Secretarial Audit Report in Form MR-3
Annexure 5	Annual Report on CSR Activities
Annexure 6	Disclosure pertaining to remuneration under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
Annexure 7	Extract of Annual Return in Form-MGT 9

ANNEXURE 1

Disclosure under SEBI (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2020

A. Employee Stock Option Plans

Sr. No	Particulars	Plan IV	Plan V	Plan VI	Plan VII
1	Date of Members' Approval	August 09, 2007	March 20, 2009	October 01, 2010	July 17, 2013
2	Total number of options/ RSU's approved under the plans	1,000,000	1,500,000	2,000,000	2,500,000
3	Vesting Requirements	**Options:** The first vesting of the stock options shall happen only on completion of 1 (one) year from the date of grant. Maximum vesting period is 4 (four) years from the date of Grant.	**Options/ RSU's:** The first vesting of the stock options/ RSUs shall happen only on completion of 1 (one) year from the date of grant. Maximum vesting period is 4 (four) years from the date of Grant.	**Options/ RSU's:** The first vesting of the stock options/ RSUs shall happen only on completion of 1 (one) year from the date of grant. Maximum vesting period is 4 (four) years from the date of Grant.	**Options/ RSU's:** The first vesting of the stock options shall happen only on completion of 1 (one) year from the date of grant. Maximum vesting period is 4 (four) years from the date of Grant.
			RSU's: Applicable to all employees. Vesting period will be 3 (three) years and the vesting schedule would be 20% at the end of one year, 30% at the end of second year and 50% at the end of third year. The price of options/ RSU's would be ₹ 5/- per share (Face value).		
4	Exercise Price or Pricing Formula	Market Price	The exercise price as may be determined by the Nomination and Remuneration 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	Variation in terms of Options/ RSU's	During the year ended June 30, 2011, the Company has extended the vesting period from 2 (two) years to 7 (seven) years. The company has entered into the scheme of arrangement in the financial year 2015-16. Mastek Limited got split into Mastek Limited & Majesco Limited. Subject to this arrangement, the exercise price has been revised for the options outstanding on the date of arrangement.	The company had implemented the Scheme of Arrangement in the financial year 2015-16, effective April 01, 2014. Mastek Limited got split into Mastek Limited & Majesco Limited. Subsequent to this arrangement, the exercise price has been proportionately revised for the options outstanding on the date of arrangement. Ratio of split was 37:63		
6	Source of Shares	Primary			
7	Maximum Term of Options/RSU's Granted	11 years from the date of Grant			

B. Options/ RSU's Movement During the year

Particulars	Year ended March 31, 2020		Year ended March 31, 2019		Year ended March 31, 2020		Year ended March 31, 2019		Year ended March 31, 2020		Year ended March 31, 2019		Year ended March 31, 2020		Year ended March 31, 2019	
	No. of share options/ RSU's	Weighted average Exercise price (in ₹)	No. of share options/ RSU's	Weighted average Exercise price (in ₹)	No. of share options/ RSU's	Weighted average Exercise price (in ₹)	No. of share options/ RSU's	Weighted average Exercise price (in ₹)	No. of share options/ RSU's	Weighted average Exercise price (in ₹)	No. of share options/ RSU's	Weighted average Exercise price (in ₹)	No. of share options/ RSU's	Weighted average Exercise price (in ₹)	No. of share options/ RSU's	Weighted average Exercise price
Plan	Plan IV				Plan V				Plan VI				Plan VII			
Outstanding options/ RSU's at the beginning of the year	**7,500**	**88**	45,651	97	**37,225**	**69**	54,725	71	**621,071**	**77**	801,041	80	**1,538,623**	**102**	1,423,221	133
No. of Options/ RSU's Granted during the year	-	-	-	-	-	-	-	-	-	-	-	-	**170,750**	**5**	386,000	5
No. of Options/ RSU's Exercised during the year and No. of shares arising as a result of exercise of options/ RSU's	-	-	(3,543)	112	**(5,000)**	**80**	(15,000)	80	**(182,069)**	**63**	(128,990)	76	**(129,600)**	**70**	(133,214)	133
No. of Options/ RSU's Lapsed/ Cancelled during the year	**(7,500)**	**88**	(34,608)	97	-	-	(2,500)	47	**(11,494)**	**134**	(50,980)	127	**(63,814)**	**126**	(137,384)	126
No. of Options/ RSU's revoked during the year	-	-	-	-	-		-		-	-	-	-	-	-	-	-
No. of Options/ RSU's Vested during the year	-	-	7,500	88	**32,225**	**68**	37,225	69	**427,508**	**82**	576,818	69	**798,418**	**115**	670,537	104
No. of Options/ RSU's Outstanding at the end of the year	-	-	7,500	88	**32,225**	**68**	37,225	69	**427,508**	**82**	621,071	77	**1,515,959**	**92**	1,538,623	102
No. of Options/ RSU's Exercisable at the end of the year	-	-	7,500	88	**32,225**	**68**	37,225	69	**427,508**	**82**	576,818	69	**798,418**	**115**	670,537	104
Money realised by exercise of options/ RSU's during the year	-	-	361,926	-	**398,213**	-	1,194,638	-	**11,158,987**	-	8,008,658	-	**8,978,863**	-	17,443,488	-

C. Employee-wise details of Options/ RSU's granted during the year to:

(i)	Senior Managerial Personnel of the Group	Plan IV	Plan V	Plan VI	Plan VII
	*John Owen	-	-	-	50,000
	Abhishek Singh	-	-	-	30,000
	Raman Sapra	-	-	-	30,000
	Dennis Badman	-	-	-	30,000
	Laura Cameron-Peck	-	-	-	30,000
(ii)	Employees who were granted, during any one year, options/ RSU's amounting to 5% or more of the options/ RSU's granted during the year				
	John Owen	-	-	-	50,000
	Abhishek Singh	-	-	-	30,000
	Raman Sapra	-	-	-	30,000
	Dennis Badman	-	-	-	30,000
	Laura Cameron-Peck	-	-	-	30,000
(iii)	Identified employees who were granted options/ RSU's, 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	-	-	-	-

**John Owen,Group CEO, has been granted total Options/ RSU's aggregating 350,000 and out of that 130,000 has been vested to him and 220,000 are yet to be vested.* (*)

D.	Diluted Earnings Per Share pursuant to issue of shares on exercise of options/ RSU's calculated in accordance with Accounting Standard (AS)	Consolidated: 42.93 Standalone: 10.82
E.	Method used to account for ESOS	The Company has recognised compensation cost using fair value method of accounting. The Company has recognised stock option compensation cost of ₹ 991 lakhs in the statement of profit and loss.
F.	Method and Assumptions used to estimate the fair value of options/ RSU's granted during the year:	**The weighted average fair value of each unit under the plan, granted during the year ended was ₹ 321 using the Black-Scholes model with the following assumptions:**

Particulars	As at March 31, 2020
Weighted average grant date share price (₹)	**359**
Weighted average exercise price (₹)	**5**
Dividend yield (%)	**2.5**
Expected life (years)	**3-7**
Risk free interest rate (%)	**6.3**
Volatility (%)	**49.7**

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

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

Expected life the options/ RSU's: Expected life or the options/ RSU's is the period for which the Company expects the options/ RSU's to be live. The minimum life of stock options/ RSU's is the minimum period before which the options/ RSU's cannot be exercised and the maximum life of the option is the maximum period after which the options/ RSU's cannot be exercised. The Company have calculated expected life as the average of the minimum and the maximum life of the options/ RSU's.

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

G.	For options / RSU's outstanding at the end of the year, the period, the range of exercise prices and weighted average remaining contractual life (vesting period + exercise period). If the range of the exercise prices is wide, the outstanding options/ RSU's should be divided into ranges that are meaningful for assessing the number and timing of additional shares that may be issued and cash that may be received upon exercise of those options/ RSU's:	**Details for ESOP Plans IV, V, VI and VII:** (see table below)
H.	For other instruments granted during the year (i.e., other than stock options) - Number and weighted average fair value of those instruments at the grant date - Fair Value determination in case (a) fair value not measured on the basis of an observable market price (b) whether and how expected dividends were incorporated (c) whether and how any other features were incorporated	No other instruments were granted during the year
I.	For employee share-based payment plans that were modified / varied during the period – - Explanation of those modifications/ variations - Incremental fair value granted (as a result of those modifications/ variations) - Information on how those incremental fair value granted was measured, consistently with the requirements set out in point 7 of SEBI (Share based employee benefits) Regulations, 2014.	Not Applicable
J.	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Members may refer the relevant Notes in Audited Financial Statements for the Financial Year 2019-20.

Details for ESOP Plans IV, V, VI and VII:

Price range (in ₹)	**Number of options/ RSU's**	**Weighted average remaining life (months)**
5	750,900	7.6
5 and above	1,224,792	4.5
Total	**19,75,692**	**5.7**

For and on behalf of the Board

Sudhakar Ram
Vice-Chairman & Managing Director
(DIN: 00101473)

S. Sandilya
Non- Executive Chairman & Independent Director
(DIN: 00037542)

Date : July 29, 2020
Place: Mumbai

ANNEXURE 2

FORM AOC-1

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

Statement containing salient features of the Financial Statements and the brief business of Subsidiaries Pursuant to sub-section (3) of Section 129 of the Companies Act, 2013

Mastek

1. **Trans American Information Systems Private Limited -** is a Company with deep rooted capability in providing high skilled resources and end-to-end E-commerce services including strategy, creative design, implementation and managed services. Having presence in India and supporting US Customers.

2. **Mastek (UK) Limited -** 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.

3. **Mastek Inc -** is a niche digital transformation services provider, which uses agile methodologies to service customers in the financial and retail sectors through the Agile Development, Data Warehouse, Business Intelligence and Testing Services DNA.

4. **Trans American Information Systems Inc -** is a global digital services firm focused on implementing and maintaining the Oracle Commerce and Oracle Commerce Cloud applications, as well as integrating them with the full suite of Oracle Customer Experience Products.

5. **IndigoBlue Consulting Limited -** is considered to be one of the leading UK consultancy organisation specializing in Agile Programme and project management. It had entered into Business Transfer Agreement in June, 2018 with its parent Company to merge itself (transfer of its business, assets and liabilities) to enable greater synergies between them and also achieve higher operational efficiencies. The strike off is under process.

6. **Mastek Arabia – FZ LLC-** is engaged in the business of consultancy, development of software, IT and support services.

Evosys

7. **Evolutionary Systems Egypt LLC -** is in the business of production and development of programs and applications, establishing databases and electronic information systems, operating and training on them.

8. **Evolutionary Systems Consultancy LLC -** is in the business of information technology consultancy.

9. **Evolutionary Systems Bahrain SPC -** is in the business of consulting for computer software and hardware and along with designing, development and maintenance of software.

10. **Evolutionary Systems Kuwait WLL -** is in the business of designing and equipping computer centers.

11. **Evolutionary Systems Saudi LLC -** is in the business of implementation of contracts for installation, operation, maintenance and development of software, IT services, solution providers, IT customer services and support services.

12. **Evolutionary Systems Private Limited -** is engaged in the business of marketing, distributing, implementing and supporting licensed Oracle based products and other business solutions all over the world.

13. **Evolutionary Systems Pty. Ltd. -** is in the business of consultancy and supporting Software along with ERP Applications and other information technology enabled services.

14. **Evolutionary Systems SDN BHD -** is in the business as consultants in information technology and also in kind of Computer Software, Hardware and services including research, development and training of personnel.

15. **Newbury Cloud INC -** is in the business of providing all consulting services related to applications, software and hardware.

16. **Evolutionary Systems B.V. -** is in the business of marketing, distribution, implementation of oracle and other licensed products.

17. **Evolutionary Systems Qatar WLL -** is in the business of information technology consultancy.

18. **Evolutionary Systems Pte. Ltd. -** is in the business of software and hardware consultancy including the systems consultancy.

19. **Evolutionary Systems Company Limited -** is in the business of consultancy of activities related to information technology mainly with the software and the hardware.

20. **Evolutionary Systems, Corp. -** is in the business of providing consulting services for implementation, operating, support and maintenance of enterprise applications.

PART "A": Subsidiaries

(₹ in Lakhs)

Sr. No.	Name of Subsidiary Company	Reporting period for the subsidiary concerned, if different from holding company's reporting period	The Date since when subsidiary was acquired	Reporting Currency	Exchange Rate on the last date of the Financial Year in case of foreign subsidiaries	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before tax	Provision for tax	Profit/ (Loss) after tax	Proposed Dividend	% of Share holding
1	Trans American Information Systems Private Limited	Reporting period of all the Subsidiaries are the same as of the Holding Company which is March 31	23-12-2016	INR	1.00	3	1,815	3,130	1,312	1,24,408	4,124	562	148	413	-	100%
2	Mastek (UK) Limited		01-10-2001	GBP	93.50	838	53,668	1,02,737	48,231	74,692	77,659	12,246	2,415	9,831	-	100%
3	Mastek Inc.		17-11-2015	USD	75.67	16,154	(4,398)	15,115	3,359	12,257	18,556	2,361	514	1,847	-	100%
4	Trans American Information Systems Inc		23-12-2016	USD	75.67	79	8,802	13,866	4,984	-	23,750	827	285	542	-	100%
5	IndigoBlue Consulting Limited		01-05-2015	GBP	93.50	-	-	-	-	-	-	-	-	-	-	Note 3
6	Mastek Arabia - FZ LLC		03-03-2020	AED	20.61	12	2,424	2,436	-	8,222	402	(129)	1	(130)	-	100%
7	Evolutionary Systems Egypt LLC		01-03-2020	EGP	4.77	0	49	63	14	-	25	6	-	6	-	Note 4
8	Evolutionary Systems Consultancy LLC		01-03-2020	AED	20.61	31	(125)	953	1,047	-	230	22	-	22	-	Note 4
9	Evolutionary Systems Bahrain SPC		01-03-2020	BHD	183.45	92	85	199	22	-	11	(4)	-	(4)	-	Note 4
10	Evosys Kuwait WLLC		01-03-2020	KWD	241.42	48	(82)	254	288	-	32	21	-	21	-	Note 4
11	Evolutionary Systems Saudi LLC		01-02-2020 & 01-03-2020	SAR	20.11	101	74	6,518	6,344	-	1,350	734	119	615	-	Note 5
12	Evolutionary Systems Private Limited		01-02-2020	INR	1.00	-	3,310	6,860	3,551	128	2,200	367	107	261	-	Note 6
13	Evolutionary Systems Pty Ltd		01-02-2020	AUD	46.31	23	116	446	306	-	273	(20)	(6)	(15)	-	Note 6
14	Evosys Consultancy Services Malaysia		01-02-2020	MYR	17.54	1	(7)	1	7	-	-	(4)	-	(4)	-	Note 6
15	Newbury Taleo Group, Inc		01-02-2020	USD	75.67	0	(228)	490	718	-	407	17	9	8	-	Note 6
16	Evolutionary Systems BV		01-02-2020	EUR	83.03	0	(35)	352	386	-	158	(22)	-	(22)	-	Note 6
17	Evolutionary Systems Qatar WLL		01-02-2020	QAR	20.79	42	421	1,713	1,250	-	396	52	11	41	-	Note 6
18	Evolutionary Systems (Singapore) Pte. Ltd..		01-02-2020	SGD	53.15	53	486	984	445	1	299	85	8	77	-	Note 6
19	Evolutionary Systems Company Limited-		01-02-2020	GBP	93.50	0	5,198	10,737	5,539	0	3,288	746	136	610	-	Note 6
20	Evolutionary Systems Corp.		01-02-2020	USD	75.67	2	244	3,132	2,886	-	1,756	(1,082)	346	(1,428)	-	Note 6

Notes:

1. *Names of subsidiaries which are yet to commence operations: NA*
2. *Names of subsidiaries which have been liquidated or sold during the year: TAIS Tech LLC merged with Trans American Information Systems Inc. USA, step down wholly owned subsidiary of the Company effective December 31, 2019 to enable the greater synergies and higher operational efficiencies. Accordingly, TAIS Tech LLC now cease to exist effective December 31, 2019.*
3. *IndigoBlue Consulting Limited merged into Mastek (UK) Limited with effect from June 30, 2018.*
4. *Acquired with effect from March 17, 2020 under (Business Transfer Agreement acquisition) through board control. Also, refer note 33 to the consolidated financial statements.*
5. *Acquired 50% with effect from February 08, 2020 and 50% with effect from March 17, 2020.*
6. *Acquired with effect from February 08, 2020, (Demerger Co-operation Agreement acquisition) through board control. Also, refer note 33 to the consolidated financial statements.*
7. *Exchange rate applied is at March 31, 2020*

Part "B": Associates and Joint Venture:

The Company does not have any Associates and/or Joint Venture Company during the year.

Notes:

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

For and on behalf of the Board

Sudhakar Ram
Vice-Chairman & Managing Director
(DIN: 00101473)

S. Sandilya
Non- Executive Chairman &
Independent Director
(DIN: 00037542)

Abhishek Singh
Group Chief Financial Officer

Dinesh Kalani
Company Secretary

Date : July 29, 2020
Place: Mumbai

ANNEXURE 3

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:** NIL

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

Name of related party	Nature of relationship	Duration of Contract	Date of approval by board	Salient terms of Contract/ Arrangement/ Transaction including the value	Nature of transactions	Amount in ₹ Lakhs	Amount paid as advance, if any
Mastek (UK) Limited	Wholly owned Subsidiary	2019-20	17.04.2019	As per Transfer Pricing guidelines	Information Technology Services^	13,979.51	-
					Other Income	145.99	-
					Dividend received from subsidiary	3,141.51	-
					Reimbursable / Other expenses recoverable	994.47	-
					Guarantee commission^	162.73	-
					Guarantee given for loan availed by subsidiary^	28,290.00	-
Trans American Information Systems Private Limited	Wholly owned Subsidiary	2019-20	17.04.2019		Other Income	5.25	-
					Reimbursable / other expenses recoverable	318.69	-
Mastek, Inc.	Step-down Subsidiary	2019-20	17.04.2019		Information Technology Services^	574.54	-
					Other income	0.14	-
					Reimbursable / other expenses recoverable	33.04	-
Trans American Information Systems, Inc.	Step-down Subsidiary		17.04.2019		Reimbursable / other expenses recoverable	2.22	-
Taistech LLC	Step-down Subsidiary		17.04.2019		Information Technology Services^	23.38	-
					Other income	22.68	-
					Reimbursable / other expenses recoverable	4.00	-

^ This includes foreign exchange adjustment.

For and on behalf of the Board

Sudhakar Ram
Vice-Chairman & Managing Director
(DIN: 00101473)

S. Sandilya
Non- Executive Chairman &
Independent Director
(DIN: 00037542)

Date : July 29, 2020
Place : Mumbai

ANNEXURE 4

Form No. MR-3
Secretarial Audit Report

For the Financial Year ended March 31, 2020
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Mastek Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mastek Limited** (hereinafter called the "Company"), incorporated on May 14, 1982 having **CIN: L74140GJ1982PLC005215** and having its Registered office at 804/805, President House, Opp. C. N. Vidyalaya, Near Ambawadi Circle, Ahmedabad - 380006. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2020 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended March 31, 2020 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) Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not applicable to the Company during the financial year under review;

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

      a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);

      b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

      e) 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.

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 as amended were not applicable to the Company during the audit period:-

   a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding Companies Act and dealing with the Client;

   c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

3. I have relied on the representation made by the Company and its officers for systems and the mechanism formed by the Company and having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

   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. 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;

   e. Income Tax Act, 1961 and other Indirect Tax laws;

   f. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

   g. Bombay Shops and Establishments Act, 1948;

I have also examined compliance with the applicable clauses of the Secretarial Standards in respect of Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and to the best of my knowledge and belief, during the period under review, the Company has complied with the provisions of the Act, Rules, applicable Regulations, Guidelines, Standards, etc. mentioned above.

I further report that based on the information provided and the representation made by the Company and also on the review of the compliance reports of Managing Director and Chief Financial Officer taken on record by the Board of Directors of the Company in our opinion adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like labour laws, etc.

I further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Director, Non-Executive Directors and Independent Directors including Woman Director. There were changes in the composition of the Board of Directors during the period under review.

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

Decisions at the meetings of the Board of Directors and the Committees of the Company were carried unanimously. There were no dissenting views by any member of the Board of Directors during the period 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.

I further report that during the year following special events had occurred:

1. Declared and Paid Two Interim Dividends;

2. The Company has informed the stock exchange and complied with Regulation 30 of LODR that:

   (a) Merger of TAIS Tech LLC with Trans American Information Systems Inc. USA, step down wholly owned subsidiaries of the Company, TAIS Tech LLC cease to exist effective December 31, 2019.

   (b) Mastek (UK) Limited, a wholly-owned subsidiary of the Company, entered into a Business Transfer Agreement ("BTA") on February 8, 2020 to acquire the business of Evosys Arabia FZ LLC and Share Transfer Agreements (STA) to acquire Middle East Companies ("MENA Acquisition") by paying a cash consideration (net of debt and including cash & cash equivalents) of USD 64.9 million i.e. ₹ 48,204 lakhs. The closing of such transaction occurred on March 17, 2020, which is considered to be the date of transfer of control or the date of acquisition.

   (c) Additionally, a new Company Mastek Arabia FZ LLC as Wholly Owned Subsidiary of Mastek (UK) Limited was incorporated in UAE on March 3, 2020 and has acquired the identified business of Oracle cloud implementation and consultancy services in Middle East from Evolutionary Systems Arabia FZ LLC as envisaged under the Business Transfer Agreement signed by Mastek (UK) Limited.

(d) A new entity i.e. Mastek Digital Inc. at Canada has been incorporated on April 30, 2020 as Wholly Owned Subsidiary of Mastek Inc.

(e) The Board of Directors at its meeting held on February 8, 2020 also approved draft Scheme of Arrangement amongst Mastek Limited, Trans American Information System Private Limited, a WOS of Mastek Limited, Evolutionary Systems Private Limited and their respective shareholders and creditors under section 230-232 of the Companies Act, 2013 and agreed to issue 42,35,294 equity shares of the Company at ₹ 650 each as part consideration on behalf of its Indian subsidiary subject to regulatory approvals.

I further report that during the audit period the Company and its officers has co-operated with me and have produced before me all the required forms, information, clarifications, returns and other documents as required for the purpose of my audit.

For **P Mehta & Associates**
Practising Company Secretaries

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341
UDIN: A005814B000519547
PR NO.: 763/2020

Date: July 29, 2020
Place: Mumbai

To
The Members
Mastek Limited
Mumbai.
CIN: L74140GJ1982PLC005215

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, I believe that the processes and practices followed, provide reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company. I have relied on the statutory report provided by the Statutory Auditors as well as Internal Auditors of the company for the financial year ended March 31, 2020.

4. I have obtained the management representation wherever required about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provision and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The secretarial audit reports are neither an assurance as to the future liability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **P Mehta & Associates**
Practising Company Secretaries

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341
PR NO.: 763/2020

Date: July 29, 2020
Place: Mumbai

ANNEXURE 5

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES

[Pursuant to Rules 8 & 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

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 has been developed for the Company to comply with the provisions of Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules 2014. We at Mastek are committed to spend up to 2% of the average net profit for the preceding 3 (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.

   Web link: https://www.mastek.com/corporate-governance

2. **The Composition of the CSR Committee:**

   a. Ms. Priti Rao (Independent Director)

   b. Mr. Ashank Desai (Non-Executive Director)

   c. Mr. Sudhakar Ram (Vice-Chairman & Managing Director)

3. **Average net profit of the company for last three financial years:** ₹ 3,114 Lakhs

4. **Prescribed CSR Expenditure (2% (two per cent) of the amount as in item 3 above):** ₹ 62 Lakhs

5. **Details of CSR spent during the Financial Year 2019-20:**

   a. Total amount spent for the Financial Year 2019-20 – ₹ 112.93 Lakhs

   b. Amount unspent, if any: NA

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

Sr. No	Projects / Activities	Sectors	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 (States)	₹ in Lakh	₹ In Lakh	₹ In Lakh	
1.	Project – Sponsorship for surgeries of abandoned and stray animals Activities – (i) Identified and rescued stray animals with broken limbs, tumours and those who needed to be sterilised, (ii) Successfully executed surgeries of identified animals and provided appropriate care and nutrition for their speedy recovery.	Animal Welfare	Thane, Maharashtra	0.62	1.09	1.09	

Sr. No	Projects / Activities	Sectors	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 (States)	₹ in Lakh	₹ In Lakh	₹ In Lakh	
2.	Project – Sponsorship for immediate relief supplies for flood victims Activities – (i) Identified flood affected areas in Kolhapur, (ii) Identified families severely affected by the floods and in need of immediate relief materials and counselling, (iii) Provision of immediate essential kits for survival and relief to the flood affected identified families.	Disaster Relief	Kolhapur, Maharashtra	2.75	4.90	4.90	
3.	Project – Ajivika - Sustainable livelihood opportunities to underprivileged women artisans Activities – (i) Identified underprivileged women artisans, (ii) Provision of skill trainings and workshops to enhance their skills and build their capacity, (iii) Mobilised work opportunities for them through organised exhibitions.	Women Empowerment	Mumbai, Thane and Palghar Maharashtra	3.06	5.45	5.45	
4.	Project – Improving livelihood of tribal farmers through beekeeping with indigenous bees (Apis cerana indica) Activities – (i) Preliminary assessment of villages to mainly assess the availability of bee-friendly flora, (ii) Conducted beekeeping awareness program, (iii) Identified farmers interested in signing-up for beekeeping, after awareness sessions, (iv) Conducted farmer meetings in villages and sensitize them about the significance of beekeeping. - Conducted FGD to gauge farmers' perceptions and opinions on beekeeping activity, - As part of the preliminary assessment- awareness generation, FGD and follow up visit to assess the interest of farmers was undertaken, - Farmers with potential beekeeper traits were given preference in selection for the 2-day training, - Conducted a 2-day farmers' training in beekeeping which included - 1 day theoretical and 1 day practical demonstration, (vii) For the selected project area: Annual calendar of activities, flash cards and CDs for training were developed in local language, (v) Program staff and technical assistants inspected the filled bee-boxes for maintenance and also provided support in filling the bee-boxes, (vi) Purchase orders were placed with the vendor for the beekeeping starter kit to be distributed amongst the trained farmers,	Livelihood	Palghar, Maharashtra	4.49	7.97	7.97	

Sr. No	Projects / Activities	Sectors	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 (States)	₹ in Lakh	₹ In Lakh	₹ In Lakh	
4.	(viii) Identified 2 potential Master Trainers and channelised their time and skills to train them at advance level, - Conducted several sessions in training wherein, theoretical as well as practical sessions to transfer the advanced knowledge of beekeeping along with few confidence building activities were scheduled as per beekeeping cycle, (ix) Purchase orders were placed with the vendor for Master Trainer starter kit to be distributed amongst the trained MTs, (x) Conducted baseline and initiated end line surveys, (xi) 6-monthly project review meeting were scheduled to update on the progress of the project and way forward, (xii) Monthly MT-meetings were scheduled to understand the challenges and outline the strategies to overcome them.						
5.	Project – Adolescent healthcare (MHM) project for female students in government residential schools Activities – (i) Advocacy sessions were organised on menstrual hygiene management and reproductive health by trained counsellors, (ii) Created a mechanism for dialogue between adolescent girls, their teachers and parents on reproductive health and hygiene management, (iii) Facilitated and distributed free sanitary napkins to identified adolescent female students, (iv) Organised regular reproductive health check up by a gynaecologist. Project – Sponsorship for nutrition program of specially abled children and adults Activities – (i) Provision of nutrition rich food as advised by nutritionists, (ii) Periodic monitoring of physical fitness and health of the specially abled children and adults.	Health	Palghar, Maharashtra Mumbai, Maharashtra Mumbai, Maharashtra Mumbai, Maharashtra Amravati, Maharashtra	22.91	42.14	42.14	
	Project – Sponsorship for nutrition and care for children battling cancer Activities – (i) Counselling: - Educated parents about the importance of nutrition and hygiene, - Provision of recipes which can be prepared at home with available items.						

Sr. No	Projects / Activities	Sectors	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 (States)	₹ in Lakh	₹ In Lakh	₹ In Lakh	
5.	(ii) Nutrition supplementation: - Provision of the required quantity of protein rich and calorie dense supplements to the hospitals on a monthly basis, - Supplements were distributed to the patient directly by the NGOs' nutritionist, - Supplements were distributed to each child in OPD and IPD based on the results of anthropometric measurements, grade of malnutrition and stage of chemotherapy, - Nutritionist also specified the dosage of each supplement given, - Each child's records were maintained to ensure that critical indicators like weight, mid upper arm circumference etc., were in the prescribed ranges.						
	(iii) Hot meals: - Nutritionist and social worker distributed FSSAI certified meals to children and parents. (iv) In meal supplementation: - Provision of nutritious snack to children in between their meals. (v) Caregiver education program: - Once in two months, group counselling workshops and Parent Support Group Meets (PSG Meet) were conducted at KEM hospital to educate caregivers about nutrition, hygiene and also about providing the best nutrition available in their limited means, to the children. Project – Holistic healthcare sponsorship program for specially abled children Activities – (i) Diagnosis and therapy: - Comprehensive medical, psychological, and socioeconomic assessments have been done for every child, with the aim of early detection, diagnosis, treatment & therapeutic interventions, - Regular re-assessment of each existing student and provision of ongoing therapy and medical interventions, - Therapy included therapy to improve speech, behaviour and motor functions and was provided based on the needs of the students.						

Sr. No	Projects / Activities	Sectors	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 (States)	₹ in Lakh	₹ In Lakh	₹ In Lakh	
5.	(ii) Parent counselling & guidance: - Parents were counselled with a view to improving the quality of their personal lives as well as to equip them to better manage their children, - Parents were also educated on the various government schemes that individuals with intellectual disability and their families have a right to avail. (iii) Continuing rehabilitation education: - Conducted rehabilitation education programs for practicing rehabilitation professionals (master trainers) registered with the Rehabilitation Council of India (RCI) to update their professional knowledge and skills. Project – Sponsorship for purchase of medicines for treatment of tribal patients at MAHAN Mahatma Gandhi Tribal Hospital Activities – (i) Identified and connected with vendors for supply of medicines, (ii) Purchased medicines for inpatients and outpatients, (iii) Provision of appropriate medicines to inpatients and outpatients, (iv) Appropriate and computerised monitoring of stocked and provision of medicines.						
6.	Project – Sponsorship for formal education and medical expenses of underprivileged and destitute children Activities – (i) Provision of formal education facilities to identified beneficiaries, (ii) Provision of tuition sessions and appointed private teachers for the same, (iii) Organised periodic medical health check-ups of the children. Project – Sponsorship for school transport facilities for specially abled underprivileged children Activities – (i) Provision for uninterrupted school bus facility for pick up and drop, for specially abled children, (ii) Ensure regular attendance of the beneficiaries to avoid loss of continued classes and therapy at school.	Education	Jaipur, Rajasthan Nashik, Maharashtra Bhuj, Gujarat Dewas, Madhya Pradesh	25.00	45.82	45.82	

Sr. No	Projects / Activities	Sectors	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 (States)	₹ in Lakh	₹ In Lakh	₹ In Lakh	
6.	Project – Education sponsorship program for underprivileged children Activities – (i) Ensuring education: - Payment of School Fees - Provision of schools books, stationery, schools bags and uniforms, - Provision of extra tuition support to the children as required, (ii) Extra-curricular activities and holistic development of the children: - Provision of coaching in sports and other extracurricular activities like art, music and dance etc. - Provision of basic computer skills for younger children, - Provision of career counselling for children in VIII standard and above.						
	Project – Construction of a residential institution for impoverished tribal and destitute children Activities – (i) Constructed a residential school for tribal children, (ii) Provision of formal education to tribal children, (iii) Provisions for improvement of overall health of the children, (iv) Provisions to eradicate malnourishment through provision of daily four course meals and an early starter snack for children, throughout the year. (v) Focused on holistic development of children from tribal backgrounds in areas of academics, sports, arts, and culture and citizenship virtues.						
7.	Project Monitoring and Evaluation	Project Monitoring and Evaluation	Mumbai, Maharashtra	3.17	5.56	5.56	
Total funds				**62**	**112.93**	**112.93**	

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

Animal Welfare

1. Plants and Animals Welfare Society, Thane, Maharashtra

Disaster Relief

2. Goonj, Kolhapur, Maharashtra

Women Empowerment

3. Srujna Charitable Trust, Mumbai, Thane and Palghar, Maharashtra

Livelihood

4. Under The Mango Tree, Palghar, Maharashtra

Health

5. Child Help Foundation, Palghar, Maharashtra
6. Sangopita, Mumbai, Maharashtra
7. Cuddles Foundation, Mumbai, Maharashtra
8. Jai Vakeel Foundation, Mumbai, Maharashtra
9. MAHAN Trust, Amravati, Maharashtra

Education

10. Surman Sansthan, Jaipur, Rajasthan
11. Prabodhini Trust, Nashik, Maharashtra
12. SOS Children's Villages of India, Bhuj, Gujarat
13. Parivaar Education Society, Dewas, Madhya Pradesh

Overall Project Monitoring & Evaluation

14. Mastek Foundation, Mumbai, Maharashtra

6. In case the company has failed to spend the 2% 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: **Not Applicable**

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 half yearly 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
Chairperson of CSR Committee
(DIN: 03352049)

Sudhakar Ram
Vice - Chairman & Managing Director
(DIN: 00101473)

Annexure-6

INFORMATION REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each Director and Key Managerial Personnel to the median remuneration of the employees of the Company for the Financial Year 2019–20:

Name of Directors	Designation	Ratio of Remuneration of each Director to the median remuneration	Remuneration (in ₹)		No. of ESOPs granted
			FY. 2019–20	FY. 2018–19	
Mr. S. Sandilya	Non- Executive Chairman and Independent Director	6.41	30,00,000	32,00,000	NA
Mr. Sudhakar Ram	Vice-Chairman and Managing Director	20.13	94,20,816	94,20,816	NA
Mr. Ashank Desai	Non-Executive Director*	5.29	24,74,658	22,91,085	NA
Ms. Priti Rao	Non-Executive Director (Independent)	4.70	22,00,000	25,00,000	NA
Mr. Atul Kanagat	Non-Executive Director (Independent)	3.21	15,00,000	14,00,000	NA
Mr. Rajeev Grover	Non-Executive Director (Independent)	NA$	5,00,000	NA	NA
Mr. Keith Bogg	Non-Executive Director (Independent)	NA#	6,00,000	15,30,000	NA
Mr. Abhishek Singh	Group Chief Financial Officer	43.24	2,02,35,498	2,52,21,959	30,000
Mr. Dinesh Kalani	Company Secretary	7.26	33,96,921	36,04,763	-
			43,327,893	**49,168,623**	

**Remuneration consists of certain benefits / perquisites as approved by the members under enabling resolution.*

$Details not given as Mr. Rajeev Grover was appointed as an Additional Director (Independent) only for part of the year w.e.f. January 28, 2020.

#Details not given as Mr. Keith Bogg was Director only for part of the year upto October 15, 2019.

Notes:

1. The remuneration of Non-Executive Directors consists of sitting fees, perquisites and payment of Commission, wherever applicable.
2. The median remuneration of the Company for all its employees was ₹ 468,015 for the Financial Year 2019–20.

2. The percentage increase in remuneration of each Director, Group Chief Financial Officer and Company Secretary in the Financial Year 2019–20 as compared to Financial Year 2018–19:

Name of Directors	Designation	% increase / decrease in Remuneration
Mr. S. Sandilya	Non- Executive Chairman and Independent Director	(6.25)
Mr. Sudhakar Ram	Vice-Chairman and Managing Director	0
Mr. Ashank Desai	Non-Executive Director	8.01
Ms. Priti Rao	Non-Executive Director (Independent)	(12.00)
Mr. Atul Kanagat	Non-Executive Director (Independent)	7.14
Mr. Rajeev Grover[$]	Non-Executive Director (Independent)	NA
Mr. Keith Bogg[#]	Non-Executive Director (Independent)	NA
Mr. Abhishek Singh	Group Chief Financial Officer	(19.77)
Mr. Dinesh Kalani	Company Secretary	(5.77)

[$]Details not given as Mr. Rajeev Grover was appointed as an Additional Director (Independent) only for part of the year w.e.f. January 28, 2020

[#]Details not given as Mr. Keith Bogg was Director only for part of the year upto October 15, 2019.

Note: *The variation in percentage of remuneration of Non - Executive Directors is on account of receipt of sitting fees and commission during the year under review, vis a vis the preceding Financial Year.*

3. The Percentage increase in the median remuneration of employees in the Financial Year 2019–20:

The percentage decrease in the median remuneration of all employees in the financial year was 14.

4. The number of permanent employees on the rolls of Company as on March 31, 2020:

The number of permanent employees on the rolls of Company as on March 31, 2020 were 964.

5. Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

Average percentage decrease in the salaries of the employees other than the Managerial Personnel in the financial year was 4% vis a vis decrease of 14% in the salaries of Managerial Remuneration.

6. Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:

We affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board

Sudhakar Ram
Vice-Chairman & Managing Director
(DIN: 00101473)

S. Sandilya
Non- Executive Chairman & Independent Director
(DIN: 00037542)

Date: July 29, 2020
Place: Mumbai

Annexure-7

FORM MGT-9
EXTRACT OF ANNUAL RETURN

For the Financial Year ended March 31, 2020

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

1.	CIN	L74140GJ1982PLC005215
2.	Registration Date	May 14, 1982
3.	Name of the Company	Mastek Limited
4.	Category / Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered Office and contact details	804/805, President House, Opp. C. N. Vidyalaya, Near Ambawadi Circle, Ambawadi, Ahmedabad – 380 006, Gujarat Tel No. +91-79-2656-4337, Fax. +91-22-6695-1331 E-mail: investor_grievences@mastek.com Website: www.mastek.com
6.	Whether listed company	Yes
7.	Name, Address and contact details of Registrar & Transfer Agents (RTA)	KFin Technologies Private Limited (formerly Karvy Fintech Private Limited) Selenium Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032.,Telangana. Tel.: +91-040-6716-2222; Toll Free No: 18003454001 E-mail: einward.ris@kfintech.com Website: www.kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company is as 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	620	100%

III. PARTICULARS OF HOLDING AND SUBSIDIARY COMPANIES

Sr. No.	Name of the Company	Country	CIN/ GLN	Holding/ Subsidiary	% holding as at March 31, 2020
1.	Trans American Information Systems Private Limited	India	U51505GJ1999PTC112745	Subsidiary	100
2.	Mastek (UK) Limited	UK	NA	Subsidiary	100
3.	Mastek Inc.	USA	NA	Subsidiary	100
4.	Trans American Information Systems Inc. (Note a.)	USA	NA	Subsidiary	100
5.	IndigoBlue Consulting Limited (Note b.)	UK	NA	Subsidiary	100
6.	Mastek Arabia FZ – LLC (Note c.)	UAE	NA	Subsidiary	100

Sr. No.	Name of the Company	Country	CIN/ GLN	Holding/ Subsidiary	% holding as at March 31, 2020
7.	Evolutionary Systems Egypt LLC	Egypt	NA	Subsidiary	Note d.
8.	Evolutionary Systems Consultancy LLC	UAE	NA	Subsidiary	Note d.
9.	Evolutionary Systems Bahrain SPC	Bahrain	NA	Subsidiary	Note d.
10.	Evosys Kuwait WLLC	Kuwait	NA	Subsidiary	Note d.
11.	Evolutionary Systems Saudi LLC	KSA	NA	Subsidiary	Note e.
12.	Evolutionary Systems Private Limited	India	U17122GJ2006PTC049073	Subsidiary	Note f.
13.	Evolutionary Systems Pty Ltd	Australia	NA	Subsidiary	Note f.
14.	Evosys Consultancy Services Malaysia	Malaysia	NA	Subsidiary	Note f.
15.	Newbury Taleo Group, Inc	USA	NA	Subsidiary	Note f.
16.	Evolutionary Systems B.V.	Netherlands	NA	Subsidiary	Note f.
17.	Evolutionary Systems Qatar WLL	Qatar	NA	Subsidiary	Note f.
18.	Evolutionary Systems (Singapore) PTE. LTD.	Singapore	NA	Subsidiary	Note f.
19.	Evolutionary Systems Company Limited-UK	UK	NA	Subsidiary	Note f.
20.	Evolutionary Systems Corp.	USA	NA	Subsidiary	Note f.

Notes:

All the above subsidiaries are as per Section 2(87) of the Companies Act, 2013.

a. TAIS Tech LLC merged with Trans American Information Systems Inc. USA, step down wholly owned subsidiary of the Company effective December 31, 2019 to enable the greater synergies and higher operational efficiencies. Accordingly, TAIS Tech LLC now cease to exist effective December 31, 2019.

b. IndigoBlue Consulting Limited merged into Mastek (UK) Limited with effect from June 30, 2018.

c. The Company has been incorporated on March 3, 2020, which is wholly owned subsidiary of Mastek (UK) Limited.

d. Acquired with effect from March 17, 2020 (Business Transfer Agreement "BTA" acquisition) through board control. Also, refer note 33 to the consolidated financial statements.

e. Acquired 50% with effect from February 08, 2020 and 50% with effect from March 17, 2020.

f. Acquired with effect from February 08, 2020 (Demerger Co-operation Agreement "DCA" acquisition) through board control. Also, refer note 33 to the consolidated financial statements.

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 (i.e. as on April, 2019)				No. of Shares held at the end of the year (i.e. as on March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/ HUF	69,61,032	-	69,61,032	29.04	69,61,032	-	69,61,032	28.66	(0.38)
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt. (s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp	-	-	-	-	-	-	-	-	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other Ram Family Trust I acting in capacity as trustee to Girija Ram)	10,00,000	-	10,00,000	4.17	10,00,000	-	10,00,000	4.12	(0.05)
Sub-total (A)	**79,61,032**	**-**	**79,61,032**	**33.21**	**79,61,032**	**-**	**79,61,032**	**32.78**	**(0.43)**
(2) Foreign									
a. NRIs Individuals	29,92,628	-	29,92,628	12.48	29,92,628	-	29,92,628	12.32	(0.16)
b. Other – Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp.	-	-	-	-	-	-	-	-	-
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A) (2):-	**29,92,628**	**-**	**29,92,628**	**12.48**	**29,92,628**	**-**	**29,92,628**	**12.32**	**(0.16)**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**1,09,53,660**	**-**	**1,09,53,660**	**45.69**	**1,09,53,660**	**-**	**1,09,53,660**	**45.10**	**(0.59)**
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	13,48,859	-	13,48,859	5.63	17,71,950	-	17,71,950	7.30	1.67
b. Banks / FI	1,09,561	-	1,09,561	0.46	7,054	-	7,054	0.03	(0.43)
c. Central Govt	-	-	-	-	-	-	-	-	-
d. State Govt (s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIs	19,55,380	400	19,55,780	8.16	15,05,604	400	15,06,004	6.20	(1.96)
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others Alternate Investment Funds	7,87,415	-	7,87,415	3.28	18,34,041	-	18,34,041	7.55	4.27
Sub-Total (B)(1)	**42,01,215**	**400**	**42,01,615**	**17.53**	**51,18,649**	**400**	**51,19,049**	**21.08**	**3.55**

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. as on April, 2019)				No. of Shares held at the end of the year (i.e. as on March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions		-							
a. Bodies Corporate		-							
i. Indian	12,40,086	1,600	12,41,686	5.18	5,57,228	1,600	5,58,828	2.30	(2.88)
ii. Overseas	-	200	200	0.00	-	200	200	0.00	-
b. Individuals									
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	45,98,302	1,36,440	47,34,742	19.75	44,34,759	1,25,917	45,60,676	18.78	(0.97)
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	22,88,982	-	22,88,982	9.55	24,45,985	-	24,45,985	10.07	0.52
c. Others									
i. Non-Resident Individuals	3,77,570	8,939	3,86,509	1.61	3,84,577	6,614	3,91,191	1.61	-
ii. Foreign National	42,538	-	42,538	0.18	49,914	-	49,914	0.21	0.03
iii. NBFCs registered with RBI	3,150	-	3,150	0.01	350	-	350	0.00	(0.01)
iv. Trust	5,144	-	5,144	0.02	6,904	-	6,904	0.03	0.01
v. Clearing Members	59,259	-	59,259	0.25	1,47,497	-	1,47,497	0.61	0.36
vi. IEPF Authority	55,318	-	55,318	0.23	55,218	-	55,218	0.23	-
Sub-total (B)(2):-	**86,70,349**	**1,47,179**	**88,17,528**	**36.78**	**80,82,432**	**1,34,331**	**82,16,763**	**33.83**	**(2.95)**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**1,28,71,564**	**1,47,579**	**1,30,19,143**	**54.31**	**1,32,01,081**	**1,34,731**	**1,33,35,812**	**54.90**	**0.59**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**23,825,224**	**1,47,579**	**2,39,72,803**	**100.00**	**2,41,54,741**	**1,34,731**	**2,42,89,472**	**100.00**	**-**

(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 (Note 1)	
1.	Ashank Desai	30,99,552	12.93	-	30,99,552	12.76	57.00	(0.17)
2.	Sudhakar Ram	15,88,680	6.63	-	15,88,680	6.54	57.00	(0.09)
3.	Ketan Mehta	22,74,100	9.49	-	22,74,100	9.36	57.00	(0.13)
4.	Radhakrishnan Sundar	13,40,800	5.59	-	13,40,800	5.52	57.00	(0.07)
5.	Avanti Desai	81,600	0.34	-	81,600	0.34	57.00	-
6.	Chinmay Ashank Desai	71,600	0.30	-	71,600	0.29	57.00	(0.01)
7.	Padma Desai	1,55,200	0.65	-	1,55,200	0.64	57.00	(0.01)

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 (Note 1)	
8.	Girija Ram	1,63,600	0.68	-	1,63,600	0.67	57.00	(0.01)
9.	Samvitha Ram	1,03,328	0.43	-	1,03,328	0.43	57.00	-
10.	Ram Family Trust I (through Trustee for sole beneficiary Mrs. Girija Ram)	10,00,000	4.17	-	10,00,000	4.12	57.00	(0.05)
11.	Rupa Mehta	4,80,800	2.01	-	4,80,800	1.98	57.00	(0.03)
12.	Tanay Mehta	6,400	0.03	-	6,400	0.03	57.00	-
13.	Usha Sundar	4,60,000	1.92	-	4,60,000	1.89	57.00	(0.03)
14.	Varun Sundar	64,000	0.27	-	64,000	0.26	57.00	(0.01)
15	Shankar Sundar	64,000	0.27	-	64,000	0.26	57.00	(0.01)
Total		**10,953,660**	**45.69**	**-**	**10,953,660**	**45.10**	**57.00**	**(0.59)**

Note:

1. *The above mentioned technically encumbered shares has been since released and there is no encumbered share as on date by the Promoters.*

2. *There is no change in the number of shares held by the promoters of the Company. However, the percentage of the shareholding has changed during the year due to allotments of equity shares on account of exercise of Employee Stock Options by employees of the Company and its subsidiary companies.*

(iii) Change in Promoter's Shareholding (please specify, if there is no change) – Not Applicable

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

Sr. No.	Name of the shareholder[1]	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company[2]	No. of shares	% of total shares of the Company[2][3]
1.	**IDFC MUTUAL FUND**				
	At the beginning of the year	1,235,237	5.15		
	Purchase(s)	141,441	0.59	13,76,678	5.67
	Sale(s)	(210,000)	(0.88)	11,66,678	4.80
	At the end of the year			11,66,678	4.80
2.	**ABAKKUS GROWTH FUND-1**				
	At the beginning of the year	2,58,000	1.08		
	Purchase(s)	4,93,000	2.06	7,51,000	3.09
	Sale(s)	-	-	7,51,000	3.09
	At the end of the year			7,51,000	3.09
3.	**ASHISH KACHOLIA**				
	At the beginning of the year	692,204	2.89		
	Purchase(s)	10,000	0.04	7,02,204	2.89
	Sale(s)	-	-	7,02,204	2.89
	At the end of the year			7,02,204	2.89

Sr. No.	Name of the shareholder[1]	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company[2]	No. of shares	% of total shares of the Company[2][3]
4.	**ABAKKUS EMERGING OPPORTUNITIES FUND-1**				
	At the beginning of the year	-	-		
	Purchase(s)	6,02,166	2.51	6,02,166	2.51
	Sale(s)	-	-	6,02,166	2.51
	At the end of the year			6,02,166	2.48
5.	**MOTILAL OSWAL FOCUSED EMERGENCE FUND**				
	At the beginning of the year	3,57,770	1.49		
	Purchase(s)	5,62,230	2.35	9,20,000	3.79
	Sale(s)	(4,60,000)	1.92	4,60,000	1.89
	At the end of the year			4,60,000	1.89
6.	**RELIANCE CAPITAL TRUSTEE CO LTD-A/C NIPPON INDIA**				
	At the beginning of the year	1,13,222	0.47		
	Purchase(s)	3,25,441	1.36	4,38,663	1.81
	Sale(s)	-	-	4,38,663	1.81
	At the end of the year			4,38,663	1.81
7.	**LSV EMERGING MARKETS SMALL CAP EQUITY FUND**				
	At the beginning of the year	2,35,700	0.98		
	Purchase(s)	-	-	2,35,700	0.98
	Sale(s)	-	-	2,35,700	0.98
	At the end of the year			2,35,700	0.97
8.	**GOVERNMENT OF THE PROVINCE OF ALBERTA MANAGED BY COMGEST S.A.**				
	At the beginning of the year	1,86,900	0.78		
	Purchase(s)	37,700	0.16	2,24,600	0.94
	Sale(s)	-	-	2,24,600	0.94
	At the end of the year			2,24,600	0.92
9.	**SACHIN KASERA**				
	At the beginning of the year	2,25,000	0.94		
	Purchase(s)	1,00,000	0.42	3,25,000	1.34
	Sale(s)	(1,03,825)	(0.43)	2,21,175	0.91
	At the end of the year			2,21,175	0.91
10.	**HORNBILL ORCHID INDIA FUND**				
	At the beginning of the year	-	-		
	Purchase(s)	1,83,500	0.76	1,83,500	0.76
	Sale(s)	-	-	1,83,500	0.76
	At the end of the year			1,83,500	0.76

Notes:

(1) Based on PAN

(2) Percentage calculated on the paid-up share capital 2,39,72,803 shares as at the beginning of the year

(3) Percentage calculated on the paid-up share capital 2,42,89,472 shares as at the end of the year

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, 2019		Shareholding at the end of the year March 31, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1.	Mr. Sudhakar Ram	15,88,680	6.63	**15,88,680**	**6.54**
2.	Mr. Ashank Desai	30,99,552	12.93	**30,99,552**	**12.76**
3.	Mr. S. Sandilya	26,000	0.11	**26,000**	**0.11**
4.	Mr. Atul Kanagat	19,600	0.08	**9,600**	**0.04**
5.	Ms. Priti Rao	29,600	0.12	**29,600**	**0.12**
6.	Mr. Keith Bogg*	NIL	NIL	**NIL**	**NIL**
7.	Mr. Rajeev Grover**	NIL	NIL	**NIL**	**NIL**
8.	Mr. Abhishek Singh (Group Chief Financial Officer)	42,179	0.17	**55,129**	**0.23**
9.	Mr. Dinesh Kalani (Company Secretary)	200	0.00	**200**	**0.00**

**Mr. Keith Bogg resigned w.e.f October 15, 2019 from the Board of the Company.*

***Mr. Rajeev Grover was appointed as an Additional Director (Independent) of the Company from January 28, 2020.*

VI. INDEBTEDNESS

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year April 01, 2019				
i) Principal Amount	1,70,12,804	-	-	1,70,12,804
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**1,70,12,804**	**-**	**-**	**1,70,12,804**
Change in Indebtedness during the year				
+ Addition	37,98,577	-	-	37,98,577
- Reduction	(48,03,804)	-	-	(48,03,804)
Net Change	**(10,05,227)**	**-**	**-**	**(10,05,227)**
Indebtedness at the end of the Financial Year March 31, 2020				
i) Principal Amount	1,60,07,577	-	-	1,60,07,577
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**1,60,07,577**	**-**	**-**	**1,60,07,577**

VII.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager Mr. Sudhakar Ram
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,036,800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	NIL
2.	Stock Option	NIL
3.	Sweat Equity	NIL
4.	- Commission - as % of profit - others, specify	NIL
5.	Others, please specify	
	Contribution to Provident Fund & Other Fund	8,44,416
	Performance Bonus	15,00,000
	Total	94,20,816
	Ceiling as per the Act	5% of the Net Profits of the Company

B. Remuneration to other directors:

a) Independent Directors

(Amount in ₹)

Particulars of Remuneration	Name of Directors					Total Amount
	Mr. S. Sandilya	Mr. Atul Kanagat	Ms. Priti Rao	Mr. Keith Bogg (upto October 15, 2019)	Mr. Rajeev Grover (w.e.f. January 28, 2020)	
Fee for Attending Board meetings and Committee Meetings	17,00,000	15,00,000	18,00,000	6,00,000	4,00,000	60,00,000
Commission	13,00,000	NIL	4,00,000	NIL	1,00,000	18,00,000
Others	NIL	NIL	NIL	NIL	NIL	NIL
Total	**30,00,000**	**15,00,000**	**22,00,000**	**6,00,000**	**5,00,000**	**78,00,000**
Overall Ceiling as per the Act	Upto 1% of the Net Profits of the Company					

b) Non-Executive Director

(Amount in ₹)

Particulars of Remuneration	Name of Director
	Mr. Ashank Desai
Fee for Attending Board meetings and Committee Meetings	24,00,000
Commission	NIL
Others (perquisites /benefits)*	74,658
Total	24,74,658
Overall Ceiling as per the Act	Upto 1% of the Net Profits of the Company including IDs Remuneration

** Approved by the members earlier under enabling resolution.*

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

(Amount in ₹)

Sr No.	Particulars of Remuneration	Key Managerial Personnel (KMP)		
		Mr. Abhishek Singh (Group Chief Financial Officer)	Mr. Dinesh Kalani (Company Secretary)	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	1,15,70,319	30,20,493	1,45,90,812
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	13	13
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	NIL	NIL	NIL
2	Stock Option	37,03,528	NIL	37,03,528
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - Others, specify	NIL	NIL	NIL
5	Others, please specify			
	Contribution to Provident Fund & Other Fund	9,43,494	1,18,149	10,61,643
	Performance Bonus	40,18,157	2,58,266	42,76,423
	Total	**2,02,35,498**	**33,96,921**	**2,36,32,419**

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties, punishments or compounding of offences during the year ended March 31, 2020

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In terms of Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), a Report on Corporate Governance for the Financial Year ended March 31, 2020 is presented below:

The end of the year under review saw challenging times for the Company as well as for the world at large due to the impending COVID-19 pandemic. The situation continues to be exceptional and dynamic. The regulators including Ministry of Corporate Affairs (MCA) and the Securities Exchange Board of India (SEBI) promptly announced many relaxations with respect to the compliance requirements for India to facilitate Companies to conduct smooth operations and cope with the challenging times. The Company appreciates and acknowledges the relaxations and dispensations granted by the MCA and SEBI, inter alia, for conduct of Annual General Meeting through video conferencing or other audio visual means and dispatch of Annual Report electronically to the members who have registered their email addresses. These relaxations are noteworthy and were the need of the hour.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's strong beliefs on good corporate governance, is based on strong foundations of ethical values and professionalism which are being practised since the inception of the Company. At Mastek, we feel gratified to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business. The Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, disclosure, monitoring fairness in all spheres of its operations and in all its dealings with the members, employees, the Government and other stakeholders. Your Company considers good Corporate Governance a pre-requisite for meeting the needs and aspirations of its stakeholders and firmly believes that the same could be achieved by maintaining such premier levels of ethical values and the highest standards of regulatory compliances. The Company believes that timely disclosures, transparent accounting policies and a strong and Independent Board goes a long way in preserving Stakeholders' interest while maximising long-term corporate values.

Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We believe that if something is important enough to be done, it is important that we do it ethically and is in compliance with applicable legislation. The Company's Code of Business Conduct & Ethics is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code inspires us to set standards which not only meet the applicable legislation but go beyond in many areas of our functioning.

Mastek is committed in helping individuals and institutions to become the best that they can be. To strengthen the foundation of our engagement with all our stakeholders, we have defined a set of ethical values called ***PACTS (Passionate, Accountable, Collaborative, Transparent and Sustainable)*** and encourage every Mastekeer to follow our set of defined ethical values. More importantly, they serve as a framework for the behavior of current and future generations of Mastekeers.

Mastek continues to embrace the best practices of corporate governance and continuously reviews them to benchmark with the highest standards across the globe. To strengthen corporate governance Mastek always strives 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. During the year under review, the Board continued its pursuit of achieving its objectives through the adoption and monitoring of corporate strategies and prudent business plans and complied with the provisions of Corporate Governance specified in Regulation 34 of the SEBI Listing Regulations.

The structure of Corporate Governance

Mastek's Corporate Governance structure broadly consists 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 and profitable growth. Together, the Board and the Management ensure that Mastek remains a Company of uncompromised integrity and excellence.

Mastek has three-tier of Corporate Governance Structure, viz.:

1. **Strategic Supervision –** by the Board of Directors comprising the Executive, Non-Executive and Independent Directors.
2. **Executive Management –** by the Corporate Management team comprising of the Managing Director and Executive Committee team consisting the functional heads of the Company.
3. **Operational Management –** by the Business Unit Heads of the respective geography, this includes Account Leadership Team and Geo Leadership Team looking at all the functional aspects of a customer and Geo.

The three-tier Corporate Governance Structure, besides ensuring greater Management Accountability and Credibility, facilitates increased autonomy to the businesses, performance discipline and development of business leaders, leading to an increased operational efficiency and client satisfaction.

The Compliance Framework

The Company has a robust and an effective framework for monitoring compliances with the applicable laws within the organisation and also to provide regular updates through Senior Management to the Board and the Governance Committee on a quarterly basis. The Audit & Governance Committees and the Board collectively reviews the status of compliances with the applicable laws and provide valuable guidance to the Management team, wherever necessary.

BOARD OF DIRECTORS ("BOARD")

Corporate governance is also about what the Board do and how they set the values of the Company. The Company recognises and embraces the importance of a diverse Board in its success and it believes that a truly diverse Board would leverage differences in thought, perspective, knowledge, skill and industry experience, which will enrich Board discussions and enable effective decision making. The responsibilities of the Board thus includes setting the Company's strategic aims, providing the leadership to put them into effect, supervising the management of the Company and reporting to the members on their governance.

Mastek's Board is an ideal mix of knowledge, perspective, professionalism, divergent thinking and experience. Mastek Board's uniqueness lies in the fact that the Board balances several deliverables, achieves sound corporate governance objectives in a promoter owned organisation and acts as a catalyst in creation of stakeholder value. This is reflected in the Company's governance pratices, through which it strives to maintain an active, informed and independent Board. The Board ensures that the Company complies with all relevant laws, regulations, governance pratices, accounting and auditing standards etc. It identifies key risk areas and key performance indicators of the Company's business and constantly monitor these factors.

- ### Size and Composition of the Board

  The Composition of the Board of Directors is made up of eminent and qualified persons who ensures that the long-standing culture of maintaining high standards of Corporate Governance is further nurtured. The Board effectively separates the functions of governance and management and balances deliverables. The composition and size of the Board is reviewed periodically to ensure that the Board is a wholesome blend of Directors with complementary skill-sets.

  The Board has an optimal mix of Executive and Non-Executive Directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses. The Non-Executive Directors including Independent Directors on the Board are well qualified, experienced, competent and highly renowned persons with varied professional background in the field of Information Technology, Finance, General Management, Marketing and Strategy and Planning, Mergers and Acquisitions, Brand development, Risk management etc. They take active part at the Board and Committee Meetings by providing valuable guidance and expert advice to the Management on various aspects of Business overview, and play a critical role on strategic issues, which enhances the transparency and adds value in the decision making process of the Board of Directors.

As on March 31, 2020 the Board Composition was as follows:

Sr. No.	Name of the Director	Promoters / Non-Promoters	Category
1.	Mr. S. Sandilya	Non-Promoter	Chairman (Non-Executive) & Independent Director
2.	Mr. Sudhakar Ram	Promoters	Vice-Chairman & Managing Director
3.	Mr. Ashank Desai		Non-Executive & Non-Independent Director
4.	Ms. Priti Rao	Non-Promoters	Non-Executive & Independent Director
5.	Mr. Atul Kanagat		Non-Executive & Independent Director
6.	Mr. Rajeev Grover (Note 1)		Non-Executive & Independent Director
7.	Mr. Keith Bogg (Note 2)		Non-Executive & Independent Director

Notes:

1. *Mr. Rajeev Grover, was appointed as an Additional Director of the Company with effect from January 28, 2020, subject to approval of the members at the ensuing Annual General Meeting of the Company.*
2. *Mr. Keith Bogg, was an Independent Director of the Company at the beginning of the year but resigned from the Board with effect from October 15, 2019 due to his personal reasons.*

- **Board Diversity**

  Your Company over the years, has been fortunate to have eminent persons from diverse fields as Directors on its Board. Pursuant to the SEBI Listing Regulations, the Nomination and Remuneration Committee has formalised a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The policy is made available on the website of the Company at web link https://www.mastek.com/corporate-governance.

- **Matrix highlighting Core Skills/ Expertise/ Competencies of the Board of Directors**

  The Board of the Company is structured having requisite level of qualifications, professional background, sector expertise, special skills, nationality and geography. The Board after taking into consideration the Company's nature of business, core competencies and key characteristics has identified the following core skills/ expertise/ competencies as required in the context of its business(es) & sector(s) for it to function effectively and in the opinion of the Board is currently available.

  The below table summarises the key qualifications, skills and attributes which are taken into consideration while nominating to serve on the Board. The specific areas of focus or expertise of individual board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skills:

SKILLS AND ITS DESCRIPTION	Mr. S.Sandilya	Mr. Sudhakar Ram	Mr. Ashank Desai	Ms. Priti Rao	Mr. Atul Kanagat	Mr. Rajeev Grover
FINANCIAL MANAGEMENT Wide ranging knowledge and financial skills, oversight for risk management and internal controls and proficiency in financial management and financial reporting processes.	✓	✓	✓			✓
TECHNOLOGY Reasonable knowledge and experience in technology with an ability to foresee technological trends and changes, apply new technology and bring about innovations in business strategies.	✓	✓	✓	✓	✓	✓
MERGERS AND ACQUISITIONS Significant experience in mergers and acquisitions and other business combinations, with strong insight of risks and opportunities, valuations and diligence processes, structural impact on the organisation and ability to leverage integration planning.	✓	✓	✓	✓	✓	✓
GLOBAL BUSINESS PERSPECTIVE Understanding of diversified business environments, economic, political, cultural and regulatory framework across the globe and a broad perspective on global market opportunities and experience of overseeing and managing businesses across multiple countries and environments.	✓	✓	✓	✓	✓	✓
STRATEGY AND PLANNING Ability to critically identify and assess strategic opportunities and threats and develop effective strategies in the context of long-term objectives and the organisations' relevant policies and priorities.	✓	✓	✓	✓	✓	✓

SKILLS AND ITS DESCRIPTION	Mr. S.Sandilya	Mr. Sudhakar Ram	Mr. Ashank Desai	Ms. Priti Rao	Mr. Atul Kanagat	Mr. Rajeev Grover
GOVERNANCE AND COMPLIANCE Understanding of the various governance and compliance requirements under various applicable laws, supporting a strong Board base and management accountability, transparency, and protection of members' interests. A strong understanding of regulatory environment across securities laws, data protection and privacy, and cyber security for India and countries where business is transacted.	✓	✓	✓	✓		✓
RISK MANAGEMENT Identification and Management of risk at Micro & Macro, Functional & Geographic and Strategic & Operational levels and implementing risk management process with the proper understanding of the risk and monitoring mechanism.	✓	✓	✓	✓	✓	✓
OPERATIONS AND GENERAL MANAGEMENT capacity to perform executive duties in an organisation while avoiding crisis situations and promptly solving problems when they occur.	✓	✓	✓	✓	✓	✓

- **Board Procedure**

  The Board / Committee meetings are pre-scheduled and a tentative annual calendar of the Board and Committee meetings is circulated to the members well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board / Committee approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board / Committee Meeting. Agenda of the business(es) to be transacted at the Board / Committee Meeting along with explanatory notes and Presentations, thereto, are drafted and circulated to each Member well in advance before the date of the Board Meeting(s) and of the Committee Meeting(s). The Company always ensures that Board members are presented with all the relevant information on vital matters affecting the working of the Company including the information as inter alia specified under Part A of Schedule II of Regulation 17(7) of SEBI Listing Regulations. The members of the Board have access to all the information and are free to recommend inclusion of any matter in the Agenda for discussion. Any additional Agenda items in the form of "Other matters" are included with the permission of the Chairperson and majority of the Directors present at the meeting. The Company also provides video conferencing facility to its Directors to enable them to participate in the discussions held at the meetings when it may not be possible for them to be physically present for the meeting. In view of the nationwide lockdown at the end of the year under review, subsequent meetings of the Board and its Committees were held through video conferencing mode in accordance with the provisions of law.

  The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days. The necessary quorum was present for all the meetings. Apart from Board Members and the Company Secretary, the Board and Committee Meetings are generally also attended by the Group Chief Financial Officer, Group Chief Executive officer and wherever required by the Executive Committee Members of the Group .

The Group Chief Financial Officer and Group Chief Executive Officer apprises the Board, at each of its meeting about the overall performance of the Company with presentations on business operations on a regular basis. The members of Senior Management are invited at the Board / Committee meetings to provide necessary insights into the performance of the Company and for discussing corporate strategies with the Board / Committee members.

With the unanimous consent of the Board, all information which is in the nature of Unpublished Price Sensitive Information (UPSI), is circulated to the Board and its Committees at a shorter notice before the commencement of the respective meetings in a secure manner.

The Company adheres to the provisions of the Act read with the Rules issued thereunder, Secretarial Standards and the SEBI Listing Regulations with respect to convene and hold the meetings of the Board of Directors, its Committees and the General Meetings of the members of the Company.

- **Post Meeting follow up system**

After the Board meeting, we have formal system of follow-up, review and reporting on actions taken by the management on the decisions of the Board and sub committees of the Board.

- **Number of Board Meetings and Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting.**

During the year under review, 7 (Seven) Board Meetings were held. The dates and attendance of each Director in these Meetings are appended as follows.

Sr. No.	Name of the Director	Attendance in Board Meetings and AGM held during the year under review							
		April 17, 2019	July 22, 2019	October 17, 2019	January 28, 2020	February 8, 2020	March 6, 2020	March 17, 2020	AGM - July 23, 2019
1.	Mr. S. Sandilya	✓	✓	✓	✓	×	✓	✓	✓
2.	Mr. Sudhakar Ram	✓	✓	✓	×	×	×	×	✓
3.	Mr. Ashank Desai	✓	✓	✓	✓	✓	✓	✓	✓
4.	Ms. Priti Rao	✓	✓	✓	✓	✓	✓	✓	✓
5.	Mr. Atul Kanagat	✓	✓	✓	✓	×	×	✓	✓
6.	Mr. Rajeev Grover (Note 1)	NA	NA	NA	✓	✓	×	✓	NA
7.	Mr. Keith Bogg (Note 2)	✓	✓	NA	NA	NA	NA	NA	✓

✓ - Present, × - Absent, NA - Not Applicable

Notes:

1. *Mr. Rajeev Grover, was appointed as an Additional Director of the Company with effect from January 28, 2020, subject to approval of the members at the ensuing Annual General Meeting of the Company.*
2. *Mr. Keith Bogg, was an Independent Director of the Company at the beginning of the year but resigned from the board with effect from October 15, 2019 due to his personal reasons.*
3. *At all the meetings held during the year under review, the directors had participated physically, except the last meeting held on March 17, 2020, which was conducted through Video conferencing.*

- **Separate Meetings of the Independent Directors**

  Pursuant to Schedule IV of the Act and as per Regulation 25(3) of the SEBI Listing Regulations, separate meeting of Independent Directors of the Company was held on October 17, 2019 amongst themselves without the presence of the Company Executives and discussed / assessed the following items:

  a. the financials of the Company;

  b. the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board Members to effectively and reasonably perform their duties;

  c. Evaluation of Performance of Non- Independent Directors and the Board as whole;

  d. Evaluation of Performance of Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors; and

  e. Other related matters.

  All the Independent Directors were present throughout the Meeting. They expressed satisfaction on the Board Member's freedom to express views on the business transacted at the various Board and Committee meetings and the openness with which the Management discussed various subject matters on the agenda of the meetings.

- **Declarations**

  In the opinion of the Board, all the Independent Directors have the relevant integrity, qualifications, expertise, experience and also fulfills the criteria of independence as defined under Section 149(6) of the Act read with Rule 5 of Companies (Appointment and Qualification of Directors) Rules 2014, Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management of the Company. The Company has also received declarations from the Independent Directors that they meet the criteria of Independence.

  Unless exempted, the Independent Directors will be completing the prescribed Proficiency test, within the timelines provided by Ministry of Corporate Affairs as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Independent Directors have completed the registration with the Independent Directors Databank.

  At the time of appointment, the Independent Directors are made aware of their roles and responsibilities through a formal letter of appointment which stipulates various terms and conditions. The Company had also issued formal appointment letters to all the Independent Directors at the time of their appointment in the manner provided under the Act read with the Rules issued thereunder. A sample letter of appointment / re-appointment containing the terms and conditions, issued to the Independent Directors, is made available on the Company's website at web link: https://www.mastek.com/corporate-governance.

- **The name and category of the Director, DIN, number of Directorships and Committee positions held in the Companies and the list of other Listed Entities where he/she is a Director along with the category of their Directorships are given below:**

Name of the Director and DIN	Category of Directorship	Date of Appointment / Re-appointment in the current term	Directorship held in other listed entities along with Category	No. of Committees Memberships (including Mastek)	No. of Committees Chairmanships (including Mastek)
Mr. S. Sandilya (DIN: 00037542)	Chairman (Non-Executive & Independent Director)	01.04.2019	1. Eicher Motors Limited - Independent Director 2. GMR Infrastructure Limited - Independent Director 3. Rane Brake Lining Limited - Independent Director	5	4
Mr. Sudhakar Ram (DIN: 00101473)	Vice-Chairman & Managing Director (Promoter)	01.07.2020	-	1	0
Mr. Ashank Desai (DIN: 00017767)	Non-Executive Director (Promoter)	12.01.2007	1. NRB Bearings Limited - Independent Director 2. Majesco Limited - Non-Executive and Non Independent Director	3	1
#Ms. Priti Rao (DIN: 03352049)	Non-Executive Director (Independent)	01.04.2019	-	1	0
Mr. Atul Kanagat (DIN: 06452489)	Non-Executive Director (Independent)	01.04.2019	-	2	0
*Mr. Rajeev Grover (DIN:00058165)	Non-Executive Director (Independent)	28.01.2020	-	1	0
**Mr. Keith Bogg (DIN: 07658511)	Non-Executive Director (Independent)	17.01.2017	-	NA	NA

NA - Not Applicable

#Ms. Priti Rao resigned from the Board of Quickheal Technologies Limited effective June 1, 2020.

**Mr. Rajeev Grover, was appointed as an Additional Director of the Company with effect from January 28, 2020, subject to approval of the members at the ensuing Annual General Meeting of the Company.*

***Mr. Keith Bogg, was an Independent Director of the Company at the beginning of the year but resigned from the Board with effect from October 15, 2019 due to his personal reasons.*

Notes:

1. *Data presented above is after taking into account, the disclosures furnished by the continuing Directors in the first Board Meeting of the Financial Year 2020-21.*
2. *None of the Directors is a member of more than 10 (ten) Board-level Committees, or a Chairman of more than 5 (five) such Committees, which is, in compliance with the SEBI Listing Regulations and Act. Further, none of the Directors acts as an Independent Director in more than 7 (seven) Listed Companies.*
3. *The Committees considered for the purpose of calculation of membership and/or chairmanship as discussed above are those as specified Regulation 26 of the SEBI Listing Regulations i.e. Audit Committee and Stakeholder Relationship Committee only.*
4. *None of the Directors have any inter-se relationship among themselves or with any employees of the Company.*

- **Induction Programme for New Directors and On-going Familiarisation Programme for Existing Independent and Non-Independent Directors**

  All new Independent Directors are taken through a formal induction and Familiarisation Programme when they join the Board of the Company. The Induction Programme is an exhaustive one that covers the history and culture of Mastek, background of the Company and its growth over the last several decades, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

  Every new Director of the Board needs to attend a Review/ Orientation Program organised by the Company. Managing Director, Group Chief Executive Officer, Group Chief Financial Officer and Senior Management Team, provides an overview of Strategy, Operations and Functions of the Company by making presentations. An opportunity is provided to the Directors to interact with Senior Leadership Team of the Company which helps them to get ground level information on the Company's services offering, Markets, Software Delivery, Organisation Structure, Finance, HR, Technology, Quality Facilities, Risk Management and Regulatory Compliances.

  The above initiatives help the Directors to understand the Company, its business and the Regulatory framework in which the Company operates and equips them to effectively fulfil their role as a Director of the Company.

  Further, as an on-going process, the Board is updated on a quarterly basis through presentations and discussions on the overall economic trends, the performance of the IT Industry and that of the Company, analysis of the circumstances which helped or adversely impacted the Company's performance and the initiatives taken / proposed to be taken to bring about an overall improvement in the performance of the Company, comparison of the Company's performance with its peers in the Industry as available in public domain, Marketing strategy, Business risks and Mitigation plan, etc. The Directors are also periodically updated on the regulatory changes and their impact on the Company.

  Details of the Programme for Familiarisation of Independent Directors with the working of the Company are available on the website of the Company at web link https://www.mastek.com/corporate-governance

- **Manner of Performance Evaluation of the Board, Committees and Directors**

  In compliance with the Act and the SEBI Listing Regulations, the Board of Directors has carried out an Annual evaluation of its own performance, Board Committees, Individual Directors, Chairpersons and the Managing Director for the year under review.

  In respect of individual Directors including the Non-Executive Chairman and the Managing Director, their personal performance was carried out using a peer review process, facilitated by an outside subject matter Expert with Confidential processing of inputs, interpretation of findings followed by one-on-one meeting with the individual Directors, and concluding with an aggregate presentation to the entire Board.

  Board and Committees functioning were reviewed and evaluated on the basis of responses from Directors, Committee Members and the Managing Director to the structured questionnaires, covering various aspects of the composition and functioning of the Board and its Committees.

  In a separate meeting of the Independent Directors, performance of Non-Independent Director, performance of the Board as a whole and performance of the Chairman were also evaluated, taking into account the views of Executive Director and Non-Executive Directors. The Directors were asked to provide their valuable feedback and suggestions about the overall functioning of the Board and its Committees and its areas of improvement for a higher degree of engagement with the Management.

  The Board expressed its satisfaction with the Evaluation results, which reflects the high degree of engagement of the Board and its Committees with the Company and its Management. Based on the outcome of the Performance Evaluation and assessment cum feedback of the Directors, the Board and the Management have also agreed on some action points, which will be implemented over an agreed time frame.

  The Nomination and Remuneration Committee of the Company identifies and ascertains the Integrity, Qualification, Expertise, Positive attributes and Experience of persons for Appointment as Directors and thereafter recommends the candidature for election as a Director on the Board of the Company. The Committee follows defined criteria in the process of obtaining optimal Board diversity, which, inter alia, includes optimum combination of Executive and Non-Executive Director, Appointment based on specific needs and business of the Company, qualification, knowledge, experience and skill of the proposed appointee etc. The manner of Appointment and Removal of Directors / Key Managerial Personnel / Senior Managerial personnel and their remuneration thereof forms part of the Nomination and Remuneration Policy of the Company, which is available on the website of the Company at web link https://www.mastek.com/corporate-governance where it can be accessed.

- **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 is available on the website of the Company at web link https://www.mastek.com/corporate-governance where it can be accessed. The Code lays down the Code of Conduct which is expected to be followed by the Directors and the Senior Managerial Personnel's in their business dealings and in particular on matters relating to integrity at work place, in business practices and in dealing with Stakeholders.

  Managing Director declares that the members of the Board of Directors and Senior Managerial Personnel have affirmed Compliance with the Code during the Financial Year under review.

COMMITTEES OF THE BOARD

The Board Committees plays a crucial role in the governance structure of the Company and are being set out to deal with specific areas/ activities which concern the Company and need a closer review. They are set up under the formal approval of the Board to carry out their clearly defined roles. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action.

Each Committee, guided by its Terms of Reference, which provides for the Composition, Scope, Powers, Duties and Responsibilities is explained hereunder. The Recommendation and/or Observations and Decisions are placed before the Board for information or approval. The meetings of each of these Committees are convened by the respective Chairpersons, who also apprise the Board about the summary of discussions held at their meetings. The Minutes of the Committee meetings are sent to all Directors individually for their approval / comments as per prescribed Secretarial Standards and after the Minutes are duly approved, these are circulated to the Board of Directors and tabled at the Board Meetings. The Board has constituted the following Mandatory and Non-Mandatory Committees.

During the year under review, the Board has accepted all the recommendations of all the Committees on matters where such a recommendation is mandatorily required.

- **Audit Committee**

  Audit Committee currently comprises of 4 (four) Independent Directors and 1 (one) Non-Executive Director. The Independent Directors are accomplished professionals from the corporate fields and are financially literate and have experience in financial management. The Role, Powers and Functions of the Committee is in accordance with Regulation 18 (Part C of schedule II) of SEBI Listing Regulations and Section 177 of the Act as applicable, besides other terms as referred by the Board of Directors.

  The Chairman of the Committee was present at the 37th Annual General Meeting of the Company held on July 23, 2019. Members of Senior Management team and representatives of the Internal Auditors and Statutory Auditors also attends the Audit Committee Meetings depending on the agenda. 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. The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the whole financial reporting process. All the recommendations of the Committee have been accepted by the Board, during the year under review.

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the year under review are detailed below:

Name of the Director	Nature of membership	Attendance in Audit Committee Meetings held on					
		April 17, 2019	July 22, 2019	October 17, 2019	January 28, 2020	February 8, 2020	March 6, 2020
Mr. S. Sandilya	Chairman	✓	✓	✓	✓	×	✓
Mr. Ashank Desai	Member	✓	✓	✓	✓	✓	✓
Ms. Priti Rao	Member	✓	✓	✓	✓	✓	✓
Mr. Atul Kanagat	Member	✓	✓	✓	✓	×	×
*Mr. Rajeev Grover	Member	N.A.	N.A.	N.A.	N.A.	✓	×
*Mr. Keith Bogg	Member	✓	✓	N.A.	N.A.	N.A.	N.A.
Mr. Sudhakar Ram, Vice-Chairman & Managing Director, Mr. Abhishek Singh, Group Chief Financial Officer also attends the Audit Committee meeting as permanent invitees and Mr. Dinesh Kalani acts as Secretary to the Committee.							

✓ - Present, × - Absent, N.A. - Not Applicable

** Mr. Keith Bogg ceased to be member with effect from October 15, 2019 due to the resignation. The Board of Directors appointed Mr. Rajeev Grover, Non-Executive & Independent Director, as a member of the Committee, with effect from January 28, 2020.*

The terms of reference of Audit Committee, as approved by the Board and amended from time to time, are as follows:

a. Reviewing the utilisation of loans and/ or advances from investment by the holding Company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

b. Review at least once in a Financial Year compliance with the code of conduct for regulating, monitoring and reporting of trading by insiders and code of fair disclosure of the Company and shall verify that the systems for internal control to comply with the codes are adequate and are operating effectively.

c. Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

d. Recommendation for appointment, remuneration and scope of Auditors (Internal/ Statutory/ Secretarial).

e. Reviewing with the management the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:-

   - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
   - changes, if any, in accounting policies and practices and reasons for the same;
   - major accounting entries involving estimates based on the exercise of judgment by management;
   - significant adjustments made in the financial statements arising out of audit findings;
   - compliance with listing and other legal requirements relating to financial statements;
   - disclosure of any related party transactions;
   - modified opinion(s) in the draft audit report.

f. Reviewing with the Auditor and Management the quarterly / half yearly / Annual financial statements before submission to the board for approval.

g. Reviewing with the management the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter, if any.

h. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.

i. Approval of any subsequent modification of transactions of the Company with related parties.

j. Valuation of undertakings or assets of the Company, wherever necessary.

k. Reviewing, with the management, performance of Statutory Auditors and Internal Auditors of the Company and adequacy of the internal financial controls and Risk management impacting financial numbers.

l. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors; if any.

m. To review the functioning of the whistle blower mechanism and complaints; if any.

n. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.

o. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors or its group firms.

p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern; if any.

q. Discussion with internal auditors of any significant findings and follow up there on.

r. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

s. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

t. Scrutiny of inter-corporate loans and investments.

u. All other matters incidental or related to the above issues.

v. Carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notifications and/or amendments, as may be applicable.

- **Nomination and Remuneration Committee**

Nomination and Remuneration Committee currently comprises of 3 (three) Independent and 1 (one) Non – Executive Director. The Chairman of the Committee is Non-Executive and Independent Director. The Role, Powers and Functions of the Committee are in accordance with the Regulation 19 (clause A of part D of schedule 11 of the SEBI Listing Regulations and Section 178 of the Act as applicable, besides other terms as referred by the Board of Directors.

The Chairman of the Committee was present at the 37th Annual General Meeting of the Company held on July 23, 2019 to respond to the queries of the members with respect to functioning of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee is responsible for drawing up selection criteria and evaluating the balance of skills, experience, independence, diversity and knowledge , ongoing succession planning and appointment procedures for both internal and external appointments. The Committee is also responsible for administering the Stock Option Plans of the Company and determining eligibility of employees for stock options. All the recommendations of the Committee have been accepted by the Board during the year under review.

The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the year under review detailed below:

Name of the Director	Nature of membership	Attendance in Nomination and Remuneration Committee Meetings held on			
		April 16, 2019	July 22, 2019	October 16, 2019	January 27, 2020
Mr. Atul Kanagat	Chairman	✓	✓	✓	✓
Mr. Ashank Desai	Member	✓	✓	✓	✓
Mr. S. Sandilya	Member	✓	✓	✓	✓
*Mr. Rajeev Grover	Member	N.A.	N.A.	N.A.	N.A.
Mr. Sudhakar Ram, Vice-Chairman & Managing Director, Mr. Abhishek Singh, Group Chief Financial Officer and Ms. Maninder Kapoor Puri, Group Chief people Officer of the Company also attend the Nomination and Remuneration Committee meeting as permanent invitees and Mr. Dinesh Kalani acts as Secretary to the Committee.					

✓ - Present, N.A. - Not Applicable

** The Board of Directors appointed Mr. Rajeev Grover, Non-Executive & Independent Director, as a member of the Committee, with effect from January 28, 2020.*

The terms of reference of the Nomination and Remuneration Committee, as approved by the Board and amended from time to time, are as follows:

a. Quorum and Members

- The quorum for a meeting of the committee shall be either 2 members or 1/3 of the members of the committee, whichever is greater, including at least 1 independent director in attendance and the committee shall meet at least once in a year.
- The Chairperson of the Committee shall be an independent director and all directors of the committee shall be non-executive directors; and
- at least 50% (fifty percent) of the directors shall be independent directors.

b. To recommend to the Board, all remuneration/ compensation and the terms of it in whatever form, payable to Directors/KMP/Senior Managerial personnel of the organisation to ensure that:

- 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.
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior managerial personnel 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.

c. To identify the persons who are qualified to become Director, or who may be appointed in senior managerial position of the Company and shall specify the manner for effective evaluation of performance of Board, its Committees and individual Directors & CEO, to be carried out either by the Board, by the Committee or by an independent external professional/agency and review its implementation and compliance.

d. To review:

- all documents pertaining to candidates and conduct evaluation of candidates in accordance with a process and if deemed fit and appropriate, make recommendation for the nomination to the Board or for the senior managerial personnel of the Company and their removal, if any, and oversee the implementation thereof.
- and 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 senior employees.
- the yearly performance of senior managerial personnels.

e. To decide and formulate or clarify detailed terms and conditions of the Employee Stock Option Plans, governed by the guidelines issued by SEBI and as amended from time to time (including extension of time to exercise, extension due to sabbatical leave/ acceleration of the options granted and issuance of RSUs etc. subject to compliance with the applicable laws.

f. To approve:
   - the new ESOP/ RSUs plans for implementation including its framework.
   - the new stock options to be granted to the eligible employees of the Company/Group under the scheme.

g. To frame policy and recommend the amount of Bonus/Variable Pay/Performance award/ incentive plan to be paid to Whole Time Director & eligible employees.

h. To recommend:
   - the perquisites/ sitting fees for Non-Executive Directors for attending Board as well as Committee Meetings.
   - yearly commission to be paid to Non-Executive Directors out of the distributable profits of the Company.

i. To consider Succession planning of the Board of Directors, Key/Senior Managerial Personnel.

j. All other matters incidental or related to the above issues.

k. Carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notifications/amendments as may be applicable.

Remuneration of Directors and Key Managerial Personnel

The Nomination and Remuneration Committee has devised the policy which deals with the manner of selection of Board of Directors and Key Managerial Personnel (KMP) and their remuneration.

a) Pecuniary Relationship or Transactions with Non-Executive Directors.

In terms of the enabling Member's resolution passed at the 36th Annual General Meeting, Mr. Ashank Desai, Non-Executive Director was provided certain benefit / perquisites such as re-imbursement of telephone / mobile bills, credit card fees, premium for Mediclaim and Personal Accident Policy (including his family) etc., over and above the payment of sitting fees and eligible commission aggregating to ₹ 74,658/- for the year ended March 31, 2020 was paid for rendering professional services.

During the year, there were no pecuniary relationships or transactions entered into between the Company and any of its Non-Executive / Independent Directors apart from payment of sitting fees and / or commission /perquisites as approved by the members.

b) Criteria of selection of Non-Executive Directors

i. 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.

ii. 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.

iii. Conflict of Interest: The Independent Directors are not to involve themselves in situations, which may, directly or indirectly 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 / re-appointment as Independent Directors, they shall be required to declare any such conflicts to the Board, in writing at the time of their Appointment / Re-appointment and / or as and when there is any change in the directorship and also on yearly basis.

iv. The key elements in which every Independent Director will be expected to contribute are: Strategy, Performance, Risk, People, Reporting and Compliance.

c) Nomination and Remuneration Policy for the Directors, Key Managerial Personnel (KMPs) and Senior Managerial Personnel (SMPs)

In determining the remuneration of Directors, KMPs and SMPs, the Nomination and Remuneration Committee considers the following:

i. While fixing the Remuneration of Directors, KMPs and SMPs 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.

ii. The compensation structure of Directors, KMPs and SMPs will be benchmarked with industry salary trends and will have components of fixed / basic salary as well as variable pay. The variable pay will be linked to business performance parameters, as separately outlined in Variable Pay Plan guidelines of the Company.

The Policy of the Company on Remuneration for Board of Directors, KMPs and SMPs as required under Section 178 of the Act, is available on the website of the Company and can be accessed at web link https://www.mastek.com/corporate-governance. We affirm that the remuneration paid to the Directors, KMPs and SMPs are as per the policy.

d) Criteria for making payment of remuneration to Non-Executive Directors

Commission: The Board of Directors decides and members approves the Remuneration of Non-Executive Directors based on the recommendation from Nomination and Remuneration Committee.

Subject to availability of profits, calculated under Section 197 read with Section 198 of the Act, the Non-Executive Directors of the Company are also entitled to Commission and the same is being paid taking into consideration, the amount of time spent on the critical policy decisions and higher degree of engagement by the members.

Further, the members have approved the payment of remuneration by way of Commission to Non-Executive Directors for 5 (five) years from April 1, 2018 till March 31, 2023, a sum not exceeding 1% (one percent) per annum of the Net Profits of the Company (Sitting fees excluded) calculated in accordance with the provisions of Section 198 of the Act, be paid to and distributed amongst the Non-Executive Directors of the Company (other than the Managing Director) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year.

Details of Remuneration paid to the Non-Executive Directors for the Financial Year ended March 31, 2020 are stated below:

Name of the Director	Perquisites (₹)	Commission Payable (Note) (₹)	Total (₹)
#Mr. S. Sandilya	-	13,00,000	13,00,000
Mr. Ashank Desai	74,658	-	74,658
Ms. Priti Rao	-	4,00,000	4,00,000
Mr. Atul Kanagat	-	-	-
*Mr. Rajeev Grover	-	1,00,000	1,00,000
**Mr. Keith Bogg	-	-	-
Total	**74,658**	**18,00,000**	**18,74,658**

#Members approval is being sought at the ensuing Annual General Meeting, for payment of Commission exceeding more than 50% to one of the Non-Executive Director than all other Non-Executive Directors.

**Mr. Rajeev Grover was appointed as an Additional Director -Independent of the Company with effect from January 28, 2020.*

***Mr. Keith Bogg resigned w.e.f October 15, 2019 from the Board of the Company.*

***Note:** Commission for Financial Year 2019-20 has been provided in the accounts under review and will be paid after ensuing Annual General Meeting.*

Sitting Fees: The Non-Executive Directors are entitled to sitting fees for attending the meetings of the Board of Directors and Committees thereof. Sitting fees paid to Non-Executive Directors are within the prescribed limits under the Act and as determined by the Board of Directors from time to time.

Details of Sitting Fees paid to Non-Executive Directors for the Financial Year ended March 31, 2020 are stated below:

Name of the Director	Sitting Fees (₹)
Mr. S. Sandilya	17,00,000
Mr. Ashank Desai	24,00,000
Ms. Priti Rao	18,00,000
Mr. Atul Kanagat	15,00,000
*Mr. Rajeev Grover	4,00,000
**Mr. Keith Bogg	6,00,000
Total	**84,00,000**

**Mr. Rajeev Grover, was appointed as an Additional Director of the Company with effect from January 28, 2020, subject to approval of the members at the ensuing Annual General Meeting of the Company.*

***Mr. Keith Bogg resigned w.e.f October 15, 2019 from the Board of the Company.*

Shareholding:

Details of Number of Equity Shares held by the Directors as on March 31, 2020 are stated below:

Name of the Director	No. of Equity Shares Held
Mr. S. Sandilya	26,000
Mr. Sudhakar Ram along with his family members (including private family trust)	28,55,608
Mr. Ashank Desai- along with his family members	34,07,952
Ms. Priti Rao	29,600
Mr. Atul Kanagat	9,600
*Mr. Rajeev Grover	-
**Mr. Keith Bogg	-

**Mr. Rajeev Grover, was appointed as an Additional Director of the Company with effect from January 28, 2020, subject to approval of the members at the ensuing Annual General Meeting of the Company.*

***Mr. Keith Bogg resigned w.e.f October 15, 2019 from the Board of the Company.*

e) Details of Remuneration Paid to Vice-Chairman & Managing Director:

The Remuneration paid to Mr. Sudhakar Ram , Vice-Chairman & Managing Director, is given in Notes to Accounts. The relevant details are as follows:

Sr. No.	Particulars of Remuneration	Amount (₹)
1.	Gross salary	7,036,800
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	-
5.	Others, please specify (Perquisites)	39,600
6.	Contribution to Provident Fund & Other Fund	8,44,416
7.	Performance Bonus	15,00,000
Total		**94,20,816**

Note:

1. *An Employment Agreement will be entered into between the Company and Mr. Sudhakar Ram for re-appointing him as Vice-Chairman & Managing Director of the Company for a period of 5 (five) years i.e. from July 01, 2020 up to June 30, 2025, the re-appointment is being placed before the members for approval at this 38th Annual General Meeting of the Company. The said Employment Agreement provides for termination by either party by giving 3 (three) months' notice to the other party.*
2. *Mr. Sudhakar Ram was holding the position of Chairman & Managing Director, till July 3, 2020 of Cashless Technologies India Private Limited (CTIPL) an entity promoted by him and has not drawn any remuneration during the Financial Year 2019-20 from there. Since July 4, 2020 he is holding the position of Chairman & Non-Executive Director in CTIPL. His total remuneration is well within the overall ceiling limit prescribed under the Act.*

f) Details of Remuneration paid to Group CEO:

Mr. John Owen has been paid Remuneration aggregating to GBP 567,745 (equivalent ₹ 5,11,90,641) including all the allowances, perquisites and incentives.

- **Stakeholders Relationship Committee**

Stakeholders Relationship Committee currently comprises of 3 (three) Non- Executive Directors and 1 (one) Executive Director. The Chairman of the Committee is Non-Executive and Independent Director. The Role, Powers and Functions of the Committee are in accordance with the Regulation 20 (Clause B of Part D of Schedule II) of the SEBI Listing Regulations and Section 178 of the Act, besides other terms as referred by the Board of Directors.

The Chairman of the Committee was present at the 37th Annual General Meeting of the Company held on July 23, 2019 to respond to the queries of the members with respect to functioning of the Stakeholders Relationship Committee.

This Committee deals with stakeholder relations and grievances raised by the investors in a timely and effective manner and to the satisfaction of investors. The Committee oversees performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement. All the recommendations of the Committee have been accepted by the Board during the year under review.

The composition of the Stakeholder Relationship Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the year under review are detailed below:

Name of the Director	Nature of membership	Attendance in Stakeholder Relationship Committee Meetings held on			
		April 16, 2019	July 22, 2019	October 16, 2019	January 27, 2020
Mr. S. Sandilya	Chairman	✓	✓	✓	✓
Mr. Ashank Desai	Member	✓	✓	✓	✓
Mr. Atul Kanagat	Member	✓	✓	✓	✓
Mr. Sudhakar Ram	Member	✓	✓	✓	×

✓ *Present* × *Absent*

Mr. Dinesh Kalani acts as Secretary to the Committee.

The terms of reference of the Stakeholder Relationship Committee, as approved by the Board and amended from time to time, are as follows:

a. The committee shall meet at least once in a year.

b. The Chairperson of the committee shall be a non-executive director and at least one being an independent director, shall be member of the Committee;

c. To resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of split/duplicate share certificates for shares reported lost/ defaced/ destroyed, as per the laid down procedure and to authorise the Company Secretary and Registrar and Share Transfer Agent to attend to such matters;

d. To review the measures taken by the Company for effective exercise of voting rights by members;

e. To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent (RTA);

f. To review measures/ initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the members of the Company;

g. To issue and allot shares on exercise of vested Stock options by Employees under various ESOP Schemes, subject to completion of necessary formalities;

h. To issue and allot right shares/bonus shares pursuant to a Rights/Bonus Issue subject to such approvals as may be required;

i. To approve and monitor dematerialisation / rematerialisation of shares and all matters incidental thereto and authorise the Company Secretary and Registrar and Share Transfer Agent to attend to such matters;

j. All other matters incidental or related to issued /outstanding securities of the Company;

k. Carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notifications/amendments as may be applicable.

The status of members' complaints received and resolved by the Registrar & Transfer Agent during the Financial Year is given below:

Status	No. of complaints
As on April 1, 2019	Nil
Received during the year	2
Resolved during the year	2
As on March 31, 2020	Nil

There was no complaint pending as on March 31, 2020.

- **Corporate Social Responsibility (CSR) Committee**

Corporate Social Responsibility Committee comprises of 2 (two) Non-Executive Directors and 1 (one) Executive Director. The Chairperson of the Committee is Non-Executive and Independent Director. The Role, Powers and Functions of the Committee are in accordance with the Section 135 of the Act and rules framed under Schedule VII as applicable, besides other terms as referred by the Board of Directors.

The Chairperson of the Committee was present at the 37th Annual General Meeting of the Company held on July 23, 2019 to respond to the queries of the members with respect to functioning of the CSR Committee.

The role of CSR Committee includes formulating and recommending to the Board, the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, reviewing the performance of Company in the areas of CSR. All the recommendations of the Committee have been accepted by the Board during the year under review.

The composition of the CSR Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the year under review are detailed below:

Name of the Director	Nature of membership	Attendance in Corporate Social Responsibility Committee Meetings held on	
		April 16, 2019	October 16, 2019
Ms. Priti Rao	Chairperson	✓	✓
Mr. Ashank Desai	Member	✓	✓
Mr. Sudhakar Ram	Member	✓	✓

✓ Present

Mr. Dinesh Kalani acts as Secretary to the Committee.

The terms of reference of the Corporate Social Responsibility Committee, as approved by the Board and amended from time to time, are as follows:

a. Review the existing Corporate Social Responsibility Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;

b. Decide CSR projects or programmes or activities to be taken up by the company;

c. Place before the board the CSR activities proposed to be taken up by the company for approval each year;

d. Oversee the progress of the initiatives rolled out under this policy on half yearly basis;

e. Define and monitor the budgets for carrying out the initiatives;

f. Submit a report to the Board of Directors on all CSR activities during the financial year;

g. Monitor and review the implementation of the CSR policy.

The details of the CSR initiatives as per the CSR Policy of the Company forms part of the CSR Section in the Annual Report. The CSR Policy of the Company has been uploaded on the Company's website and can be accessed at: https://www.mastek.com/corporate-governance

- **Governance Committee**

Governance Committee comprises of 1(one) Non-Executive / Non- Independent Director and 2(two) Non-Executive / Independent Directors.

The Governance Committee administers compliance of various applicable Policies, Procedures, Statutes, Corporate Policies and Business Governance Practices including Wholly Owned Subsidiaries and Offshore Legal Compliances and framework of the Enterprise Risk assessment incl. BCP/DR etc.

The composition of the Governance Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the year under review are detailed below:

Name of the Director	Nature of membership	Attendance in Governance Committee Meetings held on			
		April 16, 2019	July 22, 2019	October 16, 2019	January 27, 2020
Mr. Ashank Desai	Chairman	✓	✓	✓	✓
Ms. Priti Rao	Member	✓	✓	✓	✓
#Mr. Sudhakar Ram	Member	✓	✓	✓	NA
*Mr. Rajeev Grover	Member	NA	NA	NA	NA
*Mr. Keith Bogg	Member	✓	✓	NA	NA

✓ - Present, NA - Not Applicable

Mr. Dinesh Kalani acts as Secretary to the Committee.

#Mr. Sudhakar Ram ceased to be the member with effect from January 27, 2020 due to his other pre- occupations.

**Mr. Keith Bogg ceased to be the member with effect from October 15, 2019 due to the resignation. The Board of Directors appointed Mr. Rajeev Grover, Independent Director, as a member of the Committee, with effect from January 28, 2020.*

The terms of reference of the Governance Committee, as approved by the Board and amended from time to time, are as follows:

a. To develop and review a set of Corporate Governance principles, policies and processes for Group Entities in order to improve monitoring and ongoing business related concerns;

b. To review plans/status/concerns on Internal Information Security (IIS) and Technology Information Services (TIS) dept. including cyber security issues;

c. To review physical Infrastructure Planning and Crisis Management;

d. To develop norms for evaluation of the Board / Directors/ Chairperson/ Committees and to recommend the areas of training needed for Board members;

e. To review Enterprise Risk Management (ERM), its framework and related matters and also the Business Continuity Process (BCP) Disaster Recovery process (/DR) /Client Satisfaction Survey (CSS) /Employee Satisfaction Survey, (ESS) activities, etc.;

f. To review ongoing legal compliances, court cases and any business/legal dispute related matters with stakeholders;

g. All other matters incidental or related to the above issues;

h. Carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notifications/amendments as may be applicable.

MANAGEMENT

The management structure of the Company consists of the Group Executive Committee ("EC"). The EC Members lead the identified strategic initiatives and report to the Board members. The members of the EC discuss and deliberate on the day to day operating efficiency and lead important initiatives like cost efficiency, customer centricity, capability building etc. The Nomination and Remuneration Committee based on evaluation, reviews the remuneration to be paid to Senior Managerial Personnel and makes necessary recommendations to the Board. The Committee also reviews the succession planning of Senior Managerial Personnel's. The Board interacts with the Group Chief Financial Officer, Group Chief Executive Officer, Group Chief People Officer, Chief Business Officer, Global Head - Legal Affairs, Business vertical and geography heads, Company Secretary and Compliance Officer and other members of the Senior Managerial Personnel periodically.

- **Vice-Chairman & Managing Director/ Group Chief Financial Officer Certification**

  The Vice-Chairman & Managing Director and the Group CFO have issued a certificate pursuant to the provisions of SEBI 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 as at March 31, 2020. The said certificate is annexed and forms part of this report.

- **Codes and Policies**

  The Board has adopted all applicable codes and policies in terms of the requirements of the Act, SEBI Listing Regulations and also under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. The requisite codes and/or policies are posted on the Company's website at www.mastek.com and references to these codes and policies have been given at relevant sections in this report.

- ## General Body Meetings

a. Details of location, time, date and special resolutions passed during the last 3 (three) years:

Financial Year	Date	Time	Location	Special Resolutions Passed
2018-19	July 23, 2019	11.00 A.M.	Ahmedabad Management Association, H.T. Parekh Hall, Ahmedabad-380015	• Re-appointment of Mr. S. Sandilya, (DIN: 00037542) as Non-Executive Independent Director of the Company to hold office for a second term of 5 consecutive years i.e. from 1 April, 2019 to 31 March, 2024, even after attaining the age of 75 years. • Re-appointment of Ms. Priti Rao (DIN: 03352049) as Non-Executive Independent Director of the Company to hold office for a second term of 5 consecutive years i.e. from 1 April, 2019 to 31 March, 2024. • Re-appointment of Mr. Atul Kanagat (DIN: 06452489) as Non-Executive Independent Director of the Company to hold office for a second term of 5 consecutive years i.e. from 1 April, 2019 to 31 March, 2024.
2017-18	July 19, 2018	11.00 A.M	Ahmedabad Management Association, H.T. Parekh Hall, Ahmedabad-380015	• Payment of Profit related Commission to Non-Executive Directors including Independent Directors for a period of five financial years commencing from April 01, 2018 to March 31, 2023. • Payment of Certain Benefits/Perquisites to Mr. Ashank Desai- Non-Executive Director for a period of three (3) years effective from July 01, 2018 to June 30, 2021.
2016-17	June 22, 2017	11.00 A.M	Ahmedabad Management Association, H.T. Parekh Hall, Ahmedabad-380015	• Re-appointment of Mr. Sudhakar Ram as Vice-Chairman & Managing Director for a period of 3 years from July 01, 2017 up to June 30, 2020 and remuneration to be paid to him. • Enabling Resolution for giving loans and guarantees and make investment in securities. (upto ₹ 250 Crs.) • Enabling Resolution for Creation of Charge/ Mortgage on the Assets of the Company, both present and future (upto ₹ 250 Crs.) • Enabling Resolution for borrowings to be made by the Company (upto ₹ 250 Crs.)

All the resolutions as set out in the notices were passed with requisite majority by the members of the Company.

b. 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. As on date, the Company does not have any proposal to pass any resolution by way of postal ballot.

c. Extra Ordinary General Meeting

There was no Extra Ordinary General Meeting held during the Financial Year 2019-20.

- ## Means of Communication

a. Quarterly / Half-yearly / Annual results subject to Limited Review / Audit Report by Statutory Auditors are generally published in the Financial Express (in English) and Mumbai Lakshadeep (in Marathi) at Mumbai and in Financial Express, Ahmedabad (in Gujarati). These along with the Press Releases and Analyst Presentation are made available on the website of the Company at https://www.mastek.com/financial-information. Other information relating to Shareholding Patterns, compliance with the requirements of corporate governance etc. are uploaded on BSE/NSE Portals and on Mastek's website at https://www.mastek.com/investor-information.

b. Official Press releases and transcripts of conference calls with the analysts after the quarterly results are displayed on the Company's website at https://www.mastek.com/financial-information. The Company has disclosed and complied with all the mandatory requirements as stipulated under SEBI Listing Regulations. The details of these compliances have been given above in the relevant sections of this report.

c. The Presentations, intimations of analyst or institutional investors meet are also uploaded on the Company's website at https://www.mastek.com/investor-information as well as sent to the Stock Exchanges. No unpublished price sensitive information or future financial projections are discussed in presentations made to institutional investors and financial analysts.

d. NSE Electronic Application Processing System (NEAPS) and BSE's Listing Centre is a web-based application designed by NSE and BSE respectively for corporates and are used for periodical compliance filings like quarterly results, shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others and are filed electronically.

e. SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATR) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

- **Communication with the Members**

a. The unaudited quarterly / half-yearly and annual audited results are announced generally within 30 (thirty) days (or within extended time during the year under review) from the close of the quarter and financial year respectively, which is within the requirements of the SEBI Listing Regulations. 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.

b. The Annual audited financial statements forms part of the Annual Report which is sent to the Members well, in advance of the Annual General Meeting. This year in view of the outbreak of COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its circular no. 20/2020 dated May 5, 2020 directed the Companies to send the Annual Report only by e-mail to all the members of the Company. Therefore, the Annual Report for Financial Year 2019-20 and Notice of 38th Annual General Meeting of the Company is being sent to the members at their registered e-mail addresses in accordance with MCA and SEBI Circulars.

c. 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 including Press Release and Credit Ratings.

e. 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: https://www.mastek.com/financial-information.

f. A separate dedicated section under Unpaid Dividends on the Company's website at https://www.mastek.com/investor-information gives information on unclaimed dividends and also equity shares transferred to IEPF Authority for those members who had not claimed their unpaid dividend for last consecutive 7 (seven) years.

GENERAL SHAREHOLDER INFORMATION

a.	**Corporate Identification Number (CIN) of the Company**	:	L74140GJ1982PLC005215
b.	**International Securities Identification Number (ISIN)**	:	INE759A01021
c.	**Registered Office**	:	804 / 805, President House, Opp. C. N. Vidyalaya, Near Ambawadi Circle, Ambawadi, Ahmedabad - 380006, Gujarat.
d.	**Annual General Meeting**	:	
	Date		Thursday, October 29, 2020
	Time		5.30 p.m. IST
	Venue		The Company is conducting meeting through Video Conference/ Other Audio Visual Means pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For further details please refer to the Notice of ensuing Annual General Meeting.
e.	**Date of Book Closure**	:	Monday, October 26, 2020 to Thursday, October 29, 2020 (both days inclusive)
f.	**Financial Year and Tentative Calendar**	:	The Company follows April to March as the Financial Year
			Financial reporting for the quarters ending
			June 30, 2020 — July 29, 2020
			September 30, 2020 — October 28, 2020
			December 31, 2020 — On or before January 31, 2021
			March 31, 2021 — On or before May 30, 2021
g.	**Dividend Payment Date**	:	Not Applicable - Two interim dividends paid during the year – being recommended to confirm as Final dividend.
h.	**Listing of Equity Shares on stock exchanges in India at**	:	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
			National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
i.	**Scrip Code/ Symbol**	:	BSE – 523704 NSE – MASTEK
j.	**Listing of Non-Convertible Debentures on stock exchanges in India at**	:	Not Applicable
k.	**Debenture Trustee**	:	Not Applicable
l.	**ISIN for Debentures**	:	Not Applicable
m.	**Listing Fees to Stock Exchanges and Annual Custody Fees to Depositories**	:	The Company has paid the annual listing fees for the Financial Year 2020-2021 to the Stock Exchanges where the Company's shares are listed. The Company has also paid Annual Custodial Fees for the Financial Year 2020-21 to both the depositories namely National Securities Depository Limited and Central Depository Services (India) Limited.
n.	**Capital Structure**		
	Authorised Capital	:	Equity ₹ 20,00,00,000/- (4,00,00,000 Equity shares of ₹ 5/- each)
			Preference ₹ 20,00,00,000/- (20,00,000 Preference shares of ₹ 100/- each)
	Issued, Subscribed and Paid-up Capital		₹ 12,14,47,360 (2,42,89,472 Equity Shares of ₹ 5/- each)

o. Distribution of Shareholding

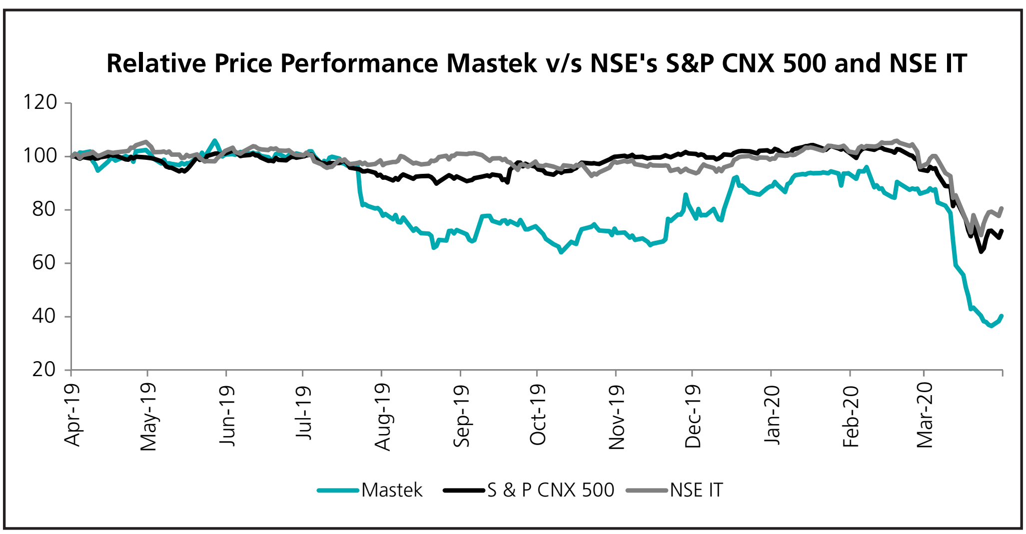
Range of no. of shares	As on March 31, 2020				As on March 31, 2019			
	Shareholder Numbers	%	No. of shares	%	Shareholder Numbers	%	No. of shares	%
1 - 500	19,553	90.19	16,12,436	6.64	17,903	88.94	15,89,689	6.63
501 - 1000	1,135	5.24	8,55,782	3.52	1,160	5.76	8,77,142	3.66
1001 - 5000	759	3.50	15,67,447	6.45	824	4.09	17,80,785	7.43
5001 - 10000	98	0.45	7,19,892	2.96	99	0.49	7,12,621	2.97
10001 - above	135	0.62	1,95,33,915	80.43	143	0.71	1,90,12,566	79.31
TOTAL:	**21,680**	**100**	**2,42,89,472**	**100.00**	**20,129**	**100.00**	**2,39,72,803**	**100.00**

p. Monthly Volumes and Prices: Financial Year 2019-20

Month and Year	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume (Total Traded Quantity)	High (₹)	Low (₹)	Volume (Total Traded Quantity)
April 2019	499.95	446.00	2,21,643	486.80	444.10	31,85,403
May 2019	508.50	452.10	1,27,762	508.40	454.00	10,69,305
June 2019	485.00	461.90	84,134	483.70	460.15	4,46,367
July 2019	483.00	370.90	2,25,085	483.90	371.00	13,02,298
August 2019	381.55	302.55	44,322	382.00	302.00	5,26,660
September 2019	389.80	319.55	81,620	389.80	318.20	11,03,859
October 2019	362.50	295.00	1,33,115	354.85	294.05	15,03,112
November 2019	424.55	310.20	3,33,353	424.75	312.05	33,75,104
December 2019	446.00	352.00	6,62,924	447.00	354.00	66,78,528
January 2020	461.90	407.00	1,86,580	462.00	407.00	18,10,593
February 2020	456.00	395.45	1,04,467	456.00	395.00	11,54,754
March 2020	422.00	170.05	1,52,705	422.95	165.70	11,60,086

Source: BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com)

q. Mastek Share Price Performance Versus NSE's S&P CNX 500 and NSE IT



Note: Daily Closing Prices on the NSE have been considered for the comparison in above chart.
Source: www.nseindia.com

- **Share Transfer System**

  SEBI has mandated that, effective April 1, 2019, no shares can be transferred in physical mode by the Company. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialisation. Trading in equity shares of the Company is permitted only in dematerialised form.

  During the year, the Company had obtained, on half-yearly basis, a certificate, from an Independent Company Secretary in Practice, certifying that all certificates have been issued within 30 (thirty) days of the date of lodgement of the transfer (for cases lodged prior to April 1, 2020), sub-division, consolidation and renewal as required under Regulation 40(9) of the SEBI Listing Regulations and filed a copy of the said certificate with the Stock Exchanges. Further, the Compliance Certificate under Regulation 7(3) of the SEBI Listing Regulations confirming that all activities in relation to share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also submitted to the Stock Exchanges on a half yearly basis.

  SEBI, vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, introduced a documented framework for streamlining and strengthening the systems and processes of RTAs, Issuer Companies and Bankers to an Issue with regards to handle and maintenance of records, transfer of securities and payment of dividend, as may be applicable. In the said Circular, SEBI has suggested measures to make the systems and processes among the RTAs, Issuer Companies and Bankers, more robust and transparent.

  The said SEBI Circular, inter alia, provides for some key requirements like maintenance of dividend master file, reconciliation of dividend account(s), Updation of PAN and Bank mandates by the members, wherever not available, System-Log(s), enhanced due diligence, etc. These changes suggested by SEBI in the share related functioning are forward looking and ensures that proper internal checks and controls are in place. The RTA has been handling these compliances within the applicable requirements of the Framework.

- **Nomination facility for Members**

  As per the provisions of the Act, 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 RTA of the Company. Members holding shares in dematerialised form should contact their Depository Participants (DP) in this regard.

- **Details of Unpaid/ Unclaimed Dividend**

  The following table provides dates on which unpaid / unclaimed dividend and their corresponding shares would become liable to be transferred to the IEPF Authority for member's information.

Particulars/ Financial year	Date of Declaration	Date of Payment	Tentative dates for transfer to IEPF Authority
Final Dividend 2012-2013	July 17, 2013	July 22, 2013	August 22, 2020
Interim Dividend 2013-2014	October 24, 2013	November 11, 2013	November 29, 2020
Final Dividend 2013-2014	July 23, 2014	July 28, 2014	August 28, 2021
Interim Dividend 2014-2015	January 22, 2015	February 7, 2015	February 27, 2022
Final Dividend 2014-2015	August 17, 2015	August 28, 2015	September 23, 2022
1st Interim Dividend 2015-2016	January 14, 2016	February 4, 2016	February 19, 2023
2nd Interim Dividend 2015-2016	March 12, 2016	March 29, 2016	April 17, 2023
Interim Dividend 2016-2017	October 18, 2016	November 9, 2016	November 23, 2023
Final Dividend 2016-17	June 22, 2017	July 10, 2017	July 28, 2024
Interim Dividend 2017-18	October 26, 2017	November 15, 2017	December 02, 2024
Final Dividend 2017-18	July 19, 2018	July 31, 2018	August 24, 2025
Interim Dividend 2018-19	October 25, 2018	November 15, 2018	November 30, 2025
Final Dividend 2018-19	July 23, 2019	July 30, 2019	August 28, 2026
1st Interim Dividend 2019-20	October 17, 2019	October 31, 2019	November 22, 2026
2nd Interim Dividend 2019-20	March 17, 2020	March 30, 2020	April 22, 2027

- **Transfer of Concerned Equity Shares to Investor Education and Protection Fund Authority (IEPF Authority)**

  Pursuant to the provisions of Section 124 and 125 of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, and amendments made thereunder all the concerned shares in respect of which dividend had not been claimed or remained unpaid for 7 (seven) consecutive years or more had been transferred by the Company in the name of Investor Education and Protection Fund Authority ("IEPF Authority") in their Demat Account in November, 2017 and January, 2018.

  The List of shares already transferred to IEPF Authority in previous year is available on the website of the Company at web link https://www.mastek.com/investor-information.

  Email reminders were/are being sent to the members who have not claimed their dividends and whose shares are due to be transferred to IEPF (in August 2020 & November 2020) in accordance with provisions of the Act and IEPF Rules made thereunder. In case the members have any queries on the subject matter and the Rules, they may contact the Company's RTA.

  The members who have a claim on transferred dividends and shares, may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred. The Members / Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. It is in the Members interest to claim any un-encashed dividends, and for future, to consider dematerialisation of their shares and opt for Automated Clearing House (ACH) mode, so that dividends paid by the Company are credited to the investor's account on time.

- **Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account**

  The Company does not have any demat Suspense Account, therefore as on March 31, 2020, there are no outstanding shares credited/ lying in the demat suspense account/ unclaimed suspense account.

- **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 (or email at investor_grievances@mastek.com) with a copy of the earlier correspondences and relevant supporting's for quick resolution.

- **Reconciliation of Share Capital Audit**

  As required under Regulation 76 of the Securities & Exchange Board of India (Depositories and Participants) Regulation, 1996 as amended, quarterly audit of the Company's share capital is being carried out by Independent Company Secretary in Practice 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 Certificate in regard to the same has been submitted to BSE Limited and the National Stock Exchange of India Limited and is also placed before the Board of Directors.

- **Payment of Dividend through Automated Clearing House (ACH)**

  The Company provides the facility for direct credit of the dividend to the members Bank Account. The SEBI Listing Regulations also mandate Companies to credit the dividend to the members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their Bank account through the Banks' "Automated Clearing House" mode. Members who hold shares in demat mode should inform their Depository Participant, whereas Members holding shares in physical form should inform the Company/ RTA about of the core banking account details allotted to them by their bankers. In cases where the core banking details are not available with the Company, then the Company will issue demand draft first time mentioning the registered address/bank details to the concerned members.

- **Green Initiatives for sending communication**

  Company sent a communication through Annual Reports to all the members requesting them to give their E-mail ID's to the Company / RTA (for physical shares held) and 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 ID's to their DP's, are requested to do the same in the interest of environment.

t. Shareholding Pattern

Sr. No.	Category	As on March 31, 2020		As on March 31, 2019	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Indian Promoters	**10,953,660**	**45.10**	10,953,660	45.69
2	Financial Institutions/ Mutual Funds/ NBFC/ Trusts & Banks	**36,20,299**	**14.91**	2,254,129	9.40
3	FII's	**15,06,004**	**6.20**	1,955,780	8.16
4	Bodies Corporate (Indian / Overseas)	**5,59,028**	**2.30**	1,241,886	5.18
5	Resident Individuals / HUF	**71,54,158**	**29.45**	7,082,983	29.55
6	NRIs / Foreign Nationals	**4,41,105**	**1.81**	429,047	1.79
7	Investor Education and Protection Fund Authority	**55,218**	**0.23**	55,318	0.23
Total		**2,42,89,472**	**100.00**	**2,39,72,803**	**100.00**

u. Dematerialisation of Shares and Details of Shares held in Physical Mode

The Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for dematerialisation of shares and the same are available in electronic segment under ISIN: INE759A01021. Equity shares representing about 99.45% of total equity share capital are dematerialised as on March 31, 2020.

As on Date	Status of Shares - Physical versus Electronic mode		
	Physical	Electronic	Total
March 31, 2020	**1,34,731 (0.55%)**	**2,41,54,741 (99.45%)**	**2,42,89,472**
March 31, 2019	1,47,579 (0.62%)	2,38,25,224 (99.38%)	239,72,803

SEBI vide its Circular No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018, amended Regulation 40 of the SEBI Listing Regulations pursuant to which after April 1, 2019, transfer of securities cannot be processed unless the securities are held in the dematerialised form with a depository.

v. List of Shareholders other than Promoters holding more than 1% as on March 31, 2020.

Sr. No.	Name of the Shareholder	No. of shares held	% of Total Shareholding
1.	Abakkus Growth Fund-1	7,51,000	3.09
2.	Ashish Kacholia	7,02,204	2.89
3.	IDFC Tax Advantage (ELSS) Fund	6,20,000	2.55
4.	Abakkus Emerging Opportunities Fund-1	6,02,166	2.48
5.	Motilal Oswal Focused Emergence Fund	4,60,000	1.89
6.	IDFC Core Equity Fund	4,04,213	1.66
7.	Reliance Capital Trustee Co Ltd - A/C Nippon India - India Opportunities Fund - Series A	2,49,441	1.03

w. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments

There are no outstanding GDRs / ADRs / Warrants except the Stock Options granted to the Employees of the Company and its Subsidiaries. However, the outstanding ESOP Options after vesting, when exercised, shall increase the Equity Share Capital of the Company to that extent.

x. Off-Shore Development Centers

In view of the nature of the Company's business viz. Information Technology (IT) Services the Company operates from various offices in India and abroad. 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 / offices is available elsewhere in the Annual Report which includes recently acquired Evosys group offices as well.

y. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Company is exposed to foreign exchange risk on account of import and export transactions entered. The Company is proactively mitigating these risks by entering into commensurate hedging transactions with banks as per applicable guidelines and group risk management instructions. Please refer notes to the Financial Statements in this regard. The Company does not have any hedged exposure through Commodity derivatives. The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given for commodity hedging activities.

INVESTOR INFORMATION

- **Company Overview**

Mastek is an enterprise digital transformation specialist that engineers excellence for customers in the UK, US, and India. It enables large-scale business change programmes through its service offerings, which include application development, support, and testing, BI and analytics, agile consulting, and digital commerce. Whether it's creating new applications, modernising existing ones or recovering failing projects, Mastek helps enterprises to navigate the digital landscape and stay competitive. With digital solutions constituting more than 80% to the business, Mastek is emerging as one of the leaders in Enterprise Digital Transformation journey. Mastek is well poised to be among the top providers of agile digital transformation solutions and a significant player within the digital transformation space in retail and financial services.

The Company carries out its operations in India and has its software development centers in India at Mumbai, Pune, Chennai and Mahape. The Company was promoted by Mr. Ashank Desai, Mr. Ketan Mehta, Mr. Radhakrishnan Sundar and Mr. Sudhakar Ram. Mastek had its Initial Public Offering (IPO) in December, 1992.

Evosys is a leading, Oracle Cloud implementation and consultancy company serving 1,000+ Oracle Cloud customers across 30+ countries. An Oracle Platinum partner, Evosys provides solution offerings like Oracle HCM Cloud, Oracle ERP Cloud, Oracle SCM Cloud, Oracle CX, Oracle EPM Cloud, PaaS solutions (including custom-built solutions), AI, IoT and machine learning. Evosys diverse customer portfolio consisting Government, Healthcare, Finance, Logistics, Manufacturing & Distribution Organisations, is a testimony to the expertise and leadership in Oracle Cloud implementation. Evosys was recognised for winning 'Oracle Partner of the Year' Awards for three times at Oracle Open World 2019 and the 'Dream Employer of the Year ' award from World HRD in 2019.

- **Capital Evolution**

Particulars	No. of shares/ Face value
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 1995	56,640 shares of ₹ 10 each
Second Public Offer in March, 1996	4,00,000 shares of ₹ 10/- each
Bonus Shares issued in January, 2000 (1:1)	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
Issued under Employees' Stock Option Plans in Financial Year 2000-01 Year 2001-02 Year 2002-03	 57,083 shares of ₹ 5/- each 85,396 shares of ₹ 5/- each 1,44,882 shares of ₹ 5/- each

Particulars	No. of shares/ Face value
Buy-Back and Extinguishment of shares in Financial Year 2003-04	3,00,898 shares of ₹ 5/- each
Issued under Employees' Stock Option Plans in Financial Year 2003-04	66,913 shares of ₹ 5/- each
Buy-Back and Extinguishment of shares in Financial Year 2004-05	98,950 shares of ₹ 5/- each
Issued under Employees' Stock Option Plans in Financial Year 2004-05	88,412 shares of ₹ 5/- each
Bonus Shares issued in April, 2006 (1:1)	1,40,54,594 shares of ₹ 5/- each
Issued under Employees' Stock Option Plans in Financial Year 2005-06 Year 2006-07 Year 2007-08	 2,13,642 shares of ₹ 5/- each 3,26,547 shares of ₹ 5/- each 76,115 shares of ₹ 5/- each
Buy-Back and Extinguishment of shares in Financial Year 2007-08	9,15,714 shares of ₹ 5/- each
Issued under Employees' Stock Option Plans in Financial Year 2008-09	19,293 shares of ₹ 5/- each
Buy-Back and Extinguishment of shares in Financial Year 2008-09	7,44,381 shares of ₹ 5/- each
Issued under Employees' Stock Option Plans in Financial Year 2009-10 Year 2010-11 Year 2011-12	 44,443 shares of ₹ 5/- each 7,250 shares of ₹ 5/- each 75,000 shares of ₹ 5/- each
Buy-Back and Extinguishment of shares in Financial Year 2012-13	23,88,000 shares of ₹ 5/- each
Issued under Employees' Stock Option Plans in Financial Year 2013-14	6,500 shares of ₹ 5/- each
Buy-Back and Extinguishment of shares in Financial Year 2013-14	24,84,007 shares of ₹ 5/- each
Issued under Employees' Stock Option Plans in Financial Year 2014-15 Year 2015-16 Year 2016-17 Year 2017-18 Year 2018-19 Year 2019-20	 3,85,992 shares of ₹ 5/- each 4,50,602 shares of ₹ 5/- each 3,80,259 shares of ₹ 5/- each 3,14,523 shares of ₹ 5/- each 2,80,747 shares of ₹ 5/- each 3,16,669 shares of ₹ 5/- each

- **Credit Rating**

  The Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations. During the year under review, ICRA Limited, a Credit Rating Agency, had reaffirmed the ratings assigned for the Bank facilities as [ICRA] A+ (Positive) rating for fund-based limits and [ICRA] A1+ for non-fund based limits for the Working Capital Facilities granted to the Company by its Bankers.

- **Compliance Officer of the Company/ Address for Correspondence**

Name	Dinesh Kalani, Company Secretary
Address for correspondence	Mastek Limited, #106/107, SDF-IV, SEEPZ, Andheri (East), Mumbai - 400 096 Phone No: + 91-22-6722-4200 Fax: +91-22-6695-1331
E-mail	investor_grievances@mastek.com

OTHER DISCLOSURES

a. Related Party Transactions

All the transactions entered into with Related Parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations during the Financial Year were in the ordinary course of business and on an arm's Length basis or fair value basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with Related Parties during the Financial Year. Related Parties transactions have been disclosed under the notes forming part of the financial statements in accordance with Indian Accounting Standard (Ind AS-24). A statement in summary form of transactions with Related Parties in ordinary course of business and on an arm's length basis is periodically placed before the Audit Committee for review and recommend to the Board for their approval.

As required under Regulation 23(1) of the SEBI Listing Regulation, the Company has the policy on dealing with Related Party Transactions. None of the transactions with Related Parties was in conflict with the interest of the Company. The policy has been uploaded on the website of the Company and can be accessed at web link https://www.mastek.com/corporate-governance.

The Register under Section 189 of the Act is maintained and particulars of the transactions have been entered in the Register, as applicable.

b. There is no payment made by the Company towards Royalty to any Related Party during the year under review.

c. Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed U/s 133 of the Act which became applicable to the Company w.e.f. April 1, 2017.

d. Material Subsidiary Companies

Mastek (UK) Limited and Trans American Information Systems, Inc. Wholly Owned Subsidiaries of the Company are 'material subsidiaries' under provisions of law. As a good corporate governance practice and as stipulated under SEBI Listing Regulations, Company has appointed its one Independent Director on the Board of these Wholly Owned Subsidiaries. The Company monitors performance of its subsidiaries, inter-alia, by the following means:

- The Financial Statements, in particular, investments made by the 'unlisted subsidiary companies' are reviewed by the Audit Committee of the Company.
- The Minutes of the Board Meetings of the subsidiary companies are placed before the Board Meeting of the Company.
- The details of any significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Board Meeting of the Company.
- The Company has its Senior Managerial Personnel on the Board of Directors of its subsidiary companies.
- The Senior Managerial Personnel of respective subsidiaries apprises on quarterly basis to the Corporate Board/ Committee

As required under Regulation 16 of the SEBI Listing Regulations, the Company has formulated a Policy for determining 'material subsidiary'. The Company has posted "Policy for determining 'material subsidiary" on the website of the Company viz; www.mastek.com. The web link of Policy for determining 'material subsidiary; https://www.mastek.com/corporate-governance.

e. In accordance with the provisions of Regulation 26 (6) of SEBI Listing Regulations, the Key Managerial Personnel, Director(s), Promoter(s) and Employees including Senior Managerial Personnel of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any member or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

f. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all requirements specified under the SEBI listing Regulations as well as other Regulations and guidelines of SEBI. No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the SEBI or by any statutory authority on any matters related to capital markets during the last 3 (three) years.

g. 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, leakage of Unpublished Price Sensitive Information (UPSI), if any, etc. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns raised by any stakeholder and also that, no discrimination will be meted out to any person for a genuinely raised concern. Pursuant thereto, a dedicated hotline is provided 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 an E-mail at whistleblower@mastek.com. The Company Secretary, will appropriately direct it to any of the Ombudspersons or Compliance

Committee member/s or Chairperson of the Audit Committee, after ascertaining the nature, identity and sensitivity of the concern raised.

No personnel were denied access to the Audit Committee of the Company with regards to the above.

h. Prevention of Insider Trading

The Company has adopted a Code of Regulating, Monitoring and Reporting of trading by Designated Persons (Insider Trading Code) under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations) which inter alia includes Policy for determination of "Legitimate Purpose" and "Code of Fair Disclosure". The same has been uploaded on website of the Company and can be accessed through the following link https://www.mastek.com/corporate-governance. In accordance with the SEBI Insider Trading Regulations, the Company has established systems and procedures to prohibit insider trading activity.

The Insider Trading Code has been formulated to regulate, monitor and ensure reporting of trading by the Designated Persons and their immediate dependent relatives towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable. The Code lays down Guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations. During the year under review, the Insider Trading Code was amended in line with the amendments brought in the Regulations by SEBI.

The Company has set forth procedures and implementation of the Code for trading in Company's securities. PAN based online tracking mechanism for monitoring of the trade in the Company's securities by the "Designated Employees" and their immediate dependent relatives has also been put in place to ensure real time detection and taking appropriate action, in case of any violation / non-compliance of the Company's Insider Trading Code.

Directors and Designated Persons of the Company provides disclosure on an annual basis about the number of shares held by them along with their immediate dependent relatives in the Company. Further, they also declare that they have not traded in the shares of the Company based on the UPSI and on buying/ selling any number of shares, they have not entered into an opposite transaction i.e. sell / buy during the six months from the date of erstwhile transaction as per the provisions of the Code.

The Company has deployed a web based platform to ensure compliance with the provisions of the Company's Insider Trading Code so as to manage, monitor, track and report the dealings in equity shares of the Company by the designated insiders, if any, during the Window closure period or without prior approvals. The Compliance Officer and the management conducted trainings and workshops with the Designated Person(s) to create awareness on various aspects of the Prevention of Insider Trading Code and the SEBI Insider Trading Regulations and to ensure that the internal controls are adequate and effective to ensure compliance.

The Audit Committee reviews cases of non-compliances, if any, and makes necessary recommendations to the Board w.r.t. action taken against such defaulters. The said non-compliances if any will be promptly intimated to exchanges in the prescribed format.

i. Website

The Company has its own functional website www.mastek.com as required by the SEBI Listing Regulations, where information about the Company, quarterly and Annual Audited Financial Results, Annual Reports, distribution of shareholding at the end of each quarter, official press releases, and information required to be disclosed under Regulation 30 and 46 of the SEBI Listing Regulations, etc. are regularly updated. All material events / information relating to the Company that could influence the market price of its securities or investment decisions are timely disclosed to the Stock Exchanges as per the Company's Policy on determination of materiality of events framed under the SEBI Listing Regulations. All disclosures under this policy are also displayed on the Company's website and hosted for a minimum period of 5 years and thereafter as per the Archival Policy of the Company. The Policy on determination of materiality of events and Archival Policy of the Company is available on the Company's website at web link https://www.mastek.com/corporate-governance.

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 (Christensen)- our Investor advisor regularly meets the Analysts every quarter to brief the financial position after publication of the same. The Press release, Analysts' conference calls are organised by M/s. Christensen. 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.

j. Total fees for all services paid to the Statutory Auditors by the Company and its Subsidiaries for the Financial Year 2019-20.

Total fees paid by the Company and its Subsidiaries on a consolidated basis, to the Statutory Auditor viz. M/s. Walker Chandiok & Co. LLP, Chartered Accountants, Firm Registration No. 001076N / N500013 and all entities in the network firm/ network entity of which the Statutory Auditors is a part, are as follows:

Particulars	Amount in ₹
Audit Fees	13,002,646
Other Services	9,523,299
Reimbursement of expenses	279,059
Total	**22,805,004**

k. Certificates from Practicing Company Secretaries

The Company has received certificate, from Mr. Prashant Mehta, proprietor of P. Mehta and Associates, Practising Company Secretaries, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate of Affairs or any such authority. The certificate is given elsewhere in this Annual Report.

l. Details of preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations

The Company has not raised funds through preferential allotment or qualified institutional placement during the year under review.

m. Disclosure in relation to recommendation made by any Committee which was not accepted by the Board.

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

n. Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the Financial Year 2019–20 are as under:

- Number of complaints filed during the financial year: **NIL**
- Number of complaints disposed of during the financial year: **NIL**
- Number of Complaints Pending at the end of the financial year: **NIL**

o. Changes amongst Directors

During the year Mr. Keith Bogg, Independent Director of the Company had resigned before the expiry of his tenure. Mr. Keith Bogg, Independent Director of the Company conveyed his resignation on October 3, 2019 to the Board with effect from October 15, 2019, due to personal reasons. He has also confirmed that there is no other material reason for the resignation.

The Company has appointed Mr. Rajeev Grover as an additional Director (Independent) during the year effective from January 28, 2020 for five years, subject to Shareholders approval at this annual general meeting.

p. Compliances with Corporate Governance Disclosure Requirements as specified in SEBI Listing Regulations

The Company has complied with all the mandatory Corporate Governance requirements under the SEBI Listing Regulations. Specifically, your Company confirms compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI Listing Regulations.

q. Compliance Certificate on Corporate Governance -

Mr. Prashant Mehta, proprietor of P. Mehta and Associates, Practising Company Secretaries has provided Certificate on Corporate Governance as stipulated under Schedule V of the SEBI Listing Regulations

r . Management Discussion & Analysis

Management Discussion & Analysis Section forms part of the Annual Report and annexed elsewhere in this Report.

s. Compliance Report on Discretionary Requirements under Regulation 27(1) Of SEBI Listing Regulations

Among the adoption of Non-Mandatory / Discretionary requirements as per Part E of Schedule II to SEBI Listing Regulations, the Company has complied with the following:

- **The Board -** As per para A of Part E of Schedule II of SBI Listing Regulations, 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. The Non-Executive Chairman is not related to the Managing Director/ Promoter of the Company.

- **Shareholders Rights** - Quarterly results are subjected to limited review by Statutory Auditors are generally published in the Financial Express Mumbai English edition, Mumbai Lakshadeep (Mumbai Marathi edition) and Financial Express (Gujarati edition) Ahmedabad having wide circulation. The quarterly unaudited results along with the press releases are made available on the website of the Company (https://www.mastek.com/financial-information). The Company also holds the Analyst meet every quarter after declaration of financial results and answers the questions raised by the participants. Other information relating to Shareholding Pattern, compliance with the requirements of Corporate Governance, Investor Grievances, Reconcilation of Capital,etc. are uploaded on BSE/NSE website. Separate Half-yearly financial performance report, however, not been sent to each shareholder.

- **Modified opinion(s) in Audit Report -** The Auditors have issued an un-modified opinion on the financial statements for the Financial Year 2019-20 of the Company.

- **Separate posts of Chairman and Chief Executive Officer (CEO)** - The position of Chairman and Managing Director/ CEO is bifurcated in the Company. An Independent Non- Executive Chairman heads the Board. Managing Director is another position.

- **Reporting of Internal Auditor -** The Internal Auditor reports directly to the Audit Committee, attends the Audit Committee meetings, and interacts directly with the Audit Committee members.

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY BY THE BOARD OF DIRECTORS AND SENIOR MANAGERIAL PERSONNEL

To the Members of **Mastek Limited,**

In terms of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the affirmations provided by the Board of Directors and Senior Managerial Personnel of the Company to whom Code of Conduct is made applicable, I declare that the Board of Directors and Senior Managerial Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended March 31, 2020.

Sudhakar Ram
Vice-Chairman & Managing Director
(DIN: 00101473)

Place: Mumbai
Date: July 29, 2020

VICE-CHAIRMAN & MANAGING DIRECTOR AND GROUP CHIEF FINANCIAL OFFICER CERTIFICATION

We the undersigned, in our respective capacities as Vice-Chairman & Managing Director and Group 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, 2020 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 of Directors 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.

This certificate is being given to the Board pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours faithfully,

Sudhakar Ram
Vice-Chairman &
Managing Director
(DIN: 00101473)

Abhishek Singh
Group Chief Financial Officer

Place: Mumbai
Date: July 29, 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Mastek Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mastek Limited having CIN L74140GJ1982PLC005215 and having registered office at 804/805 President House, Opp. C N Vidyalaya, Near Ambawadi Circle, Ahmedabad, Gujarat - 380006 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, and considering the relaxations granted by the Ministry of Corporate Affairs and SEBI warranted due to the spread of the COVID-19 pandemic, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Director of the Companies by the SEBI, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of Appointment in the Company
1	Mr. S. Sandilya	00037542	19/01/2012
2	Mr. Sudhakar Ram	00101473	04/10/1985
3	Mr. Ashank Desai	00017767	06/06/1982
4	Ms. Priti Rao	03352049	17/01/2011
5	Mr. Atul Kanagat	06452489	21/01/2013
6	Mr. Rajeev Kumar Grover	00058165	28/01/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **P Mehta & Associates**
Practising Company Secretaries

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341
UDIN : A005814B000519571
PR NO.: 763/2020

Date : July 29, 2020
Place : Mumbai

CERTIFICATE FROM PRACTICING COMPANY SECRETARIES ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Mastek Limited

I have examined the compliance of conditions of Corporate Governance by Mastek Limited ('the Company'), for the Financial Year ended March 31, 2020 in Regulations 17 to 27 , clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to the procedures 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 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 and representations made by the management, I certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 **P Mehta & Associates**
Practising Company Secretaries

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341
UDIN : A005814B000519558
PR NO.: 763/2020

Date : July 29, 2020
Place : Mumbai

FINANCIAL STATEMENTS STANDALONE

Independent Auditor's Report

To the Members of **Mastek Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Mastek Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

Key audit matter	How our audit addressed the key audit matter
Revenue from contracts with customers (Refer notes 2d(xi) and 15 to the accompanying standalone financial statements).	**Our responses**
Revenue is recognised basis the terms of each contract with customers wherein certain commercial arrangements involve complexity and significant judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation and the appropriateness of basis used to measure revenue recognised over the time period is applied in selecting the accounting basis in each case. We identified revenue of the Company as a key audit matter in the audit of standalone financial statements of current year because of the significant judgement/estimates used in accounting of revenue contracts.	Our audit procedures relating to revenue recognition included, but were not limited to the following: • Evaluated the design and operating effectiveness of internal controls relating to the revenue recognition of the Company. • Selected samples from all streams of contracts and performed detailed analysis on recognition of revenue as per the requirement of Ind AS 115, Revenue from contracts with customers which involved testing of inputs to revenue recognition including estimates used. • Evaluated appropriateness and adequacy of disclosures made in the standalone financial statements with respect to revenue in accordance with the requirements of applicable accounting standards.

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

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

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

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

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

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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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.

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

9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

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

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

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

Report on Other Legal and Regulatory Requirements

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

16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

    c) the standalone financial statements dealt with by this report are in agreement with the books of account;

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

    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;

f) we have also audited the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion; and

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

   i. the standalone financial statements, disclose the impact of pending litigations on the Company's financial position as at 31 March 2020;

   ii. the Company has made provision as at 31 March 2020, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

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

Adi P. Sethna
Partner
Membership No.: 108840
UDIN: 20108840AAAABW8564

Place: Mumbai
Date: 14 June 2020

Annexure A

to the Independent Auditor's Report of even date to the members of Mastek Limited, on the standalone financial statements for the year ended 31 March 2020

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year, however, there is a regular program of verification once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties are held in the name of the Company.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of investments, guarantees and security. The Company did not give any loans during the year.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Maharashtra Value Added Tax Act, 2002	VAT liability including Interest	895	91	F.Y. 2006-07, F.Y. 2009-10, F.Y. 2012-13, F.Y. 2013-14	Joint Commissioner of Sales Tax (Appeals), Mumbai	
The Maharashtra Value Added Tax Act, 2002	VAT liability including Interest	10	-	F.Y. 2015-16	Deputy Commissioner of Sales Tax, Mumbai	
The Central Sales Tax Act, 1956	CST liability including Interest	22	4	F.Y. 2009-10 F.Y. 2012-13, F.Y. 2013-14	Joint Commissioner of Sales Tax (Appeals), Mumbai	
Income Tax Act, 1961	Income tax and interest demanded	363		F.Y. 2012-13, F.Y. 2013-14	CIT (A)	
Income Tax Act, 1961	Income tax and interest demanded	77	-	F.Y. 2014-15	Assessing Officer	

There were no amounts outstanding due to disputes on account of service tax, custom duty or excise duty.

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company did not have any borrowings from bank, government or outstanding debentures during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. The Company did not avail any term loan during the year.

(x) In our opinion, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid (and)/ provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.

(xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Adi P. Sethna
Partner
Membership No.: 108840
UDIN: 20108840AAAABW8564

Place: Mumbai
Date: 14 June 2020

Annexure B

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

1. In conjunction with our audit of the standalone financial statements of **Mastek Limited** ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

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

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with reference to Standalone Financial Statements

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

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

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

Adi P. Sethna
Partner
Membership No.: 108840
UDIN: 20108840AAAABW8564

Place: Mumbai
Date: 14 June 2020

Standalone Balance Sheet
as at March 31, 2020

(₹ in lakhs)

	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment, net	3(a)(i)	**3,184**	4,297
Capital work-in-progress		**167**	141
Right-of-use assets	3(b)	**134**	-
Investment Property	3(c)	**485**	-
Intangible assets, net	3(a)(ii)	**200**	225
Investment in subsidiaries	3(d)	**1,403**	1,403
Financial assets			
Investments	4(a)	**3,844**	3,624
Loans	4(b)	**88**	84
Other financial assets	4(c)	**772**	444
Deferred tax assets, net	24	**2,816**	2,802
Current tax assets, net		**1,269**	1,082
Other non-current assets	5	**105**	64
Total non-current assets		**14,467**	14,166
Current assets			
Financial assets			
Investments	6(a)	**12,190**	10,563
Trade receivables	6(b)	**2,561**	3,583
Cash and Cash equivalents	6(c)(i)	**2,018**	1,172
Bank balances, other than cash and cash equivalent	6(c)(ii)	**64**	44
Loans	6(d)	**13**	12
Other financial assets	6(e)	**1,333**	608
Other current assets	7	**980**	1,136
Total current assets		**19,159**	17,118
Total Assets		**33,626**	31,284
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8	**1,214**	1,199
Other equity	9	**25,698**	24,795
Total Equity		**26,912**	25,994
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	10(a)	**113**	131
Other financial liabilities	10(b)	**987**	328
Provisions	11	**990**	755
Total non-current liabilities		**2,090**	1,214
Current liabilities			
Financial liabilities			
Trade payables	33		
Dues of micro and small enterprises		**1**	5
Dues of creditors other than micro and small enterprises		**111**	173
Other financial liabilities	12	**3,746**	3,272
Other current liabilities	13	**555**	503
Provisions	14	**211**	123
Total current liabilities		**4,624**	4,076
Total Liabilities		**6,714**	5,290
Total Equity and Liabilities		**33,626**	31,284

See accompanying notes to the Standalone financial statements
This is the Balance Sheet referred to in our report of even date

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

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: June 14, 2020

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

Sudhakar Ram
Vice Chairman and
Managing Director
DIN: 00101473

S. Sandilya
Non-Executive Chairman
and Independent Director
DIN: 00037542

Abhishek Singh
Chief Financial Officer
Place: Mumbai
Date: June 14, 2020

Dinesh Kalani
Company Secretary

Standalone Statement of Profit and Loss
for the year ended March 31, 2020

(₹ in lakhs)

	Note	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue from operations	15	**16,344**	18,944
Other income	16	**4,886**	3,459
Total Income		**21,230**	22,403
EXPENSES			
Employee benefits expenses	17	**12,364**	13,453
Finance costs	18	**45**	27
Depreciation and amortisation expenses	19	**1,113**	1,208
Other expenses	20	**3,642**	3,799
Total expenses		**17,164**	18,487
Profit before tax		**4,066**	3,916
Exceptional items - loss	21	**683**	-
Profit before tax		**3,383**	3,916
Tax expense / (credit)			
Current tax	24	**869**	998
Deferred tax		**(231)**	(78)
Income tax relating to earlier years		**-**	(55)
Total tax expense		**638**	865
Profit after tax for the year		**2,745**	3,051
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to the statement of profit or loss:			
Defined benefit plan actuarial gains/ (losses)		**8**	(8)
Income tax relating to items that will not be reclassified to profit and loss - (expense) / credit		**(3)**	3
Items that will be reclassified subsequently to the statement of profit and loss:			
Net change in fair value of forward contracts designated as cash flow hedges-gain/(loss)		**(111)**	1,094
Net change in fair value of financial instruments-gain/(loss)		**319**	144
Income tax relating to items that will be reclassified to profit and loss - (expense) / credit		**(61)**	(361)
Total other comprehensive income for the year		**152**	872
Total comprehensive income for the year		**2,897**	3,923
Earnings per share	22		
(Equity shares of face value ₹ 5/- each)			
Basic		**11.40**	12.81
Diluted		**10.82**	12.12

See accompanying notes to the Standalone financial statements
This is the Statement of Profit and Loss referred to in our report of even date

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

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: June 14, 2020

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

Sudhakar Ram
Vice Chairman and
Managing Director
DIN: 00101473

S. Sandilya
Non-Executive Chairman
and Independent Director
DIN: 00037542

Abhishek Singh
Chief Financial Officer
Place: Mumbai
Date: June 14, 2020

Dinesh Kalani
Company Secretary

Standalone Statement of Cash Flow
for the year ended March 31, 2020

(₹ in lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities		
Profit for the year	**2,745**	3,051
Adjustments for :		
Interest income	**(300)**	(157)
Guarantee commission	**(104)**	(147)
Employee stock compensation expenses	**370**	365
Finance costs	**24**	27
Depreciation and amortisation	**1,113**	1,208
Provision for doubtful debts and loans and advances	**181**	-
Bad debts written off	**10**	8
Provision for cost overrun on contracts, net	**45**	248
Tax expense	**638**	865
Exceptional item (Refer note 21)	**683**	-
Dividend from subsidiary	**(3,142)**	(1,777)
(Profit)/ Loss on sale of property, plant and equipment and software, net	**19**	(46)
Profit on sale of current investments	**(616)**	(693)
Finance cost due to Ind AS 116 adjustment	**13**	-
Rental income	**(300)**	(202)
Operating profit before working capital changes	**1,379**	**2,750**
Decrease / (Increase) in trade receivables	**181**	(842)
(Increase) / Decrease in loans and advances and other assets	**(370)**	52
Increase in trade payables, other liabilities and provisions	**1,287**	775
Cash generated from operating activities before taxes	**2,477**	**2,735**
Income taxes paid, net of refunds	**(899)**	(947)
Net cash generated from operating activities	**1,578**	**1,788**
Cash flows from investing activities		
Proceeds from sale of property, plant & equipment	**18**	67
Purchase of property, plant & equipment and software	**(576)**	(1,194)
Interest received	**192**	66
Dividend from subsidiary	**3,142**	1,777
Rental income	**238**	195
Guarantee commission received	**164**	297
Purchase of current investments	**(11,649)**	(13,706)
Proceeds from current investments	**10,738**	12,126
Net cash generated from / (used in) investing activities	**2,267**	**(372)**
Cash flows from financing activities		
Proceeds from issue of shares under the employee stock option schemes	**213**	291
Proceeds and repayment of borrowings, net	**(10)**	58
Dividends paid including dividend distribution tax and unclaimed dividends	**(3,148)**	(1,773)
Payment of lease liabilities	**(38)**	-
Interest paid on finance lease and others	**(16)**	(19)
Net cash (used in) financing activities	**(2,999)**	**(1,443)**
Net increase / (decrease) in cash and cash equivalents during the year	**846**	(27)
Cash and cash equivalents at the beginning of the year	**1,172**	1,199
Cash and cash equivalents at the end of the year	**2,018**	**1,172**

The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Statement of Cash Flow

This is the Statement of Cash Flow referred to in our report of even date

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

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

Sudhakar Ram
Vice Chairman and
Managing Director
DIN: 00101473

S. Sandilya
Non-Executive Chairman
and Independent Director
DIN: 00037542

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: June 14, 2020

Abhishek Singh
Chief Financial Officer
Place: Mumbai
Date: June 14, 2020

Dinesh Kalani
Company Secretary

Statement of Changes in Equity
for the year ended March 31, 2020

A. Equity share capital

(₹ in lakhs)

Balance as at April 1, 2018	1,185
Add: Shares issued on exercise of stock options and restricted shares	14
Balance as at March 31, 2019	**1,199**
Balance as at April 1, 2019	1,199
Add: Shares issued on exercise of stock options and restricted shares	15
Balance as at March 31, 2020	**1,214**

B. Other Equity

(₹ in lakhs)

Particulars	Reserve & Surplus				Other Comprehensive Income (OCI)			Total other equity
	Capital redemp-tion reserve	Securities premium	Share options outstanding account	Retained earnings	Employee benefit expenses	Fair value of cash flow hedge	Fair value of changes in other financial instruments	
Balance as at April 1, 2018	1,539	1,772	1,029	17,105	265	(517)	452	21,645
Issue of share capital on exercise of employee share option	-	277	-	-	-	-	-	277
Employee share-based compensation	-	-	773	-	-	-	-	773
Transferred to securities premium	-	206	(206)	-	-	-	-	-
Profit for the year	-	-	-	3,051	-	-	-	3,051
Cash dividends and tax thereon	-	-	-	(1,788)	-	-	-	(1,788)
ESOP Adjustments *	-	-	(54)	18	-	-	-	(36)
Other comprehensive income (net of taxes)	-	-	-	-	(5)	774	104	873
Balance as at March 31, 2019	**1,539**	**2,255**	**1,542**	**18,386**	**260**	**257**	**556**	**24,795**
Balance as at April 1, 2019	1,539	2,255	1,542	18,386	260	257	556	24,795
Issue of share capital on exercise of employee share option	-	193	-	-	-	-	-	193
Employee share-based compensation	-	-	991	-	-	-	-	991
Transferred to securities premium	-	268	(268)	-	-	-	-	-
Profit for the year	-	-	-	2,745	-	-	-	2,745
Cash dividends and tax thereon	-	-	-	(3,148)	-	-	-	(3,148)
ESOP Adjustments *	-	-	(42)	12	-	-	-	(30)
Other comprehensive income (net of taxes)	-	-	-	-	5	(79)	226	152
Balance as at March 31, 2020	**1,539**	**2,716**	**2,223**	**17,995**	**265**	**178**	**782**	**25,698**

*ESOP adjustment reflects lapse of vested stock options during the year.

See accompanying notes to the Standalone financial statements
This is the Statement of Changes in Equity referred to in our report of even date

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

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: June 14, 2020

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

Sudhakar Ram
Vice Chairman and
Managing Director
DIN: 00101473

S. Sandilya
Non-Executive Chairman
and Independent Director
DIN: 00037542

Abhishek Singh
Chief Financial Officer
Place: Mumbai
Date: June 14, 2020

Dinesh Kalani
Company Secretary

1 Company overview

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 of Application Development, Application Maintenance, Business Intelligence and Data Warehousing, Testing & Assurance and Legacy Modernisation. The Company carries out its operations in India and has its software development centres in India at Mumbai, Pune, Chennai and Mahape.

2 Basis of Preparation and Presentation

a. Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

These standalone financial statements of the Company as at and for the year ended March 31, 2020 were approved and authorized by the Company's board of directors as on June 14, 2020.

All amounts included in the financial statements are reported in Indian rupees (in lakhs) except share and per share data, unless otherwise stated and "0" denotes amounts less than one lakh rupees.

b. Basis of Preparation

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i. Derivative financial instruments;

ii. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);

iii. Share based payment transactions and

iv. Defined benefit and other long-term employee benefits

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

c. Use of estimate and judgement

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements is included in the following notes:

(i) Revenue recognition: The Company applies the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

(ii) Income taxes: Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

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

(iv) Property, plant and equipment: Property, plant and equipment represents a significant proportion of the asset base of the Company. The change in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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

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

(vii) Provisions: Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can me made. Provisions (excluding retirement obligation and compensated expenses) are not discounted to its present value and are determined based on best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

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

(ix) Leases: Determining the lease term of contracts with renewal and termination options – Company as lessee Ind AS 116 requires the lessee to determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

When it is reasonably certain to exercise extension option and not to exercise termination option, the Company includes such extended term and ignore termination option in determination of lease term.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Company has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes.

(x) Estimation uncertainties relating to the Pandemic - COVID -19: The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in subsidiaries. The Company also assess the effectiveness of hedge transactions and believes that probability of occurrence of the forecasted transaction is not impacted by the pandemic. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports, related information and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

d. Summary of Significant accounting policies

(i) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

(ii) Foreign currency transactions and balances

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. Monetary assets and liabilities are translated at each reporting date based on the rate prevailing on such date. Gains and losses resulting from the settlement of foreign currency monetary items and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities are continued to be carried at rates of initial recognition.

(iii) Financial instruments

A. Initial Recognition and Measurement

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

B. Subsequent Measurement

1. Non-Derivative Financial Instruments

a. Financial Assets Carried at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present subsequent change in the fair value of certain mutual funds in Other Comprehensive Income.

c. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

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

d. Financial liabilities

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

e. Derivative Instruments

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

The Hedge accounting is discontinued when the hedging instrument are expired or sold, terminated or no longer qualifies for hedge accounting. The cumulative gain/loss on the hedging instruments recognised in hedging reserve till the period hedge was effective remains in cash flow hedging reserve until the forecasted transaction occur. The cumulative gain/loss previously recognised in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of related forecasted transactions.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the statement of profit and loss.

C. Derecognition of Financial Instruments

The Company derecognises a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Offsetting of financial instruments: Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(iv) Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

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

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Depreciation on addition/disposals is calculated pro-rata from the date of such additions/disposals.

(v) Intangible assets

Intangibles assets are stated at cost less accumlated amortisation and impairment, if any. Intangible assets are amortised over their respective estimated useful lives on a straight line method. The estimated useful life reflects the manner in which the economic benefit is expected to be generated from that individual intangible asset.

The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

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

Category	Useful Life
Computer Software	1 - 5 years

(vi) Leases

The Company has applied Ind AS 116 with effect from April 1, 2019 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right of Use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of laptops, lease-lines and office furniture and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor:

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(vii) Impairment of Assets

a. Non Financial Instrument

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

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

b. Financial instrument

The Company recognise loss allowances using the expected credit loss (ECL) model for financial assets. Loss allowances for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(viii) Employee benefits

A. Long Term employee benefits

(a) Defined contribution plan

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

(b) Defined Benefit Plan

The Company has defined benefit plans for post employment benefits in the form of gratuity for its employees in India. The gratuity scheme of the Company is administered through 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 or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income. Remeasurements comprising of actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

(c) Other long-term employee benefits

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

B) Short-term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services. These benefits comprise compensated absences such as paid annual leave and performance incentives.

C) Termination benefits

Termination benefits, including those 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.

(ix) Share based payments

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

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

(x) Provisions & 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 recognised as a separate asset, only when such reimbursement is virtually certain.

(xi) Revenue recognition

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

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

Fixed Price contracts related to Application development, consulting and other services are single performance obligation or a stand-ready performance obligation, which in either case is comprised of a series of distinct services that are substantially the same and have the same pattern of transfer to the customer (i.e. distinct days or months of service). Revenue is recognised in accordance with the methods prescribed for measuring progress i.e. percentage of completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. Revenues relating to time and material contracts are recognised as the related services are rendered.

Multiple element arrangements-

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

IT support and maintenance-

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

The term of the maintenance contract is usually one year. Renewals of maintenance contracts create new performance obligations that are satisfied over the term with the revenues recognised ratably over the term.

Contracts may include incentives, service penalties and rewards. The Company includes an estimate of the amount it expects to receive for the total transaction price if it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

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

Trade Receivable, net is primarily comprised of billed and unbilled receivables (i.e. only the passage of time is required before payment is due) for which the company has an unconditional right to consideration, net of an allowance for doubtful accounts. A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are presented in ""Other current assets"" in the financial statements and primarily relate to unbilled amounts on fixed-price contracts utilizing the cost to cost method i.e. percentage of completion method (POCM) of revenue recognition. Contract liabilities consist of advance payments and billings in excess of revenues recognised.

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

Cost to fulfill the contracts- Recurring operating costs for contracts with customers are recognised as incurred. Revenue recognition excludes any government taxes but includes reimbursement of out of pocket expenses.

Provision of onerous contract are recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting the future obligations under the contract. The provision is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

The Company has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services which may require revision of estimated of costs to complete the contract because of additional efforts; (ii) onerous obligations; (iii) penalties relating to breaches of service-level agreements, and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

(xii) Income Tax

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

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognised for all taxable temporary differences.

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

(xiii) Other Income

Other income comprises interest income on deposits, dividend income and gains / (losses) on disposal of investments except investments fair value through OCI. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

(xiv) Finance expense

Finance costs comprise interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

(xv) Earnings per share

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

(xvi) 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.

(xvii) Investment Property

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

Any gain or loss on disposal of an investment property is recognised in profit and loss.

(xviii) Investment in Subsidiaries

Investments in subsidiaries are recognised at cost as per Ind AS 27 – 'Separate Financial Statements'. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105-' Non-current Assets Held for Sale and Discontinued Operations', when they are classified as held for sale.

(xix) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Changes in accounting policies and disclosure

New and amended standards

The Company has adopted Ind AS 116 'Leases' with effect from April 1, 2019, using the modified retrospective approach. However, comparative period amounts are not adjusted and continue to be reported in accordance with previous year's accounting policy except where indicated otherwise.

Right of use assets at April 1, 2019 for leases previously classified as operating leases were recognised and measured at an amount equal to lease liability (adjusted for any related prepayments/accruals). Thus on the date of transition, the company has created right-of-use asset of ₹ 143 lakhs and lease liability of equal amount, and there is no impact on opening balance of retained earnings for the current year. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

(₹ in lakhs, unless otherwise stated)

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

	Gross Block (at cost)				Depreciation				Net Block	
	As at April 1, 2019	Additions	Deletions / adjustment	As at March 31, 2020	As at April 1, 2019	For the year	Deletions / adjustment	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
a. Own assets :										
Buildings *@	4,737	-	(1,136)	**3,601**	2,116	134	(615)	**1,635**	**1,966**	2,621
Computers	2,185	16	(66)	**2,135**	2,046	112	(66)	**2,092**	**43**	139
Plant and equipment	2,269	13	(95)	**2,187**	2,013	87	(93)	**2,007**	**180**	256
Furniture and fixtures	4,735	17	(364)	**4,388**	4,230	190	(338)	**4,082**	**306**	505
Vehicles	409	38	(48)	**399**	173	78	(41)	**210**	**189**	236
Office equipment	1,820	107	(243)	**1,684**	1,373	138	(241)	**1,270**	**414**	447
Total (A)	**16,155**	**191**	**(1,952)**	**14,394**	**11,951**	**739**	**(1,394)**	**11,296**	**3,098**	**4,204**
b. Leased assets :										
Leasehold land	386	-	-	**386**	311	-	-	**311**	**75**	75
Leasehold improvements	328	-	-	**328**	322	1	-	**323**	**5**	6
Vehicles	88	-	(11)	**77**	76	6	(11)	**71**	**6**	12
Total (B)	**802**	**-**	**(11)**	**791**	**709**	**7**	**(11)**	**705**	**86**	**93**
Total (A + B)	**16,957**	**191**	**(1,963)**	**15,185**	**12,660**	**746**	**(1,405)**	**12,001**	**3,184**	**4,297**

3(a)(ii) Intangible assets

	Gross Block (at cost)				Amortisation				Net Block	
	As at April 1, 2019	Additions	Deletions / adjustment	As at March 31, 2020	As at April 1, 2019	For the year	Deletions / adjustment	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Computer softwares	3,101	276	-	**3,377**	2,876	301	-	**3,177**	**200**	225
Total	**3,101**	**276**	**-**	**3,377**	**2,876**	**301**	**-**	**3,177**	**200**	**225**

3(b) Right-of-use assets

	Gross Block (at cost)				Depreciation				Net Block	
	As at April 1, 2019	Additions	Deletions / adjustment	As at March 31, 2020	As at April 1, 2019	For the year	Deletions / adjustment	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Building	-	164	-	**164**	-	30	-	**30**	**134**	-
Total	**-**	**164**	**-**	**164**	**-**	**30**	**-**	**30**	**134**	**-**

(₹ in lakhs, unless otherwise stated)

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

For previous year ended March 31, 2019

	Gross Block (at cost)				Depreciation				Net Block	
	As at April 1, 2018	Additions	Deletions / adjustment	As at March 31, 2019	As at April 1, 2018	For the year	Deletions / adjustment	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
a. Own assets :										
Buildings**	4,737	0	-	**4,737**	1,951	165	-	**2,116**	**2,621**	2,786
Computers	2,230	105	(150)	**2,185**	2,034	162	(150)	**2,046**	**139**	196
Plant and equipment	2,393	86	(210)	**2,269**	2,118	98	(203)	**2,013**	**256**	275
Furniture and fixtures	4,714	259	(238)	**4,735**	4,271	197	(238)	**4,230**	**505**	443
Vehicles	276	150	(17)	**409**	123	68	(18)	**173**	**236**	153
Office equipment	1,671	246	(97)	**1,820**	1,353	116	(96)	**1,373**	**447**	318
Total (A)	**16,021**	**846**	**(712)**	**16,155**	**11,850**	**806**	**(705)**	**11,951**	**4,204**	**4,171**
b. Leased assets :										
Leasehold land	386	0	-	**386**	308	3	-	**311**	**75**	78
Leasehold improvements	334	7	(12)	**328**	334	0	(12)	**322**	**6**	0
Vehicles	99	-	(11)	**88**	79	8	(11)	**76**	**12**	20
Total (B)	**819**	**7**	**(23)**	**803**	**721**	**11**	**(23)**	**709**	**93**	**98**
Total (A + B)	**16,840**	**853**	**(735)**	**16,957**	**12,571**	**818**	**(729)**	**12,660**	**4,297**	**4,269**

3(a)(ii) Intangible assets

	Gross Block (at cost)				Amortisation				Net Block	
	As at April 1, 2018	Additions	Deletions / adjustment	As at March 31, 2019	As at April 1, 2018	For the year	Deletions / adjustment	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Computer softwares	2,793	349	(41)	**3,101**	2,514	390	(28)	**2,876**	**225**	279
Total	**2,793**	**349**	**(41)**	**3,101**	**2,514**	**390**	**(28)**	**2,876**	**225**	**279**

** For the year ended March 31, 2020 Buildings include Pune and Chennai property mortgaged as security for loan availed by subsidiary. The mortgage of the Chennai property is pending to be created till date.*

*** For the year ended March 31, 2019 Buildings include Pune property mortgaged as security for loan availed by subsidiary.*

@During the year ended March 31, 2020 the Pune property has been sublet, accordingly gross block of ₹ 1,134 lakhs and accumulated depreciation of ₹ 613 lakhs has been re-classified as investment property.

(₹ in lakhs, unless otherwise stated)

Non-current assets

3(c). Investment property

	As at March 31, 2020	As at March 31, 2019
(A) Investment property (at cost less accumulated depreciation) *		
Gross block		
Opening	2	2
Additions	1,134	-
Closing	1,136	2
Accumulated depreciation		
Opening	2	2
Depreciation on transfer from property, plant and equipment	613	-
Depreciation for the year	36	-
Closing	651	2
Net block	485	-

Aggregate amount of investment property

** Fair Value of the investment property as at March 31, 2020 is ₹ 4,901 lakhs.*

** During the year ended March 31, 2020 the Pune property has been sublet, accordingly Gross block of ₹ 1,134 lakhs and accumulated depreciation of ₹ 613 lakhs has been re-classified from property, plant and equipment.*

3(d). Investment in Subsidiaries at cost (unquoted)

	As at March 31, 2020	As at March 31, 2019
Mastek (UK) Limited		
200,000 (March 31, 2019 - 200,000) equity shares of £ 1 each, fully paid up	216	216
Trans American Information Systems Private Limited		
34,520 (March 31, 2019 - 34,520) equity shares of ₹ 10 each, fully paid up	1,187	1,187
	1,403	1,403

(₹ in lakhs, unless otherwise stated)

4 Financial assets

a. Investments

		As at March 31, 2020	As at March 31, 2019
(A)	**Investment in share warrant at FVTPL (unquoted):**	**-**	-
	Investment in Cashless Technologies India Private Limited		
	8,000,000 Share warrants (March 31, 2019- 8,000,000)		
(B)	**Investment in mutual funds at FVOCI (unquoted):**		
	Kotak Corporate Bond Fund - Standard Growth (Regular Plan)	**468**	430
	(17,391 units, March 31, 2019 - 17,391 units)		
	ICICI Prudential Corporate Bond Fund - Growth	**1,310**	1,201
	(6,291,134 units, March 31, 2019 - 6,291,134 units)		
	HDFC Short Term Debt Fund - Regular Plan - Growth	**1,347**	1,229
	(5,949,282 units, March 31, 2019 - 5,949,282 units)		
	HDFC Ultra Short Term Fund - Regular Growth	**15**	14
	(133,410 units, March 31, 2019 - 133,410 units)		
	IDFC Low Duration Fund -Growth	**568**	-
	(1,987,665 units, March 31, 2019 - Nil units)		
		3,708	**2,874**
(C)	**Investment in bonds at cost (unquoted):**		
	10.90% Bond with Punjab National Bank	**50**	-
	9.21% Bond with Punjab & Sind Bank	**56**	-
		106	**-**
(D)	**Investment in term deposit at cost (unquoted):**		
	Term deposit with PNB Housing Finance Corporation Limited	**-**	500
	Term deposit with Ujjivan Small Finance Bank Limited	**-**	250
	Term Deposit with Bank of India	**30**	-
		30	750
Aggregate market value of unquoted investments (A + B + C + D)		**3,844**	**3,624**

b. Loans

	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good		
Security deposits	**88**	84
	88	84

c. Other financial assets

	As at March 31, 2020	As at March 31, 2019
Advances to employees	**4**	-
Foreign exchange forward contract	**116**	146
Guarantee commission receivable	**652**	298
	772	444

(₹ in lakhs, unless otherwise stated)

5 Other non-current assets

	As at March 31, 2020	As at March 31, 2019
Capital advances	8	5
Prepaid expenses	1	2
Other advances	96	57
	105	64

Current assets

6 Financial assets

a. Investments

		As at March 31, 2020		As at March 31, 2019	
		Units	Amount	Units	Amount
(i)	**Investment in mutual funds**				
	Investment in mutual funds at FVTPL (unquoted):				
	IDFC Cash Fund -Growth- Regular Plan	9,882	236	12,247	276
	ICICI Prudential Liquid Fund - Regular - GROWTH	109,722	321	-	-
	Aditya Birla Sun Life Money Manager Fund-Regular	224,930	605	224,930	563
	UTI Liquid Fund Cash Plan -IP	-	-	13,345	407
	Kotak Liquid Scheme	1,390	56	9,658	364
	Axis Liquid Fund - Growth	1,358	30	5,448	112
	Baroda Pioneer Liquid Fund - Plan A - Growth	-	-	3,749	80
	ICICI Prudential Money Market Fund - Regular Growth	143,812	399	85,055	220
	UTI Money Market Fund IP -Growth	5,876	132	26,392	554
	SBI Debt Fund Series - C - 15 (91 Days) - Regular Growth	-	-	1,000,000	104
	Aditya Birla Sun Life Liquid Fund - Regular - Growth	126,015	400	-	-
	HDFC Liquid Fund - Growth	995	39	-	-
	HDFC Money Market Fund-Growth	38,881	1,623	-	-
	Kotak Money Market Scheme-Regular-Growth	55,783	1,841	-	-
	Aditya Birla Sun Life Overnight Fund - Growth	10,754	116	-	-
	Total (A)		5,798		2,680
	Investment in mutual funds at FVOCI (unquoted):				
	Kotak Savings Fund-Growth	2,017,768	648	2,017,768	604
	ICICI Prudential Savings Fund	459,480	1,780	459,480	1,648
	UTI Short Term Income Fund	-	-	1,343,569	302
	Kotak Corporate Bond Fund Standard Growth (Regular Plan)	41,894	1,127	41,894	1,035
	IDFC Corporate Bond Fund Regular Plan Growth	1,499,617	207	1,499,617	191
	Kotak Low Duration Fund -Growth	-	-	45,658	1,043
	Birla Sun Life Floating Rate Fund - Long Term Plan - Regular - Growth	122,776	305	122,776	282
	UTI Treasury Advantage Fund Institutional Plan - Growth	-	-	31,134	803
	Total (B)		4,067		5,908
(ii)	**Investment in term deposit at cost (unquoted):**				
	Term deposit with PNB Housing Finance Limited		700		-
	Term deposit with Ujjivan Small Finance Bank Limited		250		-
	Term deposit with Housing Development Finance Corporation Limited		1,100		1,975
	Term deposit with Standard Chartered Bank Limited		25		-
	Term deposit with LIC Housing Finance Limited		250		-
	Total (C)		2,325		1,975
	Aggregate amount of unquoted investments in mutual funds (A+B)		9,865		8,588
	Aggregate amount of unquoted investment in term deposits (C)		2,325		1,975
	Grand Total		12,190		10,563

(₹ in lakhs, unless otherwise stated)

b. Trade receivables

	As at March 31, 2020	As at March 31, 2019
Unsecured		
Considered Good	**2,561**	3,583
Considered Doubtful	**1,060**	248
Less: Allowance for doubtful debts	**(1,060)**	(248)
	2,561	**3,583**

c. Cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
(i) Cash and cash equivalents		
Cash on hand	**1**	1
Bank balances		
In current accounts	**2,017**	1,171
	2,018	**1,172**
(ii) Bank balances, other than cash and cash equivalents		
Bank balances in unclaimed dividend account	**64**	44
	64	**44**

d. Loans

	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good		
Security deposits	**13**	12
	13	12

e. Other financial assets

	As at March 31, 2020	As at March 31, 2019
Advances to employees	**42**	19
Interest accrued on fixed deposits	**121**	94
Deposit	**2**	1
Foreign exchange forward contract	**121**	202
Guarantee commission receivable	**345**	114
Rent receivables	**100**	-
Other receivables	**33**	5
Other receivable from subsidiary, net	**569**	173
	1,333	**608**

(₹ in lakhs, unless otherwise stated)

7 Other current assets

	As at March 31, 2020	As at March 31, 2019
Unbilled revenue	227	208
Prepaid expenses	157	143
Input tax credit receivable	337	440
Advances to suppliers	39	236
Interest on Income tax refunds	110	109
Others	110	-
	980	1,136

8 Equity share capital

	As at March 31, 2020	As at March 31, 2019
Authorised:		
40,000,000 (March 31, 2019: 40,000,000) equity shares of ₹ 5/- each	2,000	2,000
2,000,000 (March 31, 2019: 2,000,000) preference shares of ₹ 100/- each	2,000	2,000
	4,000	4,000
Issued, subscribed and fully paid up :		
24,289,472 (March 31, 2019 :23,972,803) equity shares of ₹ 5/- each fully paid	1,214	1,199
	1,214	1,199

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Equity Shares				
Balance as at the beginning of the year	23,972,803	1,199	23,692,056	1,185
Add: On account of exercise of employee stock option plans	316,669	15	280,747	14
Balance as at the end of the year	24,289,472	1,214	23,972,803	1,199

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a face value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors 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.

(₹ in lakhs, unless otherwise stated)

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

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% of holding	No. of shares	% of holding
Ashank Desai	**3,099,552**	**12.8%**	3,099,552	12.9%
Sudhakar Ram	**1,588,680**	**6.5%**	1,588,680	6.6%
Ketan Mehta	**2,274,100**	**9.4%**	2,274,100	9.5%
Radhakrishnan Sundar	**1,340,800**	**5.5%**	1,340,800	5.6%
IDFC Mutual Fund*	-	-	1,235,237	5.2%

** Shareholding as at March 31,2020 has reduced to less than 5%.*

(d) Shares reserved for issue under options

	As at March 31, 2020	As at March 31, 2019
Number of shares to be issued under the Employee Stock Option Plans (Refer note 31)	**1,975,692**	2,204,419

9 Other equity

		As at March 31, 2020	As at March 31, 2019
a)	**Capital redemption reserve**	**1,539**	1,539
	Non-distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares.		
b)	**Securities premium**	**2,716**	2,255
	Amount received (on issue of shares) in excess of the face value has been classified as securities premium.		
c)	**Share options outstanding account**	**2,223**	1,542
	The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to securities premium upon exercise of stock options by employees. In case of forfeiture, corresponding balance is transferred to retained earnings.		
d)	**Retained earnings**	**17,995**	18,386
	Retained earnings comprises of the prior year's undistributed earning after taxes increased by undistributed profits for the year.		
e)	**Other items of other comprehensive income**	**1,225**	1,073
	Other items of other comprehensive income consist of FVOCI financial assets and financial liabilities and remeasurement of defined benefit assets and liability.		
		25,698	**24,795**

9.1 Distributions made and proposed

The Board of Directors at its meeting held on April 16, 2019 had recommended a final dividend of 100% (₹ 5 per equity share of face value of ₹ 5 each). The proposal was approved by shareholders at the Annual General Meeting held on July 23, 2019. This has resulted in a cash outflow of ₹ 1,210 lakhs, inclusive of dividend distribution tax. Also, the Board of Directors at its meeting held on October 17, 2019 had declared an interim dividend of 60% (₹ 3 per equity share of par value of ₹ 5 each). Further, the Board of Directors at its meeting held on March 17, 2020 had declared an interim dividend of 100% (₹ 5 per equity share of par value of ₹ 5 each).

Non-current Liabilities

10 Financial liabilities

a. Borrowings

	As at March 31, 2020	As at March 31, 2019
Secured		
Vehicle loans from bank [Refer note (i) below]	113	131
	113	**131**

(i) Loans from bank are secured by hypothecation of assets (Vehicles) purchased there against.

Monthly payment of Equated monthly installments beginning from the month subsequent to taking the loan along with interest at 8.75% per annum is payable till May 2024.

b. Other financial liabilities

	As at March 31, 2020	As at March 31, 2019
Security and other deposits	127	3
Guarantee liability payable	771	325
Lease liability (Refer note 32)	89	-
	987	**328**

11 Provisions

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Provision for gratuity (Refer note 23)	363	135
Provision for leave entitlement	307	345
Other provisions		
Provision for cost overrun on contracts*	320	275
	990	**755**

**Provision for cost overrun on contracts*

Particulars	March 31, 2020	March 31, 2019
Balance as at beginning of the year	275	26
Add: Provision during the year	45	249
Balance as at end of the year	**320**	**275**

(₹ in lakhs, unless otherwise stated)

Current liabilities

Financial liabilities

12 Other financial liabilities

	As at March 31, 2020	As at March 31, 2019
Current maturities of vehicle loans from bank (Secured) (Refer note 10 (a))	**47**	39
Unclaimed dividends (Refer note (a) below)	**64**	44
Security and other deposits	**2**	2
Lease liability (Refer note 32)	**50**	-
Other payables		
Employee benefits payable	**1,282**	1,284
Accrued expenses	**2,070**	1,810
Guarantee liability payable	**231**	93
	3,746	**3,272**

Note:

(a) There is no amount due for payment to Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2020.

13 Other current liabilities

	As at March 31, 2020	As at March 31, 2019
Contract liabilities	**103**	43
Statutory dues (including stamp duty, provident fund and tax deducted at source)	**394**	369
Deferred rent	**47**	-
Others	**11**	91
	555	**503**

14 Provisions

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Provision for leave entitlement	**211**	123
	211	**123**

(₹ in lakhs, unless otherwise stated)

15 Revenue from operations

	For the year ended March 31, 2020	For the year ended March 31, 2019
Information technology services	16,344	18,944
	16,344	**18,944**

The table below presents disaggregated revenues from contracts with customers by customer location for each of the company's business segments. Company believe this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Revenue by geography

	For the year ended March 31, 2020	For the year ended March 31, 2019
UK	14,376	15,994
North America	598	1,265
Others	1,370	1,685
	16,344	**18,944**

Remaining performance obligation

As of March 31, 2020 the aggregate amount of transaction price allocated to remaining performance obligations, was ₹ 1,269 lakhs, of which approximately 85% is expected to be recognised as revenues within 4 years. (March 31, 2019 ₹ 1,243 lakhs)

16 Other income

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income		
- On fixed deposits	240	115
- On income tax refunds	-	110
- On others	4	2
- On guarantee commission	60	40
Profit on sale of current investments	616	693
Rental income	264	202
Profit on sale of property, plant and equipment, net	-	46
Net gain on foreign currency transactions and translation	127	19
Dividend income from Mastek UK Limited, subsidiary	3,142	1,777
Guarantee commission	104	147
Others	329	308
	4,886	**3,459**

(₹ in lakhs, unless otherwise stated)

17 Employee benefits expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and performance incentives	**11,009**	11,969
Gratuity (Refer note 23)	**235**	201
Contribution to provident and other funds	**457**	450
Employee stock compensation expenses	**370**	365
Staff welfare expense	**293**	468
	12,364	**13,453**

18 Finance costs

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on lease liabilities		
Finance lease	**16**	13
Operating lease (Refer note 32)	**13**	-
Bank charges	**9**	6
Other finance charges	**7**	8
	45	**27**

19 Depreciation and amortisation expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Property, plant and equipment	**746**	818
Right-of-use assets	**30**	-
Investment property	**36**	-
Intangible assets	**301**	390
	1,113	**1,208**

20 Other expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Recruitment and training expenses	**181**	173
Travelling and conveyance	**450**	483
Communication charges	**135**	112
Electricity	**200**	240
Consultancy and sub-contracting charges	**279**	439
Audit fees (Refer note 36)	**36**	36
Rates and taxes	**99**	94
Repairs to buildings	**337**	321
Repairs : others	**462**	315
Insurance	**83**	89

(₹ in lakhs, unless otherwise stated)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Printing and stationery	**14**	13
Purchase of software license	**366**	17
Professional fees	**418**	910
Rent	**42**	68
Advertisement and publicity	**87**	66
Provision for doubtful debts and loans and advances	**181**	-
Bad debt written off	**10**	8
Hire charges	**71**	62
Provision for cost overrun on contracts, net (Refer note 11)	**45**	248
Expenditure towards corporate social responsibility (CSR) activities (Refer note 39)	**113**	100
Loss on sale of property, plant and equipment	**19**	-
Miscellaneous expenses	**14**	5
	3,642	**3,799**

21 Exceptional items, net

	For the year ended March 31, 2020	For the year ended March 31, 2019
a. Legal and professional cost	**32**	-
b. Provision for doubtful debts	**651**	-
	683	**-**

a. Legal and professional cost relates to a business combination consummated during the quarter ended March 2020. (Refer note 37).

b. One of the customer "Cox & Kings" was facing financial difficulty, as a result the total amount outstanding as on March 31, 2020 was provided for.

22 Earnings Per Share (EPS)

		For the year ended March 31, 2020	For the year ended March 31, 2019
The components of basic and diluted earnings per share for total operations are as follows:			
(a)	Net profit attributable to equity shareholders	**2,745**	3,051
(b)	Weighted average number of outstanding equity shares		
	Considered for basic EPS	**24,077,384**	23,811,435
	Add : Effect of dilutive potential equity shares arising from outstanding stock options	**1,281,709**	1,354,799
	Considered for diluted EPS	**25,359,093**	25,166,234
(c)	Earnings per share in ₹ (net of taxes) in ₹ (Face value ₹ 5/- each)		
	Basic	**11.40**	12.81
	Diluted	**10.82**	12.12

(₹ in lakhs, unless otherwise stated)

23 Employee benefit plans

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity cost		
Service cost	233	214
Net interest on net defined liability	2	(13)
Net gratuity cost	235	201
Actuarial gain / (loss) recognised in other comprehensive income	8	(8)
Interest rate	6.50%	7.25%
Salary increase	10%	10%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Mortality rate is considered as per the published rates under the Indian Assured Lives Mortality (2012-14) Ult table. Attrition rate varies between 10% to 21%.

The following table sets out the status of gratuity plan.

Particulars	As at March 31, 2020	As at March 31, 2019
Obligation at the beginning of the year	1,925	1,740
Service cost	233	214
Interest cost	125	125
Actuarial loss - financial assumption	89	56
Actuarial gain - experience	(90)	(62)
Actuarial loss/(gain) - Demographic assumptions	-	0
Benefits paid	(233)	(148)
Obligation at the end of the year	2,050	**1,925**
Change in plan assets (maintained by LIC)		
Plan assets at the beginning of the year, at fair value	1,790	1,813
Employer contribution	0	0
Interest income on plan assets	123	139
Remeasurement on plan assets less interest on plan assets	7	(14)
Benefits paid	(233)	(148)
Plan assets at the end of the year, at fair value	1,687	**1,790**

Historical information

Particulars	As at				
	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Present value of defined benefit obligation	**2,050**	1,925	1,740	1,920	1,764
Fair value of plan assets	**1,687**	1,790	1,813	1,835	1,793
(Liability)/asset recognised	**(363)**	(135)	73	(85)	29

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligations are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Experience adjustment on plan liabilities - gain	**1**	6
Experience adjustment on plan assets - gain / (loss)	**7**	(14)

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant,would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate(50 bps)	**(58)**	**66**	(55)	58
Salary Growth(50 bps)	**63**	**(57)**	57	(54)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2020	As at March 31, 2019
1 year	**394**	397
2 year	**239**	249
3 year	**247**	221
4 year	**221**	207
5 year	**195**	217
6 year	**181**	174
7 year	**174**	163
8 year	**187**	168
9 year	**147**	167
10 years and beyond	**1,305**	1,296

i) The Company has setup an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan. Expected contribution to the Fund in FY 2020-21 is ₹ 200 lakhs. (FY 2019-20 ₹ 200 lakhs)

ii) Plan assets are investment in unquoted insurer managed funds

(b) Defined contribution plan

The Company contributed ₹ 457 lakhs for the year ended March 31, 2020 (₹ 450 lakhs March 31, 2019) for the defined contribution plan.

(₹ in lakhs, unless otherwise stated)

24 Income taxes

a) Income tax expense / (credit) in the statement of profit and loss consists of:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax	869	998
Income tax relating to earlier years	-	(55)
Deferred tax	(231)	(78)
Income tax expense recognised in the statement of profit or loss	638	865
Income tax (expense) recognised in other comprehensive income	(64)	(358)

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	3,383	3,916
Enacted income tax rate in India	29.12%	29.12%
Computed expected tax expense	985	1,140
Effect of:		
Additional provision for earlier years on account of disallowance before Income tax authorities	-	(55)
Expenses that are not deductible in determining taxable profit	7	6
Dividend income subject to different tax rates	(366)	(207)
Others	12	(19)
Total income tax expense recognised in the statement of profit and loss	638	**865**

c) Deferred tax assets/ (liabilities) as at March 31, 2020 and March 31, 2019 in relation to:

Particulars	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment and intangible assets	638	649
Provision for doubtful debts	309	75
Provision for compensated absence/gratuity	256	247
Net gain on fair value of mutual funds	(321)	(228)
Cash flow hedge	(69)	(101)
MAT Credit entitlement	1,975	2,130
Others	28	30
Total	2,816	**2,802**

(₹ in lakhs, unless otherwise stated)

25 Related Party disclosures, as per Ind AS 24

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

Name of Related Party	Nature of relationship	Country of Incorporation
Mastek (UK) Limited	Subsidiary	United Kingdom
Trans American Information Systems Private Limited	Subsidiary	India
IndigoBlue Consulting Limited (merged with Mastek (UK) Limited with effect from June 30, 2018)	Step-down Subsidiary	United Kingdom
Mastek, Inc. (formerly known as Digility, Inc.)	Step-down Subsidiary	United States of America
Trans American Information Systems, Inc.	Step-down Subsidiary	United States of America
Taistech LLC (merged with Trans American Information Systems, Inc. with effect from December 31, 2019)	Step-down Subsidiary	United States of America
Acquired through Business Transfer Agreement (BTA) (Refer note 37(i) for manner and date of acquisition)		
Mastek Arabia FZ LLC	Step-down Subsidiary	United Arab Emirates
Evolutionary Systems Consultancy LLC	Step-down Subsidiary	United Arab Emirates
Evolutionary Systems Egypt LLC	Step-down Subsidiary	Egypt
Evosys Kuwait WLL	Step-down Subsidiary	Kuwait
Evolutionary Systems Saudi LLC	Step-down Subsidiary	Kingdom of Saudi Arabia
Evolutionary Systems Bahrain SPC	Step-down Subsidiary	Bahrain
Acquired through Demerger Co-operation Agreement (DCA) (Refer note 37(ii) for manner and date of acquisition)		
Evolutionary Systems Private Limited	Step-down Subsidiary	India
Evolutionary Systems Company Limited	Step-down Subsidiary	United Kingdom
Newbury Cloud, Inc.	Step-down Subsidiary	United States of America
Evolutionary Systems Corp.	Step-down Subsidiary	United States of America
Evosys Consultancy Services (Malaysia) Sdn Bhd	Step-down Subsidiary	Malaysia
Evolutionary Systems Qatar WLL	Step-down Subsidiary	Qatar
Evolutionary Systems Pty Ltd	Step-down Subsidiary	Australia
Evolutionary Systems BV	Step-down Subsidiary	Netherlands
Evolutionary Systems (Singapore) Pte. Ltd.	Step-down Subsidiary	Singapore

(₹ in lakhs, unless otherwise stated)

Transactions with above related parties during the year were:-

Name of Related Party	Nature of transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
Mastek (UK) Limited	Information Technology Services^	13,980	15,975
	Other Income	146	223
	Dividend received from subsidiary	3,142	1,777
	Reimbursable / Other expenses recoverable	994	878
	Guarantee commission^	163	78
	Guarantee given for loan availed by subsidiary^	28,290	16,710
IndigoBlue Consulting Limited	Reimbursable / other expenses recoverable	-	2
Mastek, Inc.	Information Technology Services^	575	1,178
	Guarantee commission^	-	78
	Guarantee revoked for loan repaid by subsidiary^	-	8,856
	Reimbursable / other expenses recoverable	33	8
	Other income	0	-
Trans American Information Systems, Inc.	Reimbursable / other expenses recoverable	2	4
Taistech LLC	Information Technology Services^	23	87
	Other income	23	8
	Reimbursable / other expenses recoverable	4	1
Trans American Information Systems Private Limited	Other Income	5	0
	Reimbursable / other expenses recoverable	319	36

Balances outstanding are as follows:-

Name of Related Party	Nature of balances	As at March 31, 2020	As at March 31, 2019
Mastek (UK) Limited	Trade receivables	2,140	2,678
	Other receivable from subsidiary	256	138
	Guarantee commission receivable ^	997	412
	Guarantee commission liability (at fair value) ^	1,002	418
	Guarantee given against Loan availed by subsidiary*	33,193	6,789
Mastek, Inc.	Trade receivables	135	76
	Other receivable from subsidiary / (payable)	(18)	(27)
Trans American Information Systems, Inc.	Other receivable from subsidiary	0	0
Taistech LLC	Trade (payable)/ receivables	(8)	20
	Other receivable from subsidiary	7	2
Trans American Information Systems Private Limited	Other receivable from subsidiary	324	35

** The guarantees/security [refer notes 3(a)(*),(**) and 35B] have been given for loans availed by the subsidiary for acquisitions.*

^ This includes foreign exchange adjustment.

(₹ in lakhs, unless otherwise stated)

Key Management Personnel (KMP):	Sudhakar Ram , Vice Chairman and Managing Director
	Ashank Desai, Non Executive Director
	Atul Kanagat, Non Executive Director
	Keith Bogg, Non Executive Director (Upto October 15, 2019)
	Priti Rao, Non Executive Director
	S. Sandilya, Non Executive Director
	Rajeev Grover, Non Executive Director (From January 28, 2020)
	Abhishek Singh, Chief Financial Officer
	Dinesh Kalani, Company Secretary

Compensation of key management personnel of the Company

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and other employee benefits*	293	317
Share based payment transactions	37	159
Professional fees	-	2
Director sitting fees	84	80
Director commission	30	26
Compensation to key management personnel	444	584

**Does not include post-employment benefits based on actuarial valuation as this is computed for the company as a whole.*

26 Segment reporting

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

(₹ in lakhs, unless otherwise stated)

27 Financial instrument

The carrying value and fair value of financial instruments by categories as at March 31, 2020 and March 31, 2019 is as follows:

Particulars	Carrying Value		Fair Value	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial asset				
Amortised Cost				
Loans	101	96	101	96
Trade receivable (net of provisions)	2,561	3,583	2,561	3,583
Cash and cash equivalents	2,018	1,172	2,018	1,172
Other bank balance	64	44	64	44
Other assets	1,868	704	1,868	704
Investment in term deposits	2,355	2,725	2,355	2,725
Investment in debentures or bonds	106	-	106	-
FVOCI				
Investment in mutual funds	7,775	8,782	7,775	8,782
Derivative Assets	237	348	237	348
FVTPL				
Investment in liquid mutual fund	5,798	2,680	5,798	2,680
Total assets	**22,883**	**20,134**	**22,883**	**20,134**
Financial liabilities				
Amortised cost				
Loans and borrowing	160	170	160	170
Trade payables	112	178	112	178
Lease liabilities	139	-	139	-
Other liabilities	4,547	3,561	4,547	3,561
Total liabilities	**4,958**	**3,909**	**4,958**	**3,909**

28 Fair Value Hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(₹ in lakhs, unless otherwise stated)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2020 and March 31, 2019

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2020:

Particulars	Date of valuation	Total	Fair value measuring using		
			Level 1	Level 2	Level 3
Financial assets measuring at fair value					
Derivative Assets					
Foreign exchange forward contract	March 31, 2020	237	-	237	-
FVOCI financial assets designated at fair value					
Investment in mutual fund	March 31, 2020	7,775	7,775	-	-
FVTPL financial assets designated at fair value					
Investment in liquid mutual fund	March 31, 2020	5,798	5,798	-	-

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2019:

Particulars	Date of valuation	Total	Fair value measuring using		
			Level 1	Level 2	Level 3
Financial assets measuring at fair value					
Derivative Assets					
Foreign exchange forward contract	March 31, 2019	348	-	348	-
FVOCI financial assets designated at fair value					
Investment in mutual fund	March 31, 2019	8,782	8,782	-	-
FVTPL financial assets designated at fair value					
Investment in liquid mutual fund	March 31, 2019	2,680	2,680	-	-

29 Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's management oversees the management of these risk and formulates the policies, the Board of Directors and Audit Committee reviews and approves policies for managing each of these risks, which are summarised below:

Market Risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices. The primary market risk to the Company is foreign exchange risk.

Foreign Currency Risk

The Company's exposure to risk of change in foreign currencies exchange rates on foreign currency transactions, is primarily with respect to the currencies which are not fixed. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the company. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The counter parties of these derivative instruments are preliminary a bank. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivative for speculative purposes may be undertaken.

Derivative financial instrument

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

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

Designated derivative instrument	As at	
	March 31, 2020	March 31, 2019
Forward contract (Notional amount in GBP lakhs)	161	127
Number of contracts	237	152
Fair value in ₹ lakhs	237	348

Forward Contracts covers part of the exposure during the period April 2020 - January 2024

Mark-to-Market gains / (losses)	As at	
	March 31, 2020	March 31, 2019
Opening balance of Mark-to-market gains / (losses) receivable on outstanding derivative contracts	348	(746)
Less: Released from Hedging reserve account to statement of profit and loss under revenue upon occurrence of forecasted sales transactions	(396)	(20)
Add: Changes in the value of derivative instrument recognised in Hedging reserve account	285	1,114
Closing balance of Mark-to-market gains receivable on outstanding derivative contracts	237	**348**
Disclosed under:		
Other current financial asset (Refer note 6(e))	121	202
Other non-current financial asset (Refer note 4(c))	116	146
	237	348

Non-Derivative Financial Instruments

The following table presents foreign currency risk from non- derivative financial instrument as of March 31, 2020 and March 31, 2019.

Particulars	As at March 31, 2020			As at March 31, 2019		
	USD in lakhs	GBP in lakhs	₹ in lakhs	USD in lakhs	GBP in lakhs	₹ in lakhs
Financial assets	2	7	735	1	17	1,650
Financial liabilities	(2)	-	(184)	(0)	-	(4)
Net assets / (liabilities)	-	7	551	**1**	**17**	**1,646**

As at March 31, 2020 and March 31, 2019 respectively, every 1% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact results by approximately ₹ 6 lakhs and ₹ 16 lakhs respectively.

(₹ in lakhs, unless otherwise stated)

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counter party credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment and accordingly the Company's accounts for the expected credit loss. There are two customers which contributes for more than 10% of outstanding total accounts receivables aggregating to 73.29% as at March 31, 2020 (69.90%, March 31, 2019).

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from Top Customer	86%	84%
Revenue from Top 5 Customers	92%	96%

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilised credit limits with banks. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Company's net liquidation through rolling forecast on the basis of expected cash flows.

The Working Capital position of the Company is given below

Particulars of current financial assets	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalent	2,018	1,172
Other bank balances	64	44
Investment in mutual funds	9,865	8,588
Investment in term deposits	2,325	1,975
Total	**14,272**	**11,779**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2020 and March 31, 2019:

Particulars	As at March 31, 2020	
	Less than 1 Year	1 Year and above
Borrowings	47	113
Trade payables	112	-
Other financial liabilities	3,699	987

Particulars	As at March 31, 2019	
	Less than 1 Year	1 Year and above
Borrowings	39	131
Trade payables	178	-
Other financial liabilities	3,233	328

(₹ in lakhs, unless otherwise stated)

30 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The capital structure is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Total Equity attributable to the Equity Share Holders of Company	**26,912**	**25,994**
As percentage of total Capital	**99.41%**	99.35%
Current loans and borrowings	**47**	39
Non-Current loans and borrowings	**113**	131
Total loans and borrowings	**160**	**170**
As a percentage of total capital	**0.59%**	0.65%
Total capital (Loans and borrowings and equity)	**27,072**	**26,164**

The Company is predominantly equity financed which is evident from capital structure table. Further, the Company has always been in a net cash position. Cash and bank balances along with current financial assets which predominantly includes investment in liquid and short term mutual funds are in excess of debt.

31 Employee Stock Based Compensation

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 vesting period of stock options will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	No. of share options	Weighted average Exercise price	No. of share options	Weighted average Exercise price
Outstanding options at beginning of the year	**7,500**	**88**	45,651	97
Granted during the year	-	-	-	-
Exercised during the year	-	-	(3,543)	112
Lapsed/Cancelled during the year	**(7,500)**	**88**	(34,608)	97
Outstanding options at end of the year	-	-	7,500	88
Options exercisable, end of the year	-	-	7,500	88

(₹ in lakhs, unless otherwise stated)

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 vesting period of stock options will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	No. of share options	Weighted average Exercise price	No. of share options	Weighted average Exercise price
Outstanding options at beginning of the year	**37,225**	**69**	54,725	71
Exercised during the year	**(5,000)**	**80**	(15,000)	80
Lapsed/Cancelled during the year	**-**	**-**	(2,500)	47
Outstanding options at end of the year	**32,225**	**68**	37,225	69
Options exercisable, end of the year	**32,225**	**68**	37,225	69

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 vesting period of stock options will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	No. of share options	Weighted average Exercise price	No. of share options	Weighted average Exercise price
Outstanding options at beginning of the year	**621,071**	**77**	801,041	80
Exercised during the year	**(182,069)**	**63**	(128,990)	76
Lapsed/Cancelled during the year	**(11,494)**	**134**	(50,980)	127
Outstanding options at end of the year	**427,508**	**82**	621,071	77
Options exercisable, end of the year	**427,508**	**82**	576,818	69

iv) Plan VII

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

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	No. of share options	Weighted average Exercise price	No. of share options	Weighted average Exercise price
Outstanding options at beginning of the year	**1,538,623**	**102**	1,423,221	133
Granted during the year	**170,750**	**5**	386,000	5
Exercised during the year	**(129,600)**	**70**	(133,214)	133
Lapsed/Cancelled during the year	**(63,814)**	**126**	(137,384)	126
Outstanding options at end of the year	**1,515,959**	**92**	1,538,623	102
Options exercisable, end of the year	**798,418**	**115**	670,537	104

(₹ in lakhs, unless otherwise stated)

The following tables summarize information about the options/ shares outstanding under various programs as at March 31, 2020 and March 31, 2019 respectively:

Particulars	As at March 31, 2020		
	No. of share options	Weighted average remaining contractual life in years	Weighted average exercise price
Programme IV	-	-	-
Programme V	32,225	0.7	68
Programme VI	427,508	3.2	82
Programme VII	1,515,959	6.5	92

Particulars	As at March 31, 2019		
	No. of share options	Weighted average remaining contractual life in years	Weighted average exercise price
Programme IV	7,500	0.2	88
Programme V	37,225	1.4	69
Programme VI	621,071	4.1	77
Programme VII	1,538,623	7.1	102

The weighted average fair value of each unit under the plan, granted during the year ended was ₹ 321 using the Black-Scholes model with the following assumptions:

Particulars	As at March 31, 2020
Weighted average grant date share price	359
Weighted average exercise price	5
Dividend yield %	2.5%
Expected life	3-7
Risk free interest rate	6.3%
Volatility	49.7%

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

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

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

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

(₹ in lakhs, unless otherwise stated)

32 Leases

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on systematic basis over the lease term. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

Company as lessee

The Company's leased assets primarily consist of leases for office premises, guest houses, laptops, lease lines, furniture and equipment. Leases of office premises and guest houses generally have lease term between 2 to 46 years. The Company has applied low value exemption for leases of laptops, leaselines, furniture and equipment and accordingly these are excluded from accounting as per Ind AS 116, at present.

i) Below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Buildings	Total
As at April 1, 2019	-	-
Additions on adoption of Ind AS 116	164	164
Depreciation expenses	(30)	(30)
As at March 31, 2020	**134**	**134**

ii) Below are the carrying amounts of operating lease liabilities (included under financial liabilities) and the movements during the period:

Particulars	For the year ended March 31, 2020
As at April 1, 2019	
Additions on adoption of Ind AS 116	**164**
Finance expense	**13**
Payments	**(38)**
As at March 31, 2020	**139**
Current	**50**
Non-current	**89**

The contractual maturity analysis of lease liabilities (includes amount not falling under IndAS 116) are disclosed herein on an undiscounted basis-

Particulars	Amount
Less than one year	98
More than one year less than 5 years	195
More than 5 years	349
Total	**642**

The effective interest rate for lease liabilities is 11%.

iii) The following are the amounts recognised in profit or loss:

Particulars	For the Year ended March 31, 2020
Depreciation expense for right-of-use assets	30
Finance expense on lease liabilities	13
Expense relating to short-term leases (included in other expenses)	42
Total amount recognised in profit or loss	**85**

The Company had total cash outflows for leases of ₹ 80 lakhs in FY 2019-20 (₹ 68 lakhs in FY 2018-19).

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

The maturity analysis of lease income are disclosed herein-

Particulars	As at March 31, 2020	As at March 31, 2019
Lease income		
Future minimum lease income under non-cancellable operating lease (in respect of properties):		
Due within one year	404	6
Due later than one year but not later than five years	1,301	-
Total	**1,705**	**6**

33 Micro, Small and Medium Enterprises

The Company has certain dues to Micro and small suppliers registered as such under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act is as follows:

	Particulars	As at March 31, 2020	As at March 31, 2019
a)	The principal amount remaining unpaid to any supplier at the end of the year	1	5
b)	Interest due remaining unpaid to any supplier at the end of the year	-	-
c)	the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e)	the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

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.

34 Capital commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2020 is ₹ 61 lakhs (March 31, 2019: ₹ 106 lakhs)

35 Contingent liabilities

A. Claims against Company not acknowledged as debts

	As at March 31, 2020	As at March 31, 2019
1. Claims against Company not acknowledged as debts		
Sales tax matter	**927**	927

2. Provident Fund

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

(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.

	As at March 31, 2020	As at March 31, 2019
B. Guarantee given to lenders for loan availed by subsidiary (to the extent of amount outstanding)	**33,193**	6,789

36 Payments to the Auditor

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As auditor	**34**	34
Other expenses	**2**	2
Total	**36**	**36**

37 Note on acquisition

During the quarter and year ended March 31,2020

i. Mastek (UK) Limited, a wholly-owned subsidiary of Mastek Limited, entered into a Business Transfer Agreement ("BTA") on February 8, 2020 to acquire the business of Evosys Arabia FZ LLC and Share Transfer Agreements (STA) to acquire Middle East Companies ("MENA Acquisition") by paying a cash consideration (net of cash & cash equivalents) of USD 64.9 million i.e. ₹ 48,204 lakhs. The closing of such transaction occurred on March 17, 2020, which is considered to be the date of transfer of control or the date of acquisition, as per Ind AS 103, and necessary effects have been recognised in the standalone financial statements of the respective entities and consolidated financial statements of the Company. While the acquisition has been effected and full consideration has been paid, procedures to complete the legal process viz. registering sale of shares, etc. in certain geographies is ongoing. The legal procedures are delayed because of COVID-19 pandemic related lockdown in certain geographies, and the Company has been legally advised that such legal procedures are administrative in nature, and the parties to the BTA expect to complete these before long stop date post the lockdown is relaxed / lifted i.e. second quarter of the financial year 2020-21.

(₹ in lakhs, unless otherwise stated)

ii. With respect to the overseas business of Evolutionary Systems Private Limited (ESPL) including investment in certain subsidiaries of ESPL, the parties entered into a Demerger Co-operation Agreement (DCA) and Shareholders Agreement on February 8, 2020 (DCA acquisition). The manner of the acquisition of legal ownership, is decided to be achieved through a demerger scheme to be filed before the National Company Law Tribunal (NCLT) ("the Scheme"), or, as per DCA between Mastek and the shareholders of Evosys, Mastek shall complete this transaction with the same economic effect, by an alternate arrangement within the period specified in the DCA. The DCA gives Trans American Information Systems Private Limited (TAISPL) a wholly owned subsidiary of Mastek (collectively referred as Mastek Group) the right to appoint majority of the board of directors in ESPL and its subsidiaries and also provide for the relevant activities of ESPL and its subsidiaries to be decided by a majority vote of such board of directors, thereby resulting in transfer of control of business of ESPL and its subsidiaries to the Mastek Group. The transfer of legal title of such business undertaking shall be completed in financial year 2020-21. The date of acquisition of business undertaking for the purposes of Ind AS 103 is the date of transfer of control to Mastek Group, i.e. February 8, 2020. Discharge of consideration through demerger will be done through issue of 4,235,294 equity shares of Mastek Limited (face value ₹ 5 each) and balance through 15,000 Compulsorily Convertible Preference Shares (CCPS), (face value of ₹ 10 each) of TAISPL for every 10,000 equity shares of ESPL of face value of ₹ 10 each. The CCPS to be issued subject to regulatory approval, carries a Put Option which can be exercised by the holders of such CCPS at agreed EBIDTA multiples over the next 4 years. Pending completion of legal acquisition, this transaction has been disclosed in the standalone financial statements and will be given effect to on receiving NCLT approval or on executing the alternate arrangement in accordance with the DCA. Accordingly, the equity shares which are proposed to be issued has not been considered for calculating the earnings per share both basic and diluted.

38 Covid-19 Assessment

The Company has assessed the impact of Covid-19 Pandemic on its operations as well as financial reporting process, including but not limited to the areas of financial controls, credit risk, effectiveness of hedge relationship, impairment of financial and non-financial assets, and Cyber security pertaining to the remote access of information for the year ended March 31, 2020 and up to the date of approval of financial statements. While assessing the impact, Company has considered all internal and external sources of information like industry reports, economic forecast, credit reports and company's business forecast basis the global economic consensus. Company expects to recover the carrying amount of its assets and retain effectiveness of its hedge transactions. Further, there have been no material changes in the financial control/process followed by the company. However, the impact of COVID-19 may be different from that estimated as on the date of approval of these financial statements and the Company will continue to closely monitor any material changes to the business due to future economic conditions.

39 Expenditure on Corporate Social Responsibilities

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Amount required to be spent as per Section 135 of the Companies Act	**62**	54
Amount spent during the year	**113**	100

In terms of our report of even date

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

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: June 14, 2020

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

Sudhakar Ram
Vice Chairman and
Managing Director
DIN: 00101473

S. Sandilya
Non-Executive Chairman
and Independent Director
DIN: 00037542

Abhishek Singh
Chief Financial Officer
Place: Mumbai
Date: June 14, 2020

Dinesh Kalani
Company Secretary

FINANCIAL STATEMENTS CONSOLIDATED

To the Members of **Mastek Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Mastek Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group as at 31 March 2020, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

Key audit matter	How our audit addressed the key audit matter
(I) Accounting for Business Combination: As described in notes 2e(viii) and 33 to the accompanying consolidated financial statements, during the year ended 31 March 2020, the Group has acquired control over Evolutionary Systems Private Limited and its group companies ("Evosys") through the following transactions- 1. On 8 February 2020, took control over the board of directors, vide the Demerger Co-operation Agreement, for business undertakings of Evosys India and its subsidiaries identified in the said agreement. 2. On 17 March 2020, took control over the Middle East and North America business of Evosys through business transfer agreement. The Group has accounted for aforementioned acquisition of businesses in accordance with Ind AS 103 - Business Combination, which requires the recognition of identifiable assets and liabilities, in a business combination at fair value at the date of acquisition, with the excess of the acquisition price over the identified fair values recognised as goodwill. Management has appointed a valuation expert to allocate the purchase price to the identifiable assets and liabilities and identified intangible assets. Basis the procedure performed for purchase price allocation, management represents that identifiable assets and liabilities including identifiable intangible assets and resulting goodwill are disclosed at the fair value as on the date of acquisition. We have considered the above business combination to be a matter of most significance to our current year audit as this transaction involved significant judgements and estimates in relation to the accounting as per the requirements of Ind AS 103.	**Our audit procedures relating to acquisitions made by the Group included, but were not limited to the following:** • Evaluated the contracts entered by the Group with Evosys to assess the control over the business and the acquisition date, in accordance with Ind AS 103, by obtaining required understanding and representations from the Company and their legal experts. • Obtained report of the management's external valuation specialists for the valuation of intangibles including the purchase price allocation and assessed the competence and objectivity of the management's expert and gained an understanding of the work done by the valuation expert. • Assessed the reasonability of the management estimates and judgements used to fair value the identifiable assets and liabilities and identifiable intangible assets and non-cash consideration. • Tested the identifiable assets and liabilities which forms the part of working capital including any adjustment, to assess the reasonability / appropriateness of the amounts as used for purchase price allocation. • Involved our auditor's experts to assess the valuation assumptions and methodology considered by the management's expert to allocate the purchase price to identifiable assets and liabilities. • Evaluated the appropriateness and adequacy of disclosures given in the consolidated financial statements, including disclosure of significant assumptions and judgements, in accordance with applicable accounting standards.

(II) Carrying value of Goodwill on Business Combination:	
Refer note 2e(viii) and note 3(c) to the accompanying consolidated financial statements As at 31 March 2020, the Group's assets include goodwill aggregating to ₹ 10,615 lakhs on account of acquisition of Taistech US group. The Group has performed annual impairment test for the goodwill as per the applicable accounting standard Ind AS 36, Impairment of Assets. The determination of the recoverable value requires management to make certain key estimates and assumptions including forecast of future cash flows, long-term growth rates, including the impact of COVID 19, profitability levels and discount rates. Changes in these assumptions could lead to an impairment to the carrying value of the goodwill. Considering goodwill balance is significant to the consolidated financial statements and auditing management judgement and estimates as stated above involves high degree of subjectivity and require significant auditor judgement, assessment of carrying value of goodwill is considered as a key audit matter for the current year audit.	Our audit procedures in relation to testing of impairment of goodwill included but were not limited to the following: • Assessed the reasonability of the assumptions used by the management for cash flow forecasts and verified the historical trend of business to evaluate the past performance for consistency including the possible impact of COVID 19. • Obtained the management's external valuation specialist's report on determination of recoverable amount and also assessed the competence and objectivity of the management expert. • Involved our auditor's experts to assess the valuation assumptions used and methodology considered by the management's expert to calculate the recoverable amount and the mathematical accuracy of these calculations. • Performed the sensitivity analysis on the key assumptions to evaluate the possible variation on the current recoverable amount to ascertain the sufficiency of headroom available. • Evaluated the appropriateness and adequacy of disclosures given in the consolidated financial statements, including disclosure of significant assumptions and judgements used by management, in accordance with applicable accounting standards.
(III) Revenue from contracts with customers	**Our responses**
(Refer notes 2e (xiii) and 15 to the accompanying consolidated financial statements) Revenue is recognised basis the terms of each contract with customers wherein certain commercial arrangements involve complexity and significant judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation and the appropriateness of basis used to measure revenue recognised over the time period is applied in selecting the accounting basis in each case. We identified revenue of the Group as a key audit matter in the audit of consolidated financial statements of current year because of the significant judgement/estimates used in accounting of revenue contracts.	Our audit procedures relating to revenue recognition included, but were not limited to the following: • Evaluated the design and operating effectiveness of internal controls relating to the revenue recognition. • Selected samples from all streams of contracts and performed detailed analysis on recognition of revenue as per the requirement of Ind AS 115, Revenue from contracts with customers which involved testing of inputs to revenue recognition including estimates used. • Evaluated appropriateness and adequacy of disclosures made in the consolidated financial statements with respect to revenue in accordance with the requirements of applicable accounting standards.

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

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

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

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

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

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

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

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

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

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

Other Matter

15. We did not audit the financial statements of fifteen subsidiaries, whose financial statements (before eliminating intercompany transactions) reflects total assets of ₹ 83,502 lakhs and net assets of ₹ 54,269 lakhs as at 31 March 2020, total revenues of ₹ 10,635 lakhs and net cash outflows amounting to ₹ 685 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so

far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Further, of these subsidiaries, fourteen subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries we report that the Holding Company and its subsidiary companies covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to one subsidiary company covered under the Act, since such company is not a public company as defined under section 2(71) of the Act.

17. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries we report, to the extent applicable, that:

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

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

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

e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2020 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 with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act, during the year ended 31 March 2020; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

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

Adi P. Sethna
Partner
Membership No.: 108840
UDIN: 20108840AAAABX8442

Place: Mumbai
Date: 14 June 2020

Annexure 1

The details of subsidiaries including step-down subsidiaries considered in this audit report on Consolidated Financial Statements are:

1. Mastek (UK) Limited
2. IndigoBlue Consulting Limited (merged with Mastek (UK) Limited with effect from 30 June 2018)
3. Mastek, Inc.
4. Trans American Information Systems Private Limited
5. Trans American Information Systems, Inc.
6. Taistech LLC (merged with Trans American Information Systems, Inc. with effect from 31 December 2019)
7. Evolutionary Systems Private Limited
8. Mastek Arabia FZ LLC
9. Newbury Cloud, Inc.
10. Evosys Kuwait WLL
11. Evosys Consultancy Services (Malaysia) Sdn Bhd
12. Evolutionary Systems Saudi LLC
13. Evolutionary Systems Qatar WLL
14. Evolutionary Systems Pty Ltd
15. Evolutionary Systems Corp.
16. Evolutionary Systems Company Limited
17. Evolutionary Systems BV
18. Evolutionary Systems Bahrain SPC
19. Evolutionary Systems (Singapore) Pte. Ltd.
20. Evolutionary Systems Consultancy LLC
21. Evolutionary Systems Egypt LLC

Annexure A

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

1. In conjunction with our audit of the consolidated financial statements of Mastek Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

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

2. The respective Board of Directors of the Holding Company and its two subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its two subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of his report referred to in the "Other Matter" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its two subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 with Reference to Consolidated Financial Statements

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

Opinion

8. In our opinion and based on the consideration of the report of the other auditor on internal financial controls with reference to financial statements of the subsidiary company, the Holding Company and its two subsidiaries company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on 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”).

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company covered under the Act, whose financial statements reflect (before eliminating intercompany balances) total assets of ₹ 6,860 lakhs and net assets of ₹ 3,310 lakhs as at 31 March 2020, total revenues of ₹ 2,200 lakhs and net cash inflows amounting to ₹ 1,415 lakhs for the period 8 February 2020 to 31 March 2020, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company has been audited by other auditor whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the report of the auditor of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the report of the other auditor.

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

Adi P. Sethna
Partner
Membership No.: 108840
UDIN: 20108840AAAABX8442

Place: Mumbai
Date: 14 June 2020

Consolidated Balance Sheet
as at March 31, 2020

(₹ in lakhs)

	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment, net	3(a)(i)	**5,142**	4,555
Capital work-in-progress		**167**	141
Right-of-use assets	3(b)	**1,991**	-
Investment property	3(d)	**485**	-
Goodwill	3(c)	**67,667**	9,752
Other intangible assets,net	3(a)(ii)	**10,389**	2,432
Financial assets			
Investments	4(a)	**12,182**	28,220
Loans	4(b)	**190**	181
Other financial assets	4(c)	**459**	147
Deferred tax assets, net	24(c)	**3,776**	3,672
Current tax assets, net		**1,221**	1,087
Other non-current assets	5	**119**	64
Total non-current assets		**1,03,788**	**50,251**
Current assets			
Financial assets			
Investments	6(a)	**15,376**	11,396
Trade receivables	6(b)	**31,572**	20,849
Cash and cash equivalents	6(c)(i)	**22,033**	9,295
Bank balances, other than cash and cash equivalents	6(c)(ii)	**64**	44
Loans	6(d)	**218**	46
Other financial assets	6(e)	**2,276**	1,863
Other current assets	7	**14,913**	4,947
Total current assets		**86,452**	**48,440**
Total Assets		**1,90,240**	**98,691**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8	**1,214**	1,199
Other equity	9	**77,832**	70,441
Equity attributable to owners		**79,046**	**71,640**
Non Controlling interest	9	**13,705**	-
Total Equity		**92,751**	**71,640**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	10(a)	**24,085**	6,921
Other financial liabilities	10(b)	**22,546**	3
Deferred tax liabilities, net	24(c)	**1,473**	2,078
Provisions	11	**2,536**	1,166
Total non-current liabilities		**50,640**	**10,168**
Current liabilities			
Financial liabilities			
Borrowings	12(a)	**7,480**	-
Trade payables		**10,539**	948
Other financial liabilities	12(b)	**17,000**	10,550
Other current liabilities	13	**9,480**	3,565
Provisions	14	**1,084**	575
Current tax liabilities, net		**1,266**	1,245
Total current liabilities		**46,849**	**16,883**
Total Liabilities		**97,489**	**27,051**
Total Equity and Liabilities		**1,90,240**	**98,691**

See accompanying notes to the consolidated financial statements
This is the Balance Sheet referred to in our report of even date

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

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: June 14, 2020

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

Sudhakar Ram
Vice Chairman and
Managing Director
DIN: 00101473

S. Sandilya
Non-Executive Chairman
and Independent Director
DIN: 00037542

Abhishek Singh
Chief Financial Officer
Place: Mumbai
Date: June 14, 2020

Dinesh Kalani
Company Secretary

Consolidated Statement of Profit and Loss
for the year ended March 31, 2020

(₹ in lakhs)

	Note	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue from operations	15	**1,07,148**	1,03,321
Other income	16	**4,130**	2,478
Total Income		**1,11,278**	**1,05,799**
EXPENSES			
Employee benefits expenses	17	**58,414**	58,717
Finance costs	18	**362**	613
Depreciation and amortisation expenses	19	**2,489**	1,735
Other expenses	20	**33,198**	31,450
Total expenses		**94,463**	**92,515**
Profit before exceptional item and tax		**16,815**	**13,284**
Exceptional items - (loss) / gain	21	**(2,407)**	55
Profit before tax		**14,408**	**13,339**
Tax expense / (credit)			
Current tax	24(a)	**4,081**	3,419
Deferred tax		**(1,091)**	(129)
Income tax relating to earlier years		**37**	(98)
Total tax expense		**3,027**	**3,192**
Profit after tax for the year		**11,381**	**10,147**
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to the statement of profit or loss:			
Defined benefit plan actuarial losses		**(48)**	(10)
Net change in fair value of financial instruments through OCI - gain		**105**	8,377
Income tax relating to items that will not be reclassified to profit and loss - credit		**11**	4
Items that will be reclassified subsequently to the statement of profit or loss:			
Foreign currency translation differences - gain/(loss)		**739**	(505)
Net change in fair value of forward contracts designated as cash flow hedges-gain/(loss)		**(362)**	1,093
Net change in fair value of financial instruments-gain		**320**	145
Income tax relating to items that will be reclassified to profit and loss - credit/(expense)		**2**	(349)
Total other comprehensive income for the year		**767**	**8,755**
Total comprehensive income for the year		**12,148**	**18,902**
Profit attributable to			
Owners of the Company		**10,886**	10,147
Non-controlling interests		**495**	-
Profit after tax for the year		**11,381**	**10,147**
Other comprehensive income (OCI) attributable to			
Owners of the Company		**831**	8,755
Non-controlling interests		**(64)**	-
Total other comprehensive income for the year		**767**	**8,755**
Total Comprehensive income for the year attributable to			
Owners of the Company		**11,717**	18,902
Non-controlling interests		**431**	-
Total comprehensive income for the year		**12,148**	**18,902**
Earnings per equity share	22		
(Equity shares of face value ₹ 5/- each)			
Basic		**45.21**	42.61
Diluted		**42.93**	40.32

See accompanying notes to the consolidated financial statements
This is the Statement of Profit and Loss referred to in our report of even date

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

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: June 14, 2020

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

Sudhakar Ram
Vice Chairman and
Managing Director
DIN: 00101473

S. Sandilya
Non-Executive Chairman
and Independent Director
DIN: 00037542

Abhishek Singh
Chief Financial Officer
Place: Mumbai
Date: June 14, 2020

Dinesh Kalani
Company Secretary

Consolidated Statement of Cash Flow
for the year ended March 31, 2020

(₹ in lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities		
Profit for the year	**11,381**	10,147
Adjustments for :		
Interest income	**(354)**	(156)
Employee stock compensation expenses	**991**	773
Finance costs	**235**	613
Depreciation and amortisation	**2,489**	1,735
Provision for cost overrun on contracts, net	**45**	248
Tax expense	**3,027**	3,192
Dividend Income from current investment	**(6)**	-
Exceptional Items (Refer note 21)	**2,407**	(55)
Provision for doubtful debts and loans and advances	**144**	110
Loss / (Profit) on sale of Property, plant and equipment, net	**19**	(46)
Finance cost due to Ind AS 116 adjustment	**97**	-
Profit on sale of current investments	**(667)**	(726)
Rental income	**(300)**	(202)
Changes in operating assets and liabilities; net of effects from acquisitions	**19,508**	**15,633**
Decrease / (Increase) in trade receivables	**11,161**	(3,768)
(Increase) in loans and advances and other assets	**(10,025)**	(1,696)
Increase in trade payables, other liabilities and provisions	**2,512**	396
Cash generated from operating activities before taxes	**23,156**	**10,565**
Income taxes paid, net of refunds	**(4,709)**	(3,058)
Net cash generated from operating activities	**18,447**	**7,507**
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	**18**	67
Purchase of property, plant and equipment and software	**(1,565)**	(1,551)
Interest received	**205**	40
Rental income	**238**	195
Earnout payment on account of Business Combination	**(1,568)**	(1,703)
Dividend Income from current investment	**6**	-
Proceeds from sale of non current investment	**16,510**	-
Purchase consideration paid for acquisition of subsidiaries, net of cash and cash equivalents	**(40,989)**	-
Purchase of current investments	**(12,719)**	(15,280)
Proceeds from current investments	**12,999**	12,902
Net cash used in investing activities	**(26,865)**	(5,330)
Cash flows from financing activities		
Proceeds from issue of shares under the employee stock option schemes	**213**	291
Proceeds from long term loan net of repayments	**24,274**	56
Payment of lease liabilities	**(663)**	-
Dividends paid including dividend distribution tax and unclaimed dividend	**(3,148)**	(1,773)
Interest paid on vehicle finance	**(16)**	(13)
Interest on term loan	**(164)**	(176)
Net cash generated from / (used in) financing activities	**20,496**	**(1,615)**
Effect of changes in exchange rates for cash and cash equivalents	**660**	(40)
Net increase in cash and cash equivalents during the year	**12,738**	522
Cash and cash equivalents at the beginning of the year	**9,295**	8,773
Cash and cash equivalents at the end of the year	**22,033**	**9,295**

The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Statement of Cash Flow

This is the Statement of Cash Flow referred to in our report of even date

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

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: June 14, 2020

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

Sudhakar Ram
Vice Chairman and
Managing Director
DIN: 00101473

S. Sandilya
Non-Executive Chairman
and Independent Director
DIN: 00037542

Abhishek Singh
Chief Financial Officer
Place: Mumbai
Date: June 14, 2020

Dinesh Kalani
Company Secretary

A. Equity share capital

(₹ in lakhs)

Balance as at April 1, 2018	1,185
Add: Shares issued on exercise of stock options and restricted shares	14
Balance as at March 31, 2019	**1,199**
Balance as at April 1, 2019	1,199
Add: Shares issued on exercise of stock options and restricted shares	15
Balance as at March 31, 2020	**1,214**

B. Other Equity

(₹ in lakhs)

Particulars	Reserve & Surplus						Other Comprehensive Income (OCI)					Equity Shares proposed to be issued (Refer note 33)	Put option written on Non-Controlling Interest (Refer note 33)	Non-Controlling Interest (preference shares proposed to be issued) (Refer note 33)	Total other equity
	Capital reserve	Capital redemption reserve	Securities premium	Share options outstanding account (net of taxes)	General reserve	Retained earnings	Employee benefit expenses	Fair value of cash Flow hedge	Fair value of changes in other financial instruments	Fair value of non current investment in majesco USA	Foreign currency translation reserve				
Balance as at April 1, 2018	21	1,539	1,772	2,771	362	33,581	253	(528)	452	14,567	(1,047)	-	-	-	53,743
Issue of share capital on exercise of employee share option	-	-	277	-	-	-	-	-	-	-	-	-	-	-	277
Employee share-based compensation	-	-	-	773	-	-	-	-	-	-	-	-	-	-	773
Transferred to securities premium	-	-	206	(206)	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	10,147	-	-	-	-	-	-	-	-	10,147
Cash dividends and tax thereon	-	-	-	-	-	(1,788)	-	-	-	-	-	-	-	-	(1,788)
ESOP Adjustments*	-	-	-	(54)	-	54	-	-	-	-	-	-	-	-	-
Other comprehensive income (net of taxes)	-	-	-	-	-	-	(6)	786	103	8,377	(505)	-	-	-	8,755
Excess tax benefits from exercise of share-based options	-	-	-	(1,466)	-	-	-	-	-	-	-	-	-	-	(1,466)
Balance as at March 31, 2019	**21**	**1,539**	**2,255**	**1,818**	**362**	**41,994**	**247**	**258**	**555**	**22,944**	**(1,552)**	**-**	**-**	**-**	**70,441**
Balance as at April 1 2019	21	1,539	2,255	1,818	362	41,994	247	258	555	22,944	(1,552)	-		-	70,441
Issue of share capital on exercise of employee share option	-	-	193	-	-	-	-	-	-	-	-	-	-	-	193
Employee share-based compensation	-	-	-	991	-	-	-	-	-	-	-	-	-	-	991
Transferred to securities premium	-	-	268	(268)	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	10,886	-	-	-	-	-	-	-	495	11,381
Cash dividends and tax thereon	-	-	-	-	-	(3,148)	-	-	-	-	-	-	-	-	(3,148)

B. Other Equity (Contd...)

(₹ in lakhs)

Particulars	Reserve & Surplus						Other Comprehensive Income (OCI)					Equity Shares proposed to be issued (Refer note 33)	Put option written on Non-Controlling Interest (Refer note 33)	Non-Controlling Interest (preference shares proposed to be issued) (Refer note 33)	Total other equity
	Capital reserve	Capital redemption reserve	Securities premium	Share options outstanding account (net of taxes)	General reserve	Retained earnings	Employee benefit expenses	Fair value of cash Flow hedge	Fair value of changes in other financial instruments	Fair value of non current investment in majesco USA	Foreign currency translation reserve				
ESOP Adjustments*	-	-	-	(42)	-	42	-	-	-	-	-	-	-	-	-
Other comprehensive income (net of taxes)	-	-	-	-	-	-	(24)	(208)	227	105	731	-	-	(64)	767
Excess tax benefits from exercise of share-based options	-	-	-	(412)	-	-	-	-	-	-	-	-	-	-	(412)
Sale of equity instruments recognised through other comprehensive income (net of taxes), and presented within equity	-	-	-	-	-	15,630	-	-	-	(15,630)	-	-	-	-	-
Equity Shares proposed to be issued (Refer note 33)	-	-	-	-	-	-	-	-	-	-	-	19,169	-	-	19,169
Non-Controlling Interest (preference shares proposed to be issued) (Refer note 33)	-	-	-	-	-	-	-	-	-	-	-	-	-	13,274	13,274
Put option written on Non-Controlling Interest (Refer note 33)	-	-	-	-	-	-	-	-	-	-	-	-	(21,119)	-	(21,119)
Balance as at March 31, 2020	**21**	**1,539**	**2,716**	**2,087**	**362**	**65,404**	**223**	**50**	**782**	**7,419**	**(821)**	**19,169**	**(21,119)**	**13,705**	**91,537**

**ESOP adjustment reflects lapse of vested stock options during the year.*

See accompanying notes to the consolidated financial statements
This is the Statement of changes in equity referred to in our report of even date

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

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: June 14, 2020

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

Sudhakar Ram
Vice Chairman and
Managing Director
DIN: 00101473

S. Sandilya
Non-Executive Chairman
and Independent Director
DIN: 00037542

Abhishek Singh
Chief Financial Officer
Place: Mumbai
Date: June 14, 2020

Dinesh Kalani
Company Secretary

(₹ in lakhs, unless otherwise stated)

1 Company overview

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 and its subsidiaries (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 Application Development, Application Maintenance, Business Intelligence and Data Warehousing, Testing & Assurance, Digital Commerce, Agile Consulting and Legacy Modernisation, Oracle Cloud, Oracle ERP Cloud, product-as-a-service solutions and machine learning. The Group carries out its operations in India, UK, USA, EMEA (Europe, the Middle East and Africa), APAC (Asia-Pacific) and has its offshore software development centres in India at Mumbai, Gurugram, Noida, Pune, Chennai, Mahape & Ahmedabad.

2 Basis of Preparation and Presentation

a. Statement of Compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

These consolidated financial statements of the Group as at and for the year ended March 31, 2020 were approved and authorized by the Company's board of directors as on June 14, 2020.

All amounts included in the consolidated financial statements are reported in Indian rupees (in lakhs) except share and per share data unless otherwise stated and "0" denotes amounts less than one lakh rupees.

b. Basis of Preparation

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i. Derivative financial instruments;

ii. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);

iii. Share based payment transactions;

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

v. Contingent Consideration

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

c. Use of estimate and judgement

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

i) Revenue recognition: The Group applies the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

ii) Income taxes: The Group's major tax jurisdictions are India, UK, USA, EMEA and APAC. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

iii) Business combination: Business combinations are accounted for using Ind AS 103. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets and their estimated useful life. These valuations are conducted by independent valuation experts.

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

Further, the Group's liability towards compensated absences is determined as per the local laws on a full liability basis for the entire un-availed vacation balances standing to the credit of each employee as at the year end.

v) Property, plant and equipment: Property, plant and equipment represent a significant proportion of the asset base of the Group. The change in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

vi) Impairment testing: Goodwill and Intangible assets recognised on business combination are tested for impairment at least annually or when events occur or changes in circumstances indicate that the recoverable amount of the asset or the cash generating unit (CGU) to which these pertain is less than the carrying value. The recoverable amount of the asset or the cash generating units is higher of value-in-use and fair value less cost of disposal. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

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

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

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

x) Provisions: Provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligation and compensated expenses) are not discounted to its present value and are determined based on best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

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

xii) Leases: Determining the lease term of contracts with renewal and termination options – Group as lessee

Ind AS 116 requires the lessee to determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

When it is reasonably certain to exercise extension option and not to exercise termination option, the Group includes such extended term and ignore termination option in determination of lease term.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Group has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes.

xiii) Estimation uncertainties relating to the Pandemic - COVID -19: The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, intangibles and goodwill. The Group also assess the effectiveness of hedge transactions and believes that probability of occurrence of the forecasted transaction is not impacted by the pandemic. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports, related information and economic forecasts. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

d. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases and extent of control is considered based on participative/beneficial rights.

The financial statements of subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/ loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group.

e. Summary of Significant accounting policies

i) Functional and Presentation Currency

Items included in the consolidated financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency").

The consolidated financial statements are presented in Indian Rupee (INR), the national currency of India, which is also the functional currency of the Company.

ii) Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

For the purposes of presenting the consolidated financial statements assets and liabilities of Group's foreign operations with functional currency different from the Company are translated into Company's functional currency i.e. INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the balance sheet date.

iii) Financial instruments

A. Initial Recognition and Measurement

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

B. Subsequent Measurement

1. Non-Derivative Financial Instruments

a. Financial Assets Carried at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets are subsequently measured at amortised cost using the effective interest rate method less impairment losses, if any.

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The group has made an made an irrevocable election to present subsequent changes in the fair value of certain mutual funds in other comprehensive income.

Further in cases where the Company has made an irrevocable election based on its business model, for its investment which are classified as equity instruments, the subsequent changes in fair value are recognised in OCI. On sale of such equity instruments the accumulated balance of 'OCI' is transferred to retained earnings.

c. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

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

d. Financial Liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

e. Derivative Financial Instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the consolidated statement of profit and loss. These derivative instruments are designated as cash flow hedge.

The hedge accounting is discontinued when the hedging instruments expires or is sold, terminated or no longer qualifies for hedge accounting and the cumulative gain and loss on the hedging instruments recognised in hedging reserve till the price hedge was effective remain in cash flow hedge reserve until the forecasted transactions occurs. The cumulative gain and loss previously recognised in the cash flows hedging reserve is transferred to the statement of profit and loss upon the occurrence of related forecasted transactions.

Derivative financial instruments which are not designated as hedge are recognised initially at fair value and subsequently any changes to the fair value are recognised in statement of profit and loss.

C. Derecognition of Financial Instruments

The Group derecognises a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Offsetting of financial instruments: Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iv) Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The cost of property, plant and equipment acquired in a business combination is recorded at fair value on the date of acquisition.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Category	Useful Life
Building	25-30 years
Computers	2-4 years
Plant and equipment	2-5 years
Furniture and fixtures	5 years
Office equipment	5 years
Vehicles	4-5 years
Leasehold improvement	5-15 years or the primary period of lease whichever is less
Leasehold land	Lease Term ranging from 95-99 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Depreciation on addition/ disposal is calculated pro-rata from the date of such addition/disposal.

v) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment if any. Intangible assets are amortised over their respective estimated useful life on a straight line basis.

Estimated useful life reflects the manner in which the economic benefit is expected to be generated from that individual intangible asset.

The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

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

Category	Useful Life
Computer Software	1-5 years
Customer Contracts	1-3 years
Customer Relationships	7-15 years

Refer (viii) below for goodwill

vi) Investment Property

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

Any gain or loss on disposal of an investment property is recognised in profit and loss.

vii) Leases

The group has applied Ind AS 116 with effect from April 1, 2019, using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

b. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

c. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of laptops, lease-lines and office furniture and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

viii) Business combination

Business combinations are accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group.

For convenience, an acquisition date may be considered to be at the beginning or end of a month, in which the control is acquired rather than the actual acquisition date, unless events between the ‘convenience’ date and the actual acquisition date result in material changes in the amounts recognised. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Contingent consideration is remeasured at fair value at each reporting date and any changes in the fair value are recognised in the Consolidated Statement of Profit and Loss.

The interest of non-controlling shareholders is initially measured at fair value as on the acquisition date. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Put option: The holding company has written a put option over the equity instrument of a subsidiary, where the holders (non-controlling interests) of that instrument have the right to put their instrument back to the Group at their fair value on specified dates. The amount that may become payable at each reporting date under the option on exercise is recognised at present value as a written put option financial liability with a corresponding charge directly to equity.

Acquisition costs that the Group incurs in connection with a business combination are expensed as incurred.

Goodwill: Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is measured at cost less accumulated impairment losses. Goodwill is allocated to the cash-generating units (CGU) expected to benefit from the synergies of the combination for the purpose of impairment testing. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Goodwill is tested for impairment annually or earlier, if events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purpose of impairment testing, goodwill is allocated to a Cash generating unit (CGU) representing the lowest level within the group at which goodwill is monitored for internal management purposes, and which is not higher than the group operating segment. Goodwill is tested for impairment at least annually or whenever there is an indication that goodwill may be impaired. For goodwill impairment testing, the carrying amount of CGU's (including allocated goodwill) is compared with its recoverable amount by the Group. The recoverable amount of a CGU is the higher of its fair value less cost to sell or its value in use. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro rata on the basis of the carrying amount of such assets in CGU.

ix) Impairment of assets

a. Non Financial Instrument

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

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

b. Financial instrument

The Group recognise loss allowances using the expected credit loss (ECL) model for financial assets or group of financial assets. Loss allowances for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

x) Employee Benefits

A. Long Term Employee Benefits

(a) Defined Contribution Plan

The Group has defined contribution plans for post employment benefits in the form of provident fund, employees' state insurance, labour welfare fund and superannuation fund in India which are administered through Government of India and/or Life Insurance Corporation of India (LIC). 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 Plan

The Group has defined benefit plans for post employment benefits in the form of gratuity for its employees in India. The gratuity scheme of the Group is administered through 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 or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising of actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Group has other defined benefit plans for subsidiaries operating outside India as per respective local laws. The amount of liability in respect of these plans is recognised based on actuarial valuation.

(c) Other long-term employee benefits

The employees of the Group are also entitled for other long-term benefit in the form of compensated absences as per the policy of the Group. Employees are entitled to accumulate leave balance up to the upper limit as per the Group's policies which can be carried forward perpetually. Leave encashment for employees gets triggered on an annual basis, if the accumulated leave balance exceeds the upper limit of leave. Further, at the time of retirement or death while in employment or on termination of employment leave encashment vests equivalent to salary payable for number of days of accumulated leave balance. Liability for such benefits is provided on the basis of actuarial valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method.

B. Short-term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services. These benefits comprise compensated absences such as paid annual leave and performance incentives.

C. Termination benefits

Termination benefits including those 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.

xi) Share Based Payment

The Group determines the compensation cost based on the fair value method in accordance with Ind AS 102 share based payment. The Group grants options to its employees which will be vested in a graded manner and are to be exercised within a specified period. The compensation cost is amortised on a graded basis over the vesting period. The share based compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

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

xii) Provisions & 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.

xiii) Revenue Recognition

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

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

Fixed Price contracts related to Application development, consulting and other services are single performance obligation or a stand-ready performance obligation, which in either case is comprised of a series of distinct services that are substantially the same and have the same pattern of transfer to the customer (i.e. distinct days or months of service). Revenue is recognised in accordance with the method prescribed for measuring progress i.e. percentage of completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. Revenues relating to time and material contracts are recognised as the related services are rendered.

Multiple element arrangements-

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

IT support and maintenance-

Contracts related maintenance and support services are time and material based. In these contracts, the performance obligations are satisfied, and revenues are recognised, over time as the services are provided. Revenue from maintenance contracts is recognised ratably over the period of the contract because the Group transfers the control evenly by providing a standard services.

The term of the maintenance contract is usually one year. Renewals of maintenance contracts create new performance obligations that are satisfied over the term with the revenues recognised ratably over the term.

Contracts may include incentives, service penalties and rewards from bonus. The Group includes an estimate of the amount it expects to receive for the total transaction price if it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

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

Trade Receivable, net is primarily comprised of billed and unbilled receivables (i.e. only the passage of time is required before payment is due) for which the group has an unconditional right to consideration, net of an allowance for doubtful accounts. A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are presented in “Other current assets” to the financial statements and primarily relate to unbilled amounts on fixed-price contracts utilizing the cost to cost method i.e. percentage of completion method (POCM) of revenue recognition. Contract liabilities consist of advance payments and billings in excess of revenues recognised.

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

Cost to fulfil the contracts- Recurring operating costs for contracts with customers are recognised as incurred. Non recurring cost and additional cost like sales commission are due for payment only if related revenue is billed, these costs are expensed off in proportion to the revenue recognised during the year.

Revenue recognition excludes any government taxes but includes reimbursement of out of pocket expenses.

Provision of onerous contract are recognised when the expected benefits to be derived by the group from a contract are lower than the unavoidable cost of meeting the future obligation under the contract. The provision is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, before a provision is established group recognises impairment loss on the assets associated with the contract.

The Group has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services which may require revision of estimated costs to complete the contract because of additional efforts; (ii) onerous obligations; (iii) penalties relating to breaches of service-level agreements, and (iv) termination or deferment of contracts by customers. The Group has concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

xiv) Income Tax

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

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset (including Minimum Alternative Tax (MAT) credit) is recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognised for all taxable temporary differences.

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

xv) Other Income

Other income comprises interest income on deposits, research and development credits, dividend income and gains / (losses) on disposal of investments except investments fair value through OCI. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

xvi) Finance expense

Finance costs comprises interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

xvii) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity Shareholders of the Group by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity Shareholders of the Group and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

xviii) Cash and cash equivalent

Cash and cash equivalents include cash in hand, demand deposits with banks and other short term highly liquid investments with original maturities of three months or less.

xix) Restructuring provision

On an ongoing basis, management assesses the profitability of a business and possibly may decide to restructure the operations of such businesses.

Severance liabilities as a result of reduction in work force are recognised when they are determined to be probable and estimable and create a constructive obligation about the execution of plan. Other liabilities for costs associated with restructuring activity are recognised when the liability is incurred, instead of upon commitment of plan.

Significant assumptions are used in determining the amount of the estimated liability for restructuring. If the assumptions regarding early termination and the timing prove to be inaccurate, Company may be required to record additional losses, or conversely, a future gain.

xx) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Changes in accounting policies and disclosure

New and amended standards

The Group has adopted Ind AS 116 'Leases' with effect from April 1, 2019, using the modified retrospective approach. However, comparative period amounts are not adjusted and continue to be reported in accordance with previous year's accounting policy except where indicated otherwise.

Right of use assets at April 1, 2019 for leases previously classified as operating leases were recognised and measured at an amount equal to lease liability (adjusted for any related prepayments/accruals). Thus on the date of transition, the group has created right-of-use asset of ₹ 1,326 lakhs and lease liability of equal amount, and there is no impact on opening balance of retained earnings for the current year. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

(₹ in lakhs, unless otherwise stated)

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

	Gross Block (at cost)						Depreciation						Net Block	
	As at April 1, 2019	Addition on business acquisition	Other additions	Foreign exchange translation adjustments	Deletions / adjustment	As at March 31, 2020	As at April 1, 2019	Accumulated depreciation on business acquisition	For the year	Foreign exchange translation adjustments	Deletions / adjustment	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
a. Own assets :														
Buildings*^	4,737	1,413	-	-	(1,136)	**5,014**	2,116	420	142	-	(615)	**2,063**	**2,951**	2,621
Computers	2,948	1,147	135	42	(66)	**4,206**	2,674	834	286	31	(66)	**3,759**	**447**	274
Plant and equipment	2,366	3	19	4	(95)	**2,297**	2,079	2	99	3	(93)	**2,090**	**207**	287
Furniture and fixtures	4,881	384	44	9	(364)	**4,954**	4,368	219	203	7	(337)	**4,460**	**494**	513
Vehicles	383	143	38	4	(48)	**520**	148	87	83	3	(41)	**280**	**240**	235
Office equipment	1,941	342	144	5	(243)	**2,189**	1,427	210	171	2	(241)	**1,569**	**620**	514
Total (A)	**17,256**	**3,432**	**380**	**64**	**(1,952)**	**19,180**	**12,812**	**1,772**	**984**	**46**	**(1,393)**	**14,221**	**4,959**	**4,444**
b. Leased assets :														
Leasehold land	386	-	-	-	-	**386**	311	-	-	-	-	**311**	**75**	75
Leasehold improvements	370	-	92	6	-	**468**	347	-	19	2	-	**368**	**100**	23
Vehicles	115	-	-	-	(11)	**104**	102	-	5	-	(11)	**96**	**8**	13
Total (B)	**871**	**-**	**92**	**6**	**(11)**	**958**	**760**	**-**	**24**	**2**	**(11)**	**775**	**183**	**111**
Total (A + B)	**18,127**	**3,432**	**472**	**70**	**(1,963)**	**20,138**	**13,572**	**1,772**	**1,008**	**48**	**(1,404)**	**14,996**	**5,142**	**4,555**

3(a)(ii) Other intangible assets

	Gross Block (at cost)						Amortisation						Net Block	
	As at April 1, 2019	Addition on business acquisition	Other additions	Foreign exchange translation adjustments	Deletions / adjustment	As at March 31, 2020	As at April 1, 2019	Accumulated amortisation on business acquisition	For the year	Foreign exchange translation adjustments	Deletions / adjustment	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Computer softwares	3,358	32	408	14	-	**3,812**	3,078	24	386	11	-	**3,499**	**313**	280
Customer contracts	595	964	-	56	-	1,615	595	-	75	56	-	726	889	-
Customer relationships	2,586	7,188	-	241	-	10,015	434	-	340	54	-	828	9,187	2,152
Total	**6,539**	**8,184**	**408**	**311**	**-**	**15,442**	**4,107**	**24**	**801**	**121**	**-**	**5,053**	**10,389**	**2,432**

3(b) Right-of-use assets

	Gross Block (at cost)						Depreciation						Net Block	
	As at April 1, 2019	Addition on business acquisition	Other additions	Foreign exchange translation adjustments	Deletions / adjustment	As at March 31, 2020	As at April 1, 2019	Accumulated depreciation on business acquisition	For the year	Foreign exchange translation adjustments	Deletions / adjustment	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Building	-	768	1,964	70	-	2,802	-	141	644	26	-	811	1,991	-
Total	**-**	**768**	**1,964**	**70**	**-**	**2,802**	**-**	**141**	**644**	**26**	**-**	**811**	**1,991**	**-**

(₹ in lakhs, unless otherwise stated)

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

For previous year ended March 31, 2019

	Gross Block (at cost)					Depreciation					Net Block	
	As at April 1, 2018	Additions	Foreign exchange translation adjustments	Deletions / adjustment	As at March 31, 2019	As at April 1, 2018	For the year	Foreign exchange translation adjustments	Deletions / adjustment	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
a. Own assets :												
Buildings**	4,737	0	(0)	-	**4,737**	1,952	166	(2)	-	**2,116**	**2,621**	2,785
Computers	3,009	228	(41)	(248)	**2,948**	2,615	326	(20)	(247)	**2,674**	**274**	394
Plant and equipment	2,501	100	(3)	(232)	**2,366**	2,194	109	1	(225)	**2,079**	**287**	307
Furniture and fixtures	4,858	266	(2)	(241)	**4,881**	4,411	200	(2)	(241)	**4,368**	**513**	447
Vehicles	247	153	-	(17)	**383**	98	67	-	(17)	**148**	**235**	149
Office equipment	1,779	260	0	(98)	**1,941**	1,391	135	(3)	(96)	**1,427**	**514**	388
Total (A)	**17,131**	**1,007**	**(46)**	**(836)**	**17,256**	**12,661**	**1,003**	**(26)**	**(826)**	**12,812**	**4,444**	**4,470**
b. Leased assets :												
Leasehold land	386	0	(0)	-	**386**	308	3	(0)	-	**311**	**75**	78
Leasehold improvements	374	6	2	(12)	**370**	353	5	0	(12)	**347**	**23**	21
Vehicles	126	-	-	(11)	**115**	106	7	-	(11)	**102**	**13**	20
Total (B)	**886**	**6**	**2**	**(23)**	**871**	**767**	**16**	**1**	**(23)**	**760**	**111**	**119**
Total (A + B)	**18,017**	**1,013**	**(44)**	**(859)**	**18,127**	**13,428**	**1,019**	**(25)**	**(849)**	**13,572**	**4,555**	**4,589**

3(a)(ii) Other intangible assets

	Gross Block (at cost)					Amortisation					Net Block	
	As at April 1, 2018	Additions	Foreign exchange translation adjustments	Deletions / adjustment	As at March 31, 2019	As at April 1, 2018	For the year	Foreign exchange translation adjustments	Deletions / adjustment	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Computer software	2,889	518	(8)	(41)	**3,358**	2,603	522	(16)	(31)	**3,078**	**280**	285
Customer contracts	561	-	34	-	**595**	561	-	34	-	**595**	**-**	-
Customer relationships	2,438	-	148	-	**2,586**	229	194	11	-	**434**	**2,152**	2,209
Total	**5,888**	**518**	**174**	**(41)**	**6,539**	**3,393**	**716**	**29**	**(31)**	**4,107**	**2,432**	**2,494**

** For the year ended March 31, 2020 Buildings include Pune and Chennai property mortgaged as security for loan availed by subsidiary. The mortgage of the Chennai property is pending to be created till date.*

*** For the year ended March 31, 2019 Buildings include Pune property mortgaged as security for loan availed by subsidiary.*

^ During the year ended March 31, 2020, the Pune property has been sublet, accordingly gross block of ₹ 1,134 lakhs and accumulated depreciation of ₹ 613 lakhs has been reclassified as investment property

(₹ in lakhs, unless otherwise stated)

3(c) Goodwill

	As at March 31, 2020	As at March 31, 2019
Carrying value at the beginning	**9,752**	**10,803**
IndigoBlue Impairment	-	(1,792)
Goodwill on business acquisition (Refer note 33)	**56,419**	-
Translation differences including Adjustments	**1,496**	741
Carrying value at the end	**67,667**	**9,752**

Impairment

i) Goodwill having a carrying value of ₹ 9,752 lakhs on Taistech US Group has been allocated to the Mastek US business (CGU) . The estimated value-in-use of this CGU, is based on the present value of the future cash flows using a 3% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 13.20%. An analysis of the sensitivity of the computation to a change in key parameters (Growth rate and discount rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

ii) The Company's wholly owned subsidiary - Mastek (UK) Limited entered into an agreement with its wholly owned subsidiary Indigo Blue Consulting Limited U.K. ("IBCL") to merge (transfer of business, assets and liabilities) in to Mastek (UK) Limited with effect from June 30, 2018. Subsequent to merger, both the founders of IBCL left the company, which resulted in significant deterioration in IBCL business during the fourth quarter of financial year March 31, 2019. Considering the significant drop in order book and customers , management has recognised an impairment loss on IBCL goodwill to the extent of the entire carrying value i.e. ₹ 1,792 lakhs for the financial year March 31, 2019. The recognised impairment loss is shown as an exceptional item in the statement of profit and loss. Refer Note 21.

iii) Translation differences include ₹ NIL (March 31, 2019 ₹ 263 lakhs) being elimination of certain balances relating to the US operations reclassified and adjusted during the year ended March 31, 2020.

iv) Also refer note 33 for goodwill on business combinations during the year ended March 31, 2020.

Non-current assets

3(d). Investment property

	As at March 31, 2020	As at March 31, 2019
(A) Investment property (at cost less accumulated depreciation) *		
Gross block		
Opening	**2**	2
Additions	**1,134**	-
Closing	**1,136**	**2**
Accumulated depreciation		
Opening	**2**	**2**
Depreciation on transfer from property, plant and equipment	**613**	-
Depreciation for the year	**36**	-
Closing	**651**	**2**
Net Block	**485**	**-**

Aggregate amount of investment property

** Fair Value of the investment property as at March 31,2020 is ₹ 4,901 lakhs.*

** During the year ended March 31, 2020, the Pune property has been sublet, accordingly Gross block of ₹ 1,134 lakhs and accumulated depreciation of ₹ 613 lakhs has been reclassified from property, plant and equipment.*

4 Financial assets

a. Investments

	As at March 31, 2020	As at March 31, 2019
(A) Investment in equity instrument (FVOCI) (quoted)		
Investment in Majesco USA	**8,338**	24,596
2,018,192 (March 31, 2019 - 5,044,875),- Equity Shares of US $ 0.002 each, fully paid up		
(B) Investment in share warrant at FVTPL (unquoted):		
Investment in Cashless Technologies India Private Limited	**-**	-
Share warrants (March 31, 2020- 8,000,000, March 31, 2019 - 8,000,000)		
(C) Investment in mutual funds (unquoted):		
Kotak Corporate Bond Fund - Standard Growth (Regular plan)	**468**	430
(17,391 units, March 31, 2019 - 17,391 units)		
ICICI Prudential Corporate Bond Fund - Growth	**1,310**	1,201
(6,291,134 units, March 31, 2019 - 6,291,134 units)		
HDFC Short Term Debt Fund - Regular Plan - Growth	**1,347**	1,229
(5,949,282 units, March 31, 2019 - 5,949,282 units)		
HDFC Ultra Short Term Fund - Reg Growth	**15**	14
(133,410 units, March 31, 2019 - 133,410 units)		
IDFC Low Duration Fund -Growth	**568**	-
(1,987,665 units, March 31, 2019 - Nil units)		
	3,708	2,874

(₹ in lakhs, unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
(D) Investment in bonds at cost (unquoted):		
10.90% bond with Punjab National Bank	50	-
9.21% bond with Punjab & Sind Bank	56	-
	106	**-**
(E) Investment in term deposit at cost (unquoted):		
Term deposit with PNB Housing Finance Corporation Limited	-	500
Term deposit with Ujjivan Small Finance Bank Limited	-	250
Term deposit with Bank of India	30	-
	30	**750**
Total (A + B + C+ D + E)	**12,182**	**28,220**
Aggregate market value of quoted investments (A)	**8,338**	**24,596**
Aggregate market value of unquoted investments (B+C+D+E)	**3,844**	**3,624**

b. Loans

	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good		
Security deposits	190	181
	190	181

c. Other financial assets

	As at March 31, 2020	As at March 31, 2019
Advances to employees	38	-
Margin money deposit	421	-
Foreign exchange forward contract	-	147
	459	**147**

5 Other non-current assets

	As at March 31, 2020	As at March 31, 2019
Capital advances	8	5
Prepaid expenses	15	2
Other loans and advances		
Other advances	96	57
	119	**64**

(₹ in lakhs, unless otherwise stated)

Current assets

6 Financial assets

a. Investments

		As at March 31, 2020		As at March 31, 2019	
		Units	Amount	Units	Amount
(i)	**Investment in mutual funds**				
	Investment in mutual funds at FVTPL (unquoted):				
	Baroda Pioneer Liquid Fund - Plan A - Growth	-	-	3,749	80
	Aditya Birla Sun Life Liquid Fund - Regular - Growth	194,879	617	219,117	655
	Axis Liquid Fund - Growth	1,358	30	5,448	113
	UTI Liquid Fund Cash Plan -IP	-	-	13,345	407
	Kotak Liquid Scheme	1,390	56	-	-
	HDFC Liquid Fund - Growth	995	39	-	-
	Aditya Birla Sun Life Money Manager Fund-Regular	391,113	1,053	295,823	740
	ICICI Prudential Money Market Fund - Regular Growth	143,812	399	85,055	220
	ICICI Prudential Liquid Fund - Regular - Growth	109,722	321	-	-
	Kotak Money Market Scheme-Regular-Growth	55,783	1,841	-	-
	HDFC Money Market Fund-Growth	43,145	1,801	-	-
	Kotak Liquid Fund	-	-	9,658	364
	UTI Money Market Fund IP -Growth	5,876	132	26,392	554
	IDFC Cash Fund -Growth- Regular Plan	9,882	236	12,247	277
	Aditya Birla Sun Life Overnight Fund - Growth	10,754	116	-	-
	SBI Debt Fund Series - C - 15 (91 Days) - Regular Growth	-	-	1,000,000	103
	Total (A)		**6,641**		**3,513**
	Investment in mutual funds at FVOCI (unquoted):				
	UTI Short Term Income Fund	-	-	1,343,569	302
	Kotak Corporate Bond Fund Standard Growth (Regular Plan)	41,894	1,127	41,894	1,035
	IDFC Corporate Bond Fund Regular Plan Growth	1,499,617	207	1,499,617	191
	Kotak Low Duration Fund -Growth	-	-	45,658	1,043
	Birla Sun Life Floating Rate Fund - Long Term Plan - Regular - Growth	122,776	305	122,776	282
	ICICI Prudential Saving fund	459,480	1,780	459,480	1,648
	Kotak Savings Fund-Growth	2,017,768	648	2,017,768	604
	UTI Treasury Advantage Fund Institutional Plan - Growth	-	-	31,134	803
	Total (B)		**4,067**		**5,908**
(ii)	**Investment in term deposit (unquoted):**				
	Term deposit with PNB Housing Finance Limited		700		-
	Term deposit with Ujjivan Small Finance Bank Limited		250		-
	Term deposit with HDFC Limited		1,100		1,975
	Term deposit with Standard Chartered Bank Limited		25		-
	Term deposit with LIC Housing Finance Limited		250		-
	Term deposit with Bajaj Finance Limited		400		-
	Term deposit with Commercial Bank of Dubai		1,597		-
	Term deposit with Axis Bank		337		-
	Term deposit with ICICI Bank		1		-
	Term deposit with Bank of America		8		-
	Total (C)		**4,668**		**1,975**
	Aggregate amount of unquoted investments in mutual funds (A + B)		10,708		9,421
	Aggregate amount of unquoted investment in term deposits (C)		4,668		1,975
	Grand Total		**15,376**		**11,396**

(₹ in lakhs, unless otherwise stated)

b. Trade receivables

	As at March 31, 2020	As at March 31, 2019
Unsecured		
Considered Good	**31,572**	20,849
Considered Doubtful	**4,493**	355
Less: Allowance for doubtful debts	**(4,493)**	(355)
	31,572	**20,849**

c. Cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
(i). Cash and cash equivalents		
Cash on hand	**62**	1
Bank balances		
In current accounts	**14,326**	2,508
Fixed deposits	**7,645**	**6,786**
	22,033	**9,295**
(ii). Bank balances, other than cash and cash equivalents		
Bank balances in unclaimed dividend account	**64**	44
	64	**44**

d. Loans

	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good		
Security deposits	**218**	46
	218	46

e. Other financial assets

	As at March 31, 2020	As at March 31, 2019
Advances to employees	**154**	142
Interest accrued on fixed deposits	**152**	94
Deposits	**384**	1
Rent receivables	**100**	-
Reimbursable expenses receivable	**58**	30
Foreign exchange forward contract	**30**	202
Research and development credit receivable	**1,377**	1,394
Other loans and advances	**21**	-
	2,276	**1,863**

(₹ in lakhs, unless otherwise stated)

7 Other current assets

	As at March 31, 2020	As at March 31, 2019
Unbilled revenue	**13,054**	3,590
Prepaid expenses	**622**	429
Input tax credit receivable	**857**	564
Advances to suppliers	**142**	236
Prepaid rent	**18**	19
Interest accrued on income tax refunds	**110**	109
Others	**110**	-
	14,913	**4,947**

8 Equity share capital

	As at March 31, 2020	As at March 31, 2019
Authorised:		
40,000,000 (March 31, 2019: 40,000,000) equity shares of ₹ 5/- each	**2,000**	2,000
2,000,000 (March 31, 2019: 2,000,000) preference shares of ₹ 100/- each	**2,000**	2,000
	4,000	**4,000**
Issued, subscribed and fully paid up :		
24,289,472 (March 31, 2019: 23,972,803) equity shares of ₹ 5/- each fully paid	**1,214**	1,199
	1,214	**1,199**

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Balance as at the beginning of the year	**23,972,803**	**1,199**	23,692,056	1,185
Add: On account of exercise of employee stock option plans	**316,669**	**15**	280,747	14
Balance as at the end of the year	**24,289,472**	**1,214**	**23,972,803**	**1,199**

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a face value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors 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.

(₹ in lakhs, unless otherwise stated)

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

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% of holding	No. of shares	% of holding
Ashank Desai	**3,099,552**	**12.8%**	3,099,552	12.9%
Sudhakar Ram	**1,588,680**	**6.5%**	1,588,680	6.6%
Ketan Mehta	**2,274,100**	**9.4%**	2,274,100	9.5%
Radhakrishnan Sundar	**1,340,800**	**5.5%**	1,340,800	5.6%
IDFC Mutual Fund*	-	-	1,235,237	5.2%

** Shareholding as at March 31,2020 is reduced to less than 5%.*

(d) Shares reserved for issue under options

	As at March 31, 2020	As at March 31, 2019
Number of shares to be issued under the employee stock option plans (Refer Note 31)	**1,975,692**	2,204,419

9 Other equity

		As at March 31, 2020	As at March 31, 2019
a)	**Capital reserve**	**21**	21
	Any profit or loss on purchase, sale, issue or cancellation of the company's own equity instrument is transferred to capital reserve		
b)	**Capital redemption reserve**	**1,539**	1,539
	Non-distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares.		
c)	**Securities premium**	**2,716**	2,255
	Amount received (on issue of shares) in excess of the face value has been classified as securities premium		
d)	**Share options outstanding account (net of taxes)**	**2,087**	1,818
	The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to securities premium upon exercise of stock options by employees. In case of forfeiture, corresponding balance is transferred to retained earnings.		
e)	**General reserve**	**362**	362
	This represents appropriation of profit by the company		
f)	**Retained earnings**	**65,404**	41,994
	Retained earnings comprises of the prior year's undistributed earning after taxes increased by undistributed profits for the year		

(₹ in lakhs, unless otherwise stated)

		As at March 31, 2020	As at March 31, 2019
g)	**Foreign currency translation reserve**	**(821)**	(1,552)
	Exchange difference relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.		
h)	**Equity instrument through other comprehensive income**	**7,419**	22,944
	Changes in the fair value of equity instruments is recognised in equity instruments through other comprehensive income (net of taxes), and presented within equity		
i)	**Other items of other comprehensive income**	**1,055**	1,060
	Other items of other comprehensive income consist of FVOCI financial assets and financial liabilities and remeasurement of defined benefit assets and liability		
j)	**Equity Shares proposed to be issued (Refer note 33)**	**19,169**	-
k)	**Put option written on Non-Controlling Interest (Refer note 33)**	**(21,119)**	-
	Other equity	**77,832**	70,441
l)	**Non-Controlling Interest (preference shares proposed to be issued) (Refer note 33)**	**13,705**	-
		91,537	**70,441**

9.1 Distributions made and proposed

The Board of Directors at its meeting held on April 16, 2019 had recommended a final dividend of 100% (₹ 5 per equity share of face value of ₹ 5 each). The proposal was approved by shareholders at the Annual General Meeting held on July 23, 2019. This has resulted in a cash outflow of ₹ 1,210 lakhs, inclusive of dividend distribution tax. Also, the Board of Directors at its meeting held on October 17, 2019 had declared an interim dividend of 60% (₹ 3 per equity share of face value of ₹ 5 each). Further, the Board of Directors at its meeting held on March 17, 2020 had declared an interim dividend of 100% (₹ 5 per equity share of face value of ₹ 5 each).

Non-current Liabilities

10 Financial liabilities

a. Borrowings

	As at March 31, 2020	As at March 31, 2019
Secured		
Term loan from Standard Chartered bank (Refer note (a) below)	**5,260**	6,790
Term loan from Citi bank NA (Refer note (b) below)	**18,701**	-
Vehicle loans from bank (Refer note (c) below)	**124**	131
	24,085	**6,921**

(₹ in lakhs, unless otherwise stated)

Nature of security			
	Nature of security		**Terms of repayment**
(a)	(i)	Secured by floating charges on Receivables of Mastek (UK) Ltd and their proceeds.	Payment in eight equal half yearly installments over a period of five years starting after the end of 18 months from the date of disbursement of loan i.e. October 2018 along with interest at 6 months LIBOR + 150 basis points Rate of interest @ 2.35 % p.a. as at year end (March 31, 2019 : 2.45 % p.a.)
	(ii)	Secured by mortgage of Pune property of Mastek Limited.	
	(iii)	Secured by corporate guarantee of GBP 17 million given by the company.	
(b)	(i)	Secured by floating charges on Receivables of Mastek (UK) Ltd and their proceeds (the charge is pending to be created till date).	Payment in eight equal half yearly installments over a period of five years starting after the end of 18 months from the date of disbursement of loan i.e. March 2020 along with interest at 1 month LIBOR + 190 basis points Rate of interest @ 2.14% - 2.41 % p.a. as at year end (March 31, 2019 : NIL)
	(ii)	Secured by mortgage of Chennai property of Mastek Limited (the mortgage is pending to be created till date).	
	(iii)	Secured by corporate guarantee of GBP 28 million given by the company.	
(c)	Loans from bank are secured by hypothecation of assets (Vehicles) purchased there against		Monthly payment of Equated monthly installments beginning from the month subsequent to taking the loan along with interest at 8.75% per annum is payable till May 2024.

b. Other financial liabilities

	As at March 31, 2020	As at March 31, 2019
Security and other deposits	127	3
Put option written on Non-Controlling Interest (Refer note 33)	21,119	-
Lease liability (Refer note 32)	1,243	-
Foreign exchange forward contract	57	-
	22,546	**3**

11 Provisions

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Provision for gratuity (Refer note 23(a))	1,080	333
Provision for other defined benefits (Refer note 23(b))	508	-
Provision for leave entitlement	628	558
Other provisions		
Provision for cost overrun on contracts*	320	275
	2,536	**1,166**

**Movement of provision during the year*

Particulars	March 31, 2020	March 31, 2019
Balance as at beginning of the year	275	26
Add: Provision during the year	45	249
Balance as at end of the year	**320**	**275**

(₹ in lakhs, unless otherwise stated)

Current liabilities

12 Financial liabilities

a. Borrowings

	As at March 31, 2020	As at March 31, 2019
Secured:		
Loan from Citi bank NA (Refer note 10(b) above, for security)	7,480	-
	7,480	**-**

b. Other financial liabilities

	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term loan (Refer note 10 (a) above, for security)	1,753	-
Current maturities of vehicle loan from bank (Secured) (Refer note 10 (c) above, for security)	54	39
Lease liability (Refer note 32)	857	-
Interest accrued but not due on borrowings	92	77
Unclaimed dividends (Refer note (a) below)	64	44
Security and other deposits	2	2
Other payables		
Employee benefits payable	6,808	3,281
Accrued expenses	7,370	5,422
Contingent consideration payable on business acquisition	0	1,685
	17,000	**10,550**

Note:

(a) There is no amount due for payment to Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2020.

13 Other current liabilities

	As at March 31, 2020	As at March 31, 2019
Contract liabilities	4,791	156
Statutory dues (including stamp duty, provident fund and tax deducted at source)	4,590	3,318
Deferred rent	47	-
Others	52	91
	9,480	**3,565**

14 Provisions

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Provision for leave entitlement	1,084	575
	1,084	**575**

(₹ in lakhs, unless otherwise stated)

15 Revenue from operations

	For the year ended March 31, 2020	For the year ended March 31, 2019
Information technology services	**1,06,993**	1,03,098
Other operating revenue	**155**	223
	1,07,148	**1,03,321**

Disaggregated Revenue

The table below presents disaggregated revenues from contracts with customers by customer location and service line for each of the business segments. Company believe this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Revenue by geography

	For the year ended March 31, 2020	For the year ended March 31, 2019
UK	**77,240**	76,361
North America	**24,886**	25,275
Middle East	**2,354**	-
Others	**2,668**	1,685
	1,07,148	**1,03,321**

Revenue by service line

	For the year ended March 31, 2020	For the year ended March 31, 2019
Application Development	**45,464**	48,917
Digital Commerce	**22,453**	23,914
Application Support & Maintenance	**17,495**	14,394
Oracle Suite and Cloud Migration	**8,694**	-
BI & Analytics	**8,230**	8,899
Agile Consulting	**1,842**	3,109
Assurance & Testing	**2,970**	4,088
	1,07,148	**1,03,321**

Remaining performance obligation

As of March 31, 2020, the aggregate amount of transaction price allocated to remaining performance obligations, was ₹ 59,830 lakhs of which approximately 96% is expected to be recognised as revenues within 3 years. (March 31, 2019 ₹ 7,220 lakhs)

(₹ in lakhs, unless otherwise stated)

16 Other income

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income - On fixed deposits	**354**	115
- On income tax refunds	**-**	110
- On others	**4**	41
Profit on sale of current investments	**667**	726
Rental income	**264**	202
Profit on sale of property, plant and equipment, net	**-**	46
Net gain on foreign currency transactions and translation	**1,373**	23
Dividend Income from current investment	**6**	-
Research & Development credit	**1,293**	1,119
Others	**169**	96
	4,130	**2,478**

17 Employee benefits expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and performance incentives	**52,666**	53,033
Gratuity (Refer note 23(a))	**321**	262
Other Defined Benefits (Refer note 23(b))	**3**	-
Contribution to provident and other funds	**3,026**	3,118
Employee stock compensation expenses	**991**	773
Staff welfare expense	**1,407**	1,531
	58,414	**58,717**

18 Finance costs

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on term loan	**177**	247
Interest on lease liabilities		
Finance lease	**15**	13
Operating lease (Refer note 32)	**97**	-
Bank charges	**30**	116
Other finance charges*	**43**	237
	362	**613**

**This includes interest on fair value of contingent consideration for the year ended March 31, 2020 and March 31, 2019*

(₹ in lakhs, unless otherwise stated)

19 Depreciation and amortisation expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Property, plant and equipment	**1,008**	1,019
Right-of-use assets	**644**	-
Investment property	**36**	-
Intangible assets	**801**	716
	2,489	**1,735**

20 Other expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Recruitment and training expenses	**707**	587
Travelling and conveyance	**3,899**	3,207
Communication charges	**364**	365
Electricity	**250**	280
Consultancy and sub-contracting charges	**22,028**	20,606
Purchase of hardware and software	**477**	17
Rates and taxes	**355**	299
Repairs to buildings	**524**	479
Repairs - others	**636**	574
Insurance	**200**	249
Printing and stationery	**64**	83
Professional fees	**1,575**	2,100
Rent	**421**	903
Advertisement and publicity	**659**	662
Provision for doubtful debts and loans and advances	**144**	118
Hire Charges	**100**	102
Provision for cost overrun on contracts, net (Refer note 11)	**45**	248
Expenditure towards corporate social responsibility (CSR) activities	**148**	120
Loss on sale of property, plant and equipment, net	**19**	-
Miscellaneous expenses	**583**	451
	33,198	**31,450**

21 Exceptional Items - (loss)/gain, net

		For the year ended March 31, 2020	For the year ended March 31, 2019
a.	Provision for restructuring cost	**-**	(842)
b.	Impairment loss on Goodwill	**-**	(1,792)
c.	Fair value of contingent consideration	**194**	2,689
d.	Legal and professional cost on acquisition	**(719)**	-
e.	Others - Provision for doubtful debts	**(1,882)**	-
		(2,407)	**55**

(₹ in lakhs, unless otherwise stated)

a. Provision for restructuring cost

Based on the performance of a portion of its US operations, the Group, during the year ended March 31, 2019, decided to carry out a restructuring plan of its activities and related management. The Board had approved the formal restructuring plan vide their meeting dated February 7, 2019. The amounts recognised relate mainly to the compensation paid / expected to be paid and other attributable costs and provisions.

b. Impairment loss on goodwill

The Company had recognised Goodwill on the acquisition of IndigoBlue Consulting Limited (IBCL) during the year ended March 31, 2016. During the year ended March 31, 2019 the Company has provided for impairment loss against the entire goodwill on account of loss of revenue and earnings triggered by the exit of the founders and customers of IBCL. [Refer note 3(c)].

c. Fair value of contingent consideration written back

During the year ended March 31, 2017, the Company had acquired Trans American Information Systems Inc (TA USA) and Taistech LLC (TA LLC) for which contingent consideration payable as at March 31, 2018, March 31, 2019 and March 31, 2020 aggregated ₹ 5,698 lakhs , ₹ 1,685 lakhs and ₹ NIL respectively . On account of these operations achieving lower than the expected targets of revenue and earnings, the amount no longer payable has been written back during the year.

d. Legal and Professional Cost

Legal and professional cost relates to a business combination consummated during the quarter ended March 2020. (Refer note 33).

e. Others

Certain customers in India and US were facing financial difficulty, considering the same amount outstanding as on March 31, 2020 was provided for.

22 Earnings Per Share (EPS)

		For the year ended March 31, 2020	For the year ended March 31, 2019
The components of basic and diluted earnings per share for total operations are as follows:			
(a)	Net income attributable to equity shareholders	**10,886**	10,147
(b)	Weighted average number of outstanding equity shares		
	Considered for basic EPS	**24,077,384**	23,811,435
	Add : Effect of dilutive potential equity shares arising from outstanding stock options	**1,281,709**	1,354,799
	Considered for diluted EPS	**25,359,093**	25,166,234
(c)	Earnings per share (net of taxes) in ₹ (Face value per share ₹ 5/- each)		
	Basic	**45.21**	42.61
	Diluted	**42.93**	40.32

(₹ in lakhs, unless otherwise stated)

23 Employee benefit plans

(a) Defined benefit plans

Defined benefit plans includes Gratuity as per Indian law and a similar benefit plan in foreign jurisdiction.

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity cost		
Service cost	301	265
Net interest on net defined liability/(asset)	20	(3)
Past service cost	-	-
Net gratuity cost	321	262
Actuarial (loss) charged to Other Comprehensive Income	(48)	(10)
Assumptions		
Interest rate	6.5%-7.77%	7.3%-7.9%
Salary increase	6%-10%	10.0%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Mortality rate is considered as per the published rates under the Indian Assured Lives Mortality (2012-14) Ult table. Attrition rate varies between 10% to 21%.

The following table sets out the status of gratuity plan

Particulars	As at March 31, 2020	As at March 31, 2019
Obligation at the beginning of the year	2,147	1,905
Add: Balance transferred on account of acquisition	409	-
Service cost	301	265
Past service cost	-	-
Interest cost	146	138
Actuarial loss - financial assumptions	146	58
Actuarial (gain) - experience	(95)	(63)
Actuarial (gain)- demographic assumptions	-	0
Benefits paid*	(260)	(156)
Obligation at the end of the year	2,794	2,147
Change in plan assets		
Plan assets at the beginning of the year, at fair value	1,814	1,837
Employer contribution	23	7
Interest income on plan assets	126	141
Remeasurement on plan assets less interest on plan assets	6	(15)
Benefits paid	(255)	(156)
Plan assets at the end of the year, at fair value	**1,714**	**1,814**

* Includes payment of ₹ 5 lakhs for unfunded benefits

(₹ in lakhs, unless otherwise stated)

Historical information

Particulars	As at				
	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Present value of defined benefit obligation	**2,794**	2,147	1,905	2,017	1,765
Fair value of plan assets	**1,714**	1,814	1,837	1,855	1,794
Liability / (asset) recognised	**1,080**	333	68	162	(29)

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligations are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Experience adjustment on plan liabilities - loss /(gain)	**51**	(5)
Experience adjustment on plan assets - (gain) /loss	**(6)**	15
Other adjustment	**3**	-

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate(50 bps)	**(110)**	**125**	(67)	71
Salary Growth(50 bps)	**114**	**(103)**	67	(64)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2020	As at March 31, 2019
1 year	**417**	408
2 year	**265**	262
3 year	**295**	236
4 year	**252**	224
5 year	**228**	234
6 year	**222**	191
7 year	**208**	188
8 year	**222**	185
9 year	**188**	184
10 years and beyond	**3,629**	1,825

i) The Company has setup an income tax approved irrevocable trust fund to finance the plan liability for funded benefits. The trustees of the trust fund are responsible for the overall governance of the plan. Expected contribution to the Fund in FY 2020-21 is ₹ 230 lakhs (FY 2019-20 - ₹ 230 lakhs).

ii) Plan assets are investment in unquoted insurer managed fund

(b) Other benefit plans in foreign jurisdiction

The following table sets out the status of other benefit plans

Particulars	As at March 31, 2020
Balance transferred on account of acquisition	475
Add: Service cost, net of benefits paid	3
Add: Foreign exchange translation adjustments	30
Closing balance of other benefit plans	508
Assumptions	
Interest rate	2.5%-2.9%
Salary increase	4%

(c) Defined contribution plan

The Group contributed ₹ 3,026 lakhs for the year ended March 31, 2020 (₹ 3,118 lakhs March 31, 2019) for the defined contribution plan. Out of the total contributions, an amount of ₹ 2,504 lakhs for the year ended March 31, 2020 (₹ 2,625 lakhs March 31, 2019) is contributed in foreign jurisdictions as per applicable local laws.

24 Income taxes

a) Income tax (credit) / expense in the statement of profit and loss consists of:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax	4,081	3,419
Income tax relating to earlier years	37	(98)
Deferred tax	(1,091)	(129)
Income tax expense recognised in the statement of profit and loss	**3,027**	**3,192**
Income tax (credit) / expense recognised in other comprehensive income:	**(13)**	**345**

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	14,408	13,339
Enacted income tax rate in India	29.1%	29.1%
Computed expected tax expense	4,196	3,884
Effect of:		
Income tax charge/write back for earlier years	37	(98)
Expenses that are not deductible in determining taxable profit	(10)	382
Tax on income at different tax rates as per respective jurisdictions	(1,269)	(1,051)
Others	73	75
Total income tax expense recognised in the statement of profit and loss	**3,027**	**3,192**

(₹ in lakhs, unless otherwise stated)

c) Deferred tax assets/ (liabilities) in relation to:

Particulars	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment	130	275
Provision for doubtful debts	632	75
Liabilities relating to employee benefits and bonus	552	295
Net gain on fair value of mutual funds	(321)	(228)
MAT Credit entitlement	1,975	2,130
Undistributed Profits of Subsidiaries	(826)	(1,375)
Cash flow hedges	(6)	(101)
Employee share based plan	276	204
Excess tax benefits from exercise of share-based options (OCI)	(122)	289
Others	13	30
Total	**2,303**	**1,594**

25 Related Party Disclosures

Key Management Personnel (KMP):	Sudhakar Ram , Vice Chairman and Managing Director
	John Owen, Group Chief Executive Officer
	Abhishek Singh, Group Chief Financial Officer
	Atul Kanagat, Non Executive Director
	Ashank Desai, Non Executive Director
	Keith Selwyn Bogg, Non Executive Director (Upto October 15, 2019)
	Priti Rao, Non Executive Director
	S. Sandilya, Non Executive Director
	Rajeev Grover, Non Executive Director (From January 28, 2020)
	Dinesh Kalani, Company Secretary
Enterprise where KMP has control:	Cashless Technologies India Private Limited

i) Transaction with key managerial person

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and other employee benefits*	862	894
Share based payment transactions	37	159
Director sitting fees	86	80
Director commission paid	30	26
Professional fees	-	2
Total compensation paid to key management personnel	1,015	1,162

**Does not include post-employment benefits based on actuarial valuation as this is computed for the company as a whole.*

(₹ in lakhs, unless otherwise stated)

26 Segment reporting

The CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by geographical information. Accordingly, segment information has been presented for geographies where group operates.

The organisational and reporting structure of the Group is based on geographical concept. Geographies are the operating segments for which separate financial information is available and for which operating results are evaluated regularly by CODM in deciding how to allocate resources and in assessing performance. The Group's primary reportable segments consist of four different geographies which are based on the risks and returns in different geographies and the location of the customers: North America Operations, UK Operations, Middle-East and Others.

Income and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain income and expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The management therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as "unallocated" and directly charged against total income.

CODM does not review assets and liabilities at reportable segment level hence segment disclosure relating to total assets and liabilities has not been provided. Geographical information on revenue and industry revenue information is collated based on individual customers invoices or in relation to which the revenue is otherwise recognised.

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Segment Revenue		
UK & Europe operations	**77,240**	76,361
North America operations	**24,886**	25,275
Middle East	**2,354**	-
Others	**2,668**	1,685
Revenue from operations	**1,07,148**	**1,03,321**

Segment Results profit before exceptional item, tax and finance cost

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Segment Results profit before exceptional item, tax and finance cost		
UK & Europe operations	**13,074**	12,690
North America operations	**2,117**	709
Middle East	**628**	-
Others	**(1,289)**	(447)
Total	**14,530**	**12,952**
Less : i Finance costs	**362**	613
Less : ii Other un-allocable expenditure net of un-allocable (income)	**(2,647)**	(945)
Profit from ordinary activities after finance costs but before exceptional Items	**16,815**	**13,284**
Exceptional items - (loss) / gain, net (Refer note 21)		
UK operations	**-**	(1,792)
North America operations	**(1,037)**	1,847
Others	**(1,370)**	-
Exceptional (loss) / gain, net	**(2,407)**	**55**
Profit before tax	**14,408**	**13,339**

(₹ in lakhs, unless otherwise stated)

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 as net of unallocable expenditure.

The accounting policies consistently used in the preparation of the consolidated financial statements are also applied to item of revenue and expenditure in individual segment.

27 Financial instrument

The carrying value and fair value of financial instruments by categories as at March 31, 2020 and March 31, 2019 as follows:

Particulars	Carrying Value		Fair Value	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial assets				
Amortised cost				
Loans	408	227	408	227
Trade receivables (net of provisions)	31,572	20,849	31,572	20,849
Cash and cash equivalents	22,033	9,295	22,033	9,295
Other bank balance	64	44	64	44
Other assets	2,705	1,661	2,705	1,661
Investment in Bond (unquoted)	106	-	106	-
Investment in term deposit (unquoted)	4,698	2,725	4,698	2,725
FVOCI				
Investment in mutual fund (unquoted)	7,775	8,782	7,775	8,782
Derivative assets	30	349	30	349
Investment in equity shares (quoted)	8,338	24,596	8,338	24,596
FVTPL				
Investment in liquid fund (unquoted)	6,641	3,513	6,641	3,513
Total assets	**84,370**	**72,041**	**84,370**	**72,041**
Financial liabilities				
Amortised cost				
Loans and borrowings	33,372	6,960	33,372	6,960
Lease liabilities	2,100	-	2,100	-
Trade payables	10,539	948	10,539	948
Other liabilities	14,463	8,752	14,463	8,752
FVOCI				
Derivative liabilities	21,176	-	21,176	-
FVTPL				
Contingent consideration	0	1,685	0	1,685
Total liabilities	**81,650**	**18,345**	**81,650**	**18,345**

(₹ in lakhs, unless otherwise stated)

28 Fair Value Hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2020 and March 31, 2019.

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2020:

Particulars	Date of valuation	Total	Fair value measuring using		
			Level 1	Level 2	Level 3
Financial assets measuring at fair value					
Derivative assets					
Foreign exchange forward contract	March 31, 2020	30	-	30	-
FVOCI financial assets designated at fair value					
Investment in equity instrument	March 31, 2020	8,338	8,338	-	-
Investment in mutual funds	March 31, 2020	7,775	7,775	-	-
FVTPL financial assets designated at fair value					
Investment in liquid funds	March 31, 2020	6,641	6,641	-	-
Financial liabilities measuring at fair value					
Derivative liabilities					
Derivative instrument (Put option)	March 31, 2020	21,119	-	-	21,119
Foreign exchange forward contract	March 31, 2020	57	-	57	-
Financial liabilities designated at FVTPL					
Contingent consideration	March 31, 2020	0	-	-	0

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2019:

Particulars	Date of valuation	Total	Fair value measuring using		
			Level 1	Level 2	Level 3
Financial assets measuring at fair value					
Derivative assets					
Foreign exchange forward contract	March 31, 2019	349	-	349	-
FVOCI financial assets designated at fair value					
Investment in equity instrument	March 31, 2019	24,596	24,596	-	-
Investment in mutual fund	March 31, 2019	8,782	8,782	-	-
FVTPL financial assets designated at fair value					
Investment in liquid fund	March 31, 2019	3,513	3,513	-	-
Financial liabilities designated at FVTPL					
Contingent consideration	March 31, 2019	1,685	-	-	1,685

29 Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's management oversees the management of these risk and formulates the policies, the Board of Directors and Audit Committee reviews and approves policies for managing each of these risks, which are summarised below:

Market Risk: Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices. The primary market risk to the Group is foreign exchange risk.

Foreign Currency Risk

The Group's exposure to risk of change in foreign currencies exchange rates arising from foreign currency transactions, is primarily with respect to the currencies which are not fixed. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The counter parties of these derivative instruments are primarily a bank. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivative for speculative purposes may be undertaken.

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

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

Designated derivative instrument

	As at March 31, 2020	As at March 31, 2019
Forward contract (Notional amount in GBP lakhs)	**161**	127
Number of contracts	**237**	152
Fair value in ₹ lakhs	**235**	349
Forward contract (Notional amount in USD lakhs)	**83**	-
Number of contracts	**136**	-
Fair value in ₹ lakhs	**(250)**	-

Non-designated derivative instrument

	As at March 31, 2020	As at March 31, 2019
Forward contract (Notional amount in USD lakhs)	**4**	-
Number of contracts	**4**	-
Fair value in ₹ lakhs	**(12)**	-

Forward Contracts covers part of the exposure during the period April 2019 -January 2024

(₹ in lakhs, unless otherwise stated)

Mark-to-Market gains / (losses)

	As at March 31, 2020	As at March 31, 2019
Opening balance of Mark-to-market gains receivable on outstanding derivative contracts	**349**	(746)
Less: Reclassified from Hedging reserve account to statement of profit and loss	**(395)**	(19)
Add: Changes in the fair value of designated derivative instrument recognised in OCI	**31**	1,114
Add: Changes in the fair value of non-designated derivative instrument recognised in statement of profit and loss	**(12)**	-
Closing balance of Mark-to-market (losses)/gains receivable on outstanding derivative contracts	**(27)**	**349**
Disclosed under:		
Other current financial asset (Refer note 6(e))	**30**	202
Other non-current financial asset (Refer note 4(c))	**-**	147
Other non-current financial liabilities (Refer note 10(b))	**(57)**	-
	(27)	**349**

Non-Derivative Financial Instruments

The following table presents foreign currency risk from non- derivative financial instrument as of March 31, 2020 and March 31, 2019.

Currency	As at March 31, 2020					
	Amount in respective foreign currencies (in lakhs)			Amount (in ₹ lakhs)		
	Financial assets	Financial liabilities	Net assets / (liabilities)	Financial assets	Financial liabilities	Net assets / (liabilities)
INR	-	(16)	(16)	-	(16)	(16)
GBP	7	(0)	7	626	(6)	620
USD	66	(8)	57	4,961	(612)	4,349
EURO	10	(0)	10	813	(7)	806
AED	-	(212)	(212)	-	(4,364)	(4,364)
AUD	1	-	1	44	-	44
QAR	5	-	5	110	-	110
BHD	0	-	0	16	-	16
SGD	-	-	-	-	-	-
PHP	9	-	9	14	-	14
Total (in INR)				6,584	(5,005)	1,579

Currency	As at March 31, 2019					
	Amount in respective foreign currencies (in lakhs)			Amount in ₹ lakhs		
	Financial assets	Financial liabilities	Net assets / (liabilities)	Financial assets	Financial liabilities	Net assets / (liabilities)
GBP	17	-	17	1,578	-	1,578
USD	11	(0)	11	781	(20)	761
EURO	4	-	4	307	-	307
Total (in INR)				**2,666**	**(20)**	**2,646**

As at March 31, 2020 and March 31, 2019 respectively, every 1% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact results by approximately ₹ 16 lakhs and ₹ 26 lakhs respectively.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counter party credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment and accordingly the Group accounts for expected credit loss. No single customer contributes for more than 10% of outstanding total accounts receivables as at March 31, 2020 and March 31, 2019.

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Percentage of revenue from top customer	15%	12%
Percentage of revenue from top 5 customers	39%	41%

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Group has unutilised credit limits with banks. The Group's corporate treasury department is responsible for managing and monitoring liquidity, funding as well as its settlement. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group's net liquidation through rolling forecast on the basis of expected cash flows.

The Working Capital position of the Group is given below

Particulars of current financial assets	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalent	22,033	9,295
Other bank balances	64	44
Investment in mutual fund	10,708	9,421
Investment in term deposit	4,668	1,975
Total	**37,473**	**20,735**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2020 and March 31, 2019:

Particulars	As at March 31, 2020	
	Less than 1 Year	1 Year and above
Borrowing	9,287	24,085
Trade payable	10,539	-
Other financial liability	15,193	22,546

(₹ in lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	
	Less than 1 Year	1 Year and above
Borrowing	39	6,921
Trade payable	948	-
Other financial liability	10,511	3

30 Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

Particulars	As at March 31, 2020	As at March 31, 2019
Total Equity attributable to the Equity Share Holders of Group	**92,751**	**71,640**
Equity capital as a percentage of total capital	**74%**	91%
Current borrowing	**9,287**	39
Non-current borrowing	**24,085**	6,921
Total loan and borrowing	**33,372**	**6,960**
Borrowing as a percentage of total capital	**26%**	9%
Total Capital(borrowing and equity)	**1,26,123**	**78,600**

The Group is predominantly equity financed which is evident from capital structure table. Further, the Group has always been a net cash positive with cash and bank balances along with current financial assets which predominantly includes investment in liquid and short term mutual funds are in excess of debt.

31 Employee stock based compensation

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 vesting period of stock options will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	No. of share options	Weighted average Exercise price	No. of share options	Weighted average Exercise price
Outstanding options,beginning of the year	**7,500**	**88**	45,651	97
Granted during the year	-	-	-	-
Exercised during the year	-	-	(3,543)	112
Lapsed/Cancelled during the year	**(7,500)**	**88**	(34,608)	97
Outstanding options, end of the year	-	-	7,500	88
Options exercisable,end of the year	-	-	7,500	88

for the year ended March 31, 2020 (₹ in lakhs, unless otherwise stated)

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 vesting period of stock options will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	No. of share options	Weighted average Exercise price	No. of share options	Weighted average Exercise price
Outstanding options,beginning of the year	37,225	69	54,725	71
Granted during the year	-	-	-	-
Exercised during the year	(5,000)	80	(15,000)	80
Lapsed/Cancelled during the year	-	-	(2,500)	47
Cancelled revoked during the year	-	-	-	-
Outstanding options, end of the year	32,225	68	37,225	69
Options exercisable,end of the year	32,225	68	37,225	69

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 vesting period of stock options will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	No. of share options	Weighted average Exercise price	No. of share options	Weighted average Exercise price
Outstanding options,beginning of the year	621,071	77	801,041	80
Granted during the year	-	-	-	-
Exercised during the year	(182,069)	63	(128,990)	76
Lapsed/Cancelled during the year	(11,494)	134	(50,980)	127
Outstanding options, end of the year	427,508	82	621,071	77
Options exercisable,end of the year	427,508	82	576,818	69

iv) Plan VII

The Company introduced a new scheme in 2013 for granting 2,500,000 stock options to its employees and employees of its subsidiaries, each option giving a right to apply for one equity share of the Company.

The vesting period of stock option will range from one year to four years from the date of grant. The stock options are exercisable within a period of seven years from the date of vesting.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	No. of share options	Weighted average Exercise price	No. of share options	Weighted average Exercise price
Outstanding options,beginning of the year	1,538,623	102	1,423,221	133
Granted during the year	170,750	5	386,000	5
Exercised during the year	(129,600)	70	(133,214)	133
Lapsed/cancelled during the year	(63,814)	126	(137,384)	126
Outstanding options, end of the year	1,515,959	92	1,538,623	102
Options exercisable, end of the year	798,418	115	670,537	104

(₹ in lakhs, unless otherwise stated)

The following tables summarize information about the options/ shares outstanding under various programs as at March 31, 2020 and March 31, 2019 respectively:

Particulars	As at March 31, 2020		
	No. of share options	Weighted average remaining contractual life in years	Weighted average exercise price
Programme IV	-	-	-
Programme V	32,225	0.7	68
Programme VI	427,508	3.2	82
Programme VII	1,515,959	6.5	92

Particulars	As at March 31, 2019		
	No. of share options	Weighted average remaining contractual life in years	Weighted average exercise price
Programme IV	7,500	0.2	88
Programme V	37,225	1.4	69
Programme VI	621,071	4.1	77
Programme VII	1,538,623	7.1	102

The weighted average fair value of each unit under the plan, granted during the year ended was ₹ 321 using the Black-Scholes model with the following assumptions:

Particulars	As at March 31, 2020
Weighted average grant date share price	359
Weighted average exercise price	5
Dividend yield %	2.51
Expected life	3-7
Risk free interest rate	6.3%
Volatility	49.7%

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

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

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

The Company have calculated expected life as the average of the minimum and the maximum life of the options.

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

32 Leases

Company as lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on systematic basis over the lease term. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

(₹ in lakhs, unless otherwise stated)

Company as lessee

The Group's leased assets primarily consist of leases for office premises, guest houses, laptops, lease lines, furniture and equipment. Leases of office premises and guest houses generally have lease term between 2 to 46 years. The Company has applied low value exemption for leases of laptops, leaselines, furniture and equipment and accordingly these are excluded from Ind AS 116, at present.

i) Below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Buildings	Total
As at April 1, 2019	-	-
Additions on adoption of Ind AS 116	1,964	1,964
Additions on adoption of Ind AS 116 on business acquisition	768	768
Accumulated depreciation on asset acquired in business acquisition	(141)	(141)
Depreciation expenses	(644)	(644)
Foreign currency translation on gross block of ROU assets	70	70
Foreign currency translation on accumulated depreciation	(26)	(26)
As at March 31, 2020	**1,991**	**1,991**

ii) Below are the carrying amounts of operating lease liabilities (included under financial liabilities) and the movements during the period:

Particulars	Year ended March 31, 2020
As at April 1, 2019	**-**
Additions on adoption of Ind AS 116	**1,964**
Additions on adoption of Ind AS 116 on business acquisition	**768**
Finance expenses	**97**
Payments	**(663)**
Foreign Currency translation	**(66)**
As at March 31, 2020	**2,100**
Current	**857**
Non-current	**1,243**

Maturity Analysis of lease liability

The contractual maturity analysis of lease liabilities (includes amount not falling under IndAS 116) are disclosed herein on an undiscounted basis-

Particulars	Amount
Less than one year	1,034
More than one year to five year	1,669
More than five years	349
Total	**3,052**

The average effective interest rate for lease liabilities is 10.55%

iii) The following are the amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2020
Depreciation expense for right-of-use assets	644
Finance expense on lease liabilities	97
Expense relating to short-term, low value and variable leases (included in other expenses)	421
Total amount recognised in profit or loss	**1,162**

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

The maturity analysis of lease income are disclosed herein-

Particulars	As at March 31, 2020	As at March 31, 2019
Lease income		
Future minimum lease income under non-cancellable operating lease (in respect of properties):		
Due within one year	404	6
Due later than one year but not later than five years	1,301	-
Total	**1,705**	**6**

33 Business combinations

Acquisition of entities

During the quarter and year ended March 31,2020

i. Mastek (UK) Limited, a wholly-owned subsidiary of Mastek Limited, entered into a Business Transfer Agreement ("BTA") on February 8, 2020 to acquire the business of Evosys Arabia FZ LLC and Share Transfer Agreements (STA) to acquire Middle East Companies ("MENA Acquisition") by paying a cash consideration (net of cash & cash equivalents) of USD 64.9 million i.e. ₹ 48,204 lakhs. The closing of such transaction occurred on March 17, 2020, which is considered to be the date of transfer of control or the date of acquisition, as per Ind AS 103, and necessary effects have been recognised in the standalone financial statements of the respective entities and consolidated financial statements of the Group.

   While the acquisition has been effected and full consideration has been paid, procedures to complete the legal process viz. registering sale of shares, etc. in certain geographies is ongoing. The legal procedures are delayed because of COVID-19 pandemic related lockdown in certain geographies, and the Company has been legally advised that such legal procedures are administrative in nature, and the parties to the BTA expect to complete these before long stop date post the lockdown is relaxed / lifted i.e. second quarter of the financial year 2020-21.

ii. With respect to the overseas business of Evolutionary Systems Private Limited (ESPL) including investment in certain subsidiaries of ESPL, the parties entered into a Demerger Co-operation Agreement (DCA) and Shareholders Agreement on February 8, 2020 (DCA acquisition). The manner of the acquisition of legal ownership, is decided to be achieved through a demerger scheme to be filed before the National Company Law Tribunal (NCLT) ("the Scheme"), or, as per DCA between Mastek and the shareholders of Evosys, Mastek shall complete this transaction with the same economic effect, by an alternate arrangement within the period specified in the DCA. The DCA gives Trans American Information Systems Private Limited (TAISPL) a wholly owned subsidiary of Mastek the right to appoint majority of the board of directors in ESPL and its subsidiaries and also provide for the relevant activities of ESPL and its subsidiaries to be decided by a majority vote of such board of directors, thereby resulting in transfer of control of business of

ESPL and its subsidiaries to the Group. The transfer of legal title of such business undertaking shall be completed in financial year 2020-21. The date of acquisition of business undertaking for the purposes of Ind AS 103 is the date of transfer of control to Group, i.e. February 8, 2020. Discharge of consideration through demerger will be done through issue of 4,235,394 equity shares of Mastek Limited (face value ₹ 5 each) and balance through 15,000 Compulsorily Convertible Preference Shares (CCPS), (face value of ₹ 10 each) of TAISPL for every 10,000 equity shares of ESPL of face value of ₹ 10 each. Pending completion of legal acquisition, this transaction has been disclosed in the stand alone financial statements and will be given effect to on receiving NCLT approval or on executing the alternate arrangement in accordance with the DCA. The CCPS to be issued subject to regulatory approval, carries a Put Option which can be exercised by the holders of such CCPS at agreed EBIDTA multiples over the next 4 years. Accordingly, the equity shares, CCPS and put option written thereon, are disclosed as "Equity shares proposed to be issued", "Non-Controlling Interest (preference shares proposed to be issued)" and "Put option written on Non-Controlling Interest", respectively, under "Other equity", refer note 9 and 2 e (viii). Further, the equity shares which are proposed to be issued has not been considered for calculating the earnings per share both basic and diluted.

Purchase consideration for both the acquisitions (EVOSYS) aggregates to ₹ 80,647 lakhs which has resulted in a Goodwill of ₹ 38,017 lakhs for MENA acquisition and ₹ 18,402 lakhs lakhs for acquisition through DCA, as per the purchase price allocation valuation report. Such goodwill, which is the excess of fair value of purchase consideration determined over the fair value of assets acquired, is primarily attributable to growth expectations, expected future profitability, the substantial skill and expertise of acquired workforce and expected synergies. Since the group has acquired control on February 8, 2020 and March 17, 2020, the allocation of such goodwill to individual cash generating units will be concluded in the subsequent financial year on further alignment of business acquired with the existing business of the group.

Evosys Group focuses on Oracle Cloud implementation & consultancy, with 13 years of experience and 1000+ Oracle Cloud customers across 30+ countries. This transaction allows Mastek to diversify its geographic concentration, leverage the customer acquisition velocity that Evosys brings and provides an immediate addressable opportunity to increase the share of wallet and deliver more value for its customers.

Purchase consideration

As part of the ESPL acquisition, the purchase consideration is discharged in a combination of equity shares of Mastek, and convertible preference shares of TAISPL. The consideration is (i) 4,235,294 fully paid-up equity shares of face value INR 5 of Mastek, and (ii) 15,000 compulsorily convertible preference shares of INR 10 of TAISPL, for every 10,000 equity shares of ESPL of face value of INR 10 each, which is yet to be discharged. On the other hand, the purchase consideration of the MENA acquisition is discharged in cash.

	DCA Acquisition	MENA Acquisition	Total
Cash paid	-	48,204	48,204
Fair value of equity shares to be issued #	19,169	-	19,169
Fair value of compulsorily convertible preference shares (CCPS) to be issued*	13,274	-	13,274
	32,443	**48,204**	**80,647**
Less: Adjustment for Cash^	(5,285)	(3,824)	(9,109)
	27,158	**44,380**	**71,538**

** The CCPS represents the Non-Controlling interest in subsidiary. The holding company has written a put option over the CCPS , where the holders (non-controlling interests) of that instrument have the right to put their instrument back to the Group. Consequently, the CCPS represents the Non-Controlling interest at the Group level. Non controlling interest have been initially measured based on fair value.*

^ Purchase consideration is net of cash and bank balance acquired.

 # The fair value of equity shares to be issued is based on the listed share price of Mastek on the date of acquisition of control (INR 453 per share) which represent level 1 input for fair value determination as per IndAS 103 (Business Combinations) & 113 (Fair Value Measurement). The fair value of preference shares of TAISPL to be issued is based on third party valuation done.

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

	DCA Acquisition	MENA Acquisition	Total
Property, plant and equipment	2,221	55	2,276
Intangible assets	27	6	33
Customer Contracts	660	300	960
Customer Relationships	4,897	2,247	7,144
Trade receivables	14,146	8,583	22,729
Financial assets	1,726	42	1,768
Other assets	219	169	388
Trade payables	(3,726)	(2,875)	(6,601)
Financial liabilities	(10,793)	(2,083)	(12,876)
Other liabilities	(621)	(81)	(702)
Fair value of identifiable net assets	8,756	6,363	15,119
Less: Purchase Consideration	(27,158)	(44,380)	(71,538)
Goodwill	**18,402**	**38,017**	**56,419**

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

Acquisition costs

Acquisition-related costs amounting to ₹ 719 Lakhs are not included as part of consideration transferred and have been recognised as an expense in the consolidated statement of profit or loss, as part of exceptional items (Refer note 21).

34 Capital Commitments & Contingent Liabilities

I Capital commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2020 is ₹ 134 (March 31, 2019: ₹ 125)

II Contingent liabilities

	As at March 31, 2020	As at March 31, 2019
A. Claims against Company not acknowledged as debts		
Sales tax matter	**927**	**927**

B. Provident Fund

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

(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 occurrence of the default event or resolution of respective proceedings.

(₹ in lakhs, unless otherwise stated)

35 Net debt reconciliation

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	**22,033**	9,295
Current - Investment (other than cash and cash equivalents)	**15,376**	11,396
Non - current borrowings including current maturities (Refer note 10(a), 12(a) and 12(b))	**25,891**	6,960
Current borrowings	**7,480**	-
Lease obligation	**2,100**	-
Interest payable on loans	**92**	77

Reconciliation	Cash and cash equivalents	Current - Investment (other than cash and cash equivalents)	Non - current borrowings including current maturities	Current borrowings	Lease obligation	Interest payable on loans	Total
Net debt as at April 1, 2018	8,773	11,770	(6,999)	-	-	-	13,544
Cash flows	522	(1,170)	(56)	-	-	-	(704)
Finance cost recognised	-	-	-	-	-	(260)	(260)
Finance cost paid	-	-	-	-	-	189	189
Realised profit	-	622	-	-	-	-	622
Fair valuation of Investments	-	174	-	-	-	-	174
FCTR	-	-	95	-	-	(6)	89
Net debt as at March 31, 2019	**9,295**	**11,396**	**(6,960)**	**-**	**-**	**(77)**	**13,654**
Additions on adoption of Ind AS 116	-	-	-	-	(1,964)	-	(1,964)
Cash flows	12,738	(215)	(17,336)	(6,938)	566	-	(11,185)
Additions on business acquisition	-	3,493	-	-	(768)	-	2,725
Finance cost recognised	-	-	-	-	(97)	(192)	(289)
Finance cost paid	-	-	-	-	97	180	277
Realised profit	-	471	-	-	-	-	471
Fair valuation of Investments	-	231	-	-	-	-	231
FCTR	-	-	1,596	(542)	66	(3)	2.075
Net debt as at March 31, 2020	**22,033**	**15,376**	**(25,891)**	**(7,480)**	**(2,100)**	**(92)**	**1,845**

36 Impact of COVID-19

The Group has assessed the impact of Covid-19 Pandemic on its operations as well as financial reporting process, including but not limited to the areas of financial controls, credit risk, effectiveness of hedge relationship, goodwill, impairment of financial and non-financial assets, and Cyber security pertaining to the remote access of information for the year ended March 31, 2020 and up to the date of approval of financial statements. While assessing the impact, Group has considered all internal and external sources of information like industry reports, economic forecast, credit reports and company's business forecast basis the global economic consensus. Group expects to recover the carrying amount of its assets and retain effectiveness of its hedge transactions. Further, there have been no material changes in the financial control/process followed by the company. However, the impact of COVID-19 may be different from that estimated as on the date of approval of these financial statements and the Group will continue to closely monitor any material changes to the business due to future economic conditions.

(₹ in lakhs, unless otherwise stated)

37 Disclosure mandated by Schedule III by way of additional information

	Name of Entity	Country of Incorpo-ration	Net Assets i.e Total Assets-Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total OCI	
			As a % of consolidated net assets	₹ in Lakhs	As a % of consolidated profit	₹ in Lakhs	As a % of consolidated other comprehensive income	₹ in Lakhs	As a % of consolidated total comprehensive income	₹ in Lakhs
A.	**Parent**									
	Mastek Limited	India	34.5%	27,283	-134.0%	(14,584)	18.3%	152	-123.2%	(14,432)
B.	**Direct Subsidiaries**									
	India									
	Trans American Information Systems Private Limited	India	-40.2%	(31,805)	-33.5%	(3,642)	-15.5%	(129)	-32.2%	(3,771)
	Foreign									
	Mastek (UK) Limited	UK	76.6%	60,512	216.7%	23,591	-154.7%	(1,285)	190.4%	22,306
C.	**Indirect Subsidiaries**									
	India									
	Evolutionary Systems Private Limited[5] [7]	India	2.2%	1,772	-11.8%	(1,290)	-3.6%	(30)	-11.3%	(1,319)
	Foreign									
	Indigo Blue Consulting Limited[1]	UK	0.0%	-	0.0%	-	0.0%	(0)	0.0%	(0)
	Mastek, Inc.[2]	USA	7.3%	5,795	-2.6%	(287)	98.1%	815	4.5%	529
	Taistech LLC[3]	USA	0.0%	-	0.0%	-	0.0%	0	0.0%	0
	Trans American Information Systems Inc.	USA	9.6%	7,592	41.0%	4,464	59.7%	496	42.3%	4,960
	Evolutionary Systems Consultancy LLC	Abu Dhabi	-0.1%	(69)	0.4%	46	-0.2%	(2)	0.4%	45
	Evolutionary Systems Pty Ltd[5] [7]	Australia	0.4%	291	1.5%	159	-0.4%	(3)	1.3%	156
	Evolutionary Systems Bahrain SPC	Bahrain	0.1%	81	0.0%	(4)	-1.0%	(8)	-0.1%	(13)
	Mastek Arabia FZ LLC[4]	Arabia	0.9%	681	0.1%	11	96.9%	805	7.0%	817
	Evolutionary Systems Egypt LLC	Egypt	0.0%	24	-0.2%	(18)	0.2%	1	-0.1%	(17)
	Evosys Kuwait WLLC	Kuwait	-0.1%	(57)	0.2%	21	-0.2%	(2)	0.2%	20
	Evosys Consultancy Services Malaysia[5] [7]	Malaysia	0.0%	(6)	0.0%	(3)	0.0%	(0)	0.0%	(3)
	Newbury Cloud, Inc[5] [7]	USA	-0.6%	(482)	-2.3%	(251)	-1.0%	(8)	-2.2%	(259)

(₹ in lakhs, unless otherwise stated)

Name of Entity	Country of Incorpo-ration	Net Assets i.e Total Assets-Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total OCI	
		As a % of consolidated net assets	₹ in Lakhs	As a % of consolidated profit	₹ in Lakhs	As a % of consolidated other comprehensive income	₹ in Lakhs	As a % of consolidated total comprehensive income	₹ in Lakhs
Evolutionary Systems BV[5] [7]	The Netherland	0.2%	124	1.3%	138	-0.1%	(1)	1.2%	137
Evolutionary Systems Qatar WLL[5] [7]	Qatar	0.5%	427	0.3%	30	2.2%	18	0.4%	48
Evolutionary Systems Saudi LLC[6] [7]	Saudi	0.0%	(38)	4.4%	478	-0.4%	(3)	4.0%	474
Evolutionary Systems (Singapore) PTE. LTD.[5] [7]	Singapore	0.8%	597	1.7%	188	0.8%	6	1.7%	195
Evolutionary Systems Company Limited-UK[5] [7]	UK	7.2%	5,663	9.8%	1,071	0.4%	3	9.2%	1,074
Evolutionary Systems Corp.[5] [7]	USA	0.8%	660	7.0%	767	0.6%	5	6.6%	772
Total		**100%**	**79,046**	**100%**	**10,886**	**100%**	**831**	**100%**	**11,717**
D. Non Controlling Interest (NCI)[7]			**13,705**		**495**		**(64)**		**431**

(1) Merged into Mastek (UK) Limited with effect from June 30, 2018

(2) Formally known as Digility, Inc.

(3) Merged into Trans American Information Systems, Inc. with effect from December 31, 2019

(4) Incorporated with effect from March 03, 2020.

(5) Acquired with effect from February 08, 2020 (Demerger Co-operation Agreement "DCA" acquisition) through board control (refer note 33)

(6) Acquired 50% with effect from February 08, 2020 and 50% from March 17,2020 (refer note 33)

(7) Non Controlling Interest (NCI), refer note 33(ii).

As per our Report of even date

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

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: June 14, 2020

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

Sudhakar Ram
Vice Chairman and
Managing Director
DIN: 00101473

S. Sandilya
Non-Executive Chairman
and Independent Director
DIN: 00037542

Abhishek Singh
Chief Financial Officer
Place: Mumbai
Date: June 14, 2020

Dinesh Kalani
Company Secretary

SHAREHOLDER INFORMATION

MASTEK LIMITED
Registered Office: 804/805, President House, Opp. C. N. Vidyalaya, Near Ambawadi Circle, Ambawadi, Ahmedabad - 380 006, Gujarat.
Tel: +91-79-2656-4337; **Fax:** +91-22-6695 1331; **E mail:** investor_grievances@mastek.com; **Website:** www.mastek.com;
CIN: L74140GJ1982PLC005215

NOTICE TO MEMBERS

38th Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE 38TH (THIRTY EIGHTH) ANNUAL GENERAL MEETING OF **MASTEK LIMITED** WILL BE HELD ON **THURSDAY, OCTOBER 29, 2020 AT 5.30 P.M. IST** THROUGH VIDEO CONFERENCING ("VC")/ OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESSES. THE VENUE OF THE MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 804/805, PRESIDENT HOUSE, OPP. C. N. VIDYALAYA, NEAR AMBAWADI CIRCLE, AMBAWADI, AHMEDABAD - 380 006, GUJARAT.

ORDINARY BUSINESS:

1. To receive, consider and adopt:

a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020, together with the Reports of the Board of Directors and Auditors thereon; and

b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020, together with the Report of the Auditors thereon.

2. To confirm the payment of First Interim Dividend of ₹ 3.00/- and Second Interim Dividend of ₹ 5.00/-, aggregating to ₹ 8.00/- per Equity Share (having Face Value of ₹ 5/- each) already paid during the year under review, as Final Dividend for the Financial Year 2019-20.

3. To appoint a Director in place of Mr. Ashank Desai (DIN: 00017767), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider Appointment of Mr. Rajeev Kumar Grover (DIN: 00058165) as an Independent Director of the Company.

To consider and if thought fit, to pass the following resolution with or without modification(s) as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (including any statutory modification(s) or reenactment(s) thereof for the time being in force) and also pursuant to the provisions of the Articles of Association of the Company, Mr. Rajeev Kumar Grover (DIN: 00058165), who was appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors on recommendation of Nomination and Remuneration Committee with effect from January 28, 2020 and who holds the said office pursuant to the provisions of Section 161 of the Act up to the date of ensuing 38th Annual General Meeting and who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16 of SEBI Listing Regulations and who has submitted a declaration to that effect and who is eligible for appointment under the relevant provisions of the Act, consent of the members of the Company be and is hereby accorded for the appointment of Mr. Rajeev Kumar Grover (DIN: 00058165), as an Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years commencing from January 28, 2020 up to January 27, 2025.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable in order to give effect to this resolution."

5. To consider Re-appointment of Mr. Sudhakar Ram (DIN: 00101473) as a Whole Time Director Designated as "Vice - Chairman & Managing Director" of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations"), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and also pursuant to the provisions of the Articles of Association, based on the recommendation of Nomination and Remuneration Committee and as approved by the Board of Directors of the Company, and subject to any other approvals as may be necessary, consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Sudhakar Ram (DIN: 00101473), Whole Time Director (designated as Vice - Chairman & Managing Director) of the Company for a period of 5 (five) consecutive years commencing from July 01, 2020 up to June 30, 2025, liable to retire by rotation, on the terms and conditions including remuneration not exceeding 10% (ten percent) or such higher percentage of the net profits of the Company, as may be permitted under the applicable laws, from time to time, and on the terms and conditions as set out in the Explanatory Statement annexed to the Notice and as per the draft Agreement containing terms of re-appointment as set out herein below, with liberty to the Board (which term shall include any Committee constituted or to be constituted by the Board) to alter and vary the terms and conditions of said re-appointment in such manner as may be agreed to between the Board of Directors and Mr. Sudhakar Ram and as may be permissible under the applicable laws, without further reference to the members of the Company.

Sr. No.	Particulars	Description
1.	Basic Salary	₹ 586,400/- per month (from July 1, 2020 to September 30, 2020); ₹ 615,720/- per month (w.e.f. October 1, 2020), with authority to the Board/ Committee to revise the remuneration from time to time.
2.	Other Allowances	Lunch Coupon of ₹ 2,200/- per month and any other Allowances as per Company's policy.
3.	Provident Fund/ Gratuity Contribution	The contribution to Provident Fund, Pension Fund and Superannuation as per Company's policy and Gratuity Contribution in accordance with the provisions of the Payment of Gratuity Act, 1972. For the purpose of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Sudhakar Ram will be considered as continuous service from the date of his joining the Company.
4.	Performance Incentive	Annual Incentive as per the Company's policy and/or as may be decided based on Performance Evaluation by the Board and/or Nomination and Remuneration Committee (base incentive ₹ 15,00,000 per year).
5.	Medical Benefits and Car perquisite	As per rules of the Company.
6.	Club Fees	Reimbursement of Club Fees for 2 (two) Clubs.
7.	Termination	Either party can terminate the agreement by giving 3 (three) months' notice to the other party or payment in lieu thereof.
8.	Insurance	Personal accident insurance cover and Group life insurance cover as per the Company's policy.
9.	Leave	Leave with full pay and allowance as per the Company's policy. The leave accumulated but not availed of, can be encashed by him at the end of his tenure.
10.	Reimbursement of Expenses	Reimbursement of travel, stay and entertainment expenses actually and properly incurred in the course of business as per the Company's policy.

RESOLVED FURTHER THAT pursuant to the provisions of Section 197 read with Schedule V of the Act, and other applicable provisions if any, in the event of loss or inadequacy of profits in any Financial Year of the Company during the term of Mr. Sudhakar Ram, consent of the members of the Company be and is hereby accorded for the payment of the remuneration, perquisites, allowances, benefits and amenities mentioned in the preceding part of the resolution as the minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to alter and/or vary the terms and conditions of the said re-appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, allowances, benefits and amenities payable to Mr. Sudhakar Ram in the light of further progress of the Company, which shall be in accordance with the prescribed provisions of the Act, and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and to take all such steps as may be required in this connection including seeking necessary approvals, if any, to give effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorised to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto".

6. **To consider payment of Remuneration to Mr. S. Sandilya (DIN: 00037542), Chairman (Non-Executive) & Independent Director of the Company in excess of the limits prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

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

"RESOLVED THAT in accordance with the Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable provisions, if any and based on the recommendation of Nomination and Remuneration Committee and as approved by the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for payment of Remuneration to Mr. S. Sandilya (DIN: 00037542), Chairman (Non-Executive) & Independent Director of the Company being in excess of 50% (fifty percent) of the total Annual Remuneration payable to all the Non-Executive Directors of the Company, details of which are set out in the Explanatory Statement annexed to the notice.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary, proper or desirable for the purpose of giving effect to this Resolution."

7. **To approve the fees to be paid by the Members of the Company for service of documents through a particular mode of service.**

To consider and if thought fit, to pass the following resolution with or without modification(s) as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed thereunder, consent of the members of the Company be and is hereby accorded, upon receipt of a request from a member for delivery of any document through a particular mode, an amount of ₹ 100/- (Rupees Hundred Only) per each such document over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document to them in the desired particular mode.

RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Key Managerial Personnel of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance."

8. **To give authority to the Board for giving loans and guarantees and making investments in securities.**

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

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 (the "Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and any such other provisions as may be applicable, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), subject to such approvals, consents, sanctions and permissions, ratifications, as may be necessary, subject to the provisions of Memorandum and Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded for the Company to (i) give any loans to any person or other body corporate and/or (ii) give any guarantees or to provide security in connection with a loan to any other body corporate or person and/or (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, which the Board may, in their absolute discretion, deem beneficial and in the interest of the Company, in excess of 60% (sixty percent) of the paid up Share Capital, Free Reserves and Securities Premium of the Company or 100% (hundred percent) of Free Reserves and Securities Premium of the Company whichever is more, as prescribed under Section 186 of the Act from time to time, in one or more tranches, up to the maximum amount of ₹ **1,000 Crores (Rupees One Thousand Crores),** to the extent such investments, loans, guarantees, securities to be provided along with Company's existing loans or guarantees/ securities or investments are in excess of the limits prescribed under Section 186 of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to decide, from time to time, the amounts to be invested, loans/ guarantees to be given and securities to be provided to any person and/or bodies corporate within the above mentioned limits and finalise terms and conditions, execute necessary deeds, documents, agreements, writings and papers as it may in its absolute discretion deem necessary and to settle any question, difficulty or doubt that may arise in regard that may be expedient or incidental for the purpose of giving effect this resolution.

RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) and/or Company Secretary of the Company be and are hereby severally authorised to do all acts, file necessary forms with Registrar of Companies, Gujarat and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

9. To give authority to the Board to create Mortgage and/or Charge over the movable and immovable properties of the Company.

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

"RESOLVED THAT in supersession of the earlier resolution passed by the members of the Company under Section 180(1)(a) of the Companies Act, 2013 (the "Act") at the Annual General Meeting held on June 22, 2017 and subject to the provisions of Section 180(1)(a) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and any other applicable provisions and rules, (including any statutory modification(s), amendment(s) or reenactment(s) thereof, for the time being in force) and subject to the provisions of Memorandum and Articles of Association of the Company, consent of the members of the Company be and is hereby accorded for the Company to approve and ratify the power of the Board of Directors of the Company (hereinafter referred to as the "Board" and which term shall be deemed to include any duly authorised committee(s) thereof, exercising for the time being, the powers conferred on the Board by this resolution), to create such charges, mortgages, hypothecations and pledges in addition to the existing charges, mortgages, hypothecations and pledges created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the management and substantial assets of the Company in certain events of default, in favour of the banks/ financial institutions/ NBFCs/ lenders, other investing agencies and trustees for the holders of debentures/ bonds and/or other securities/ instruments to secure rupee/ foreign currency loans and/or the issue of any securities/ debentures whether partly/ fully convertible or non-convertible and/or securities linked to ordinary shares and/or rupee/ foreign currency convertible bonds/ securities and/or bonds/ securities with detachable share warrants and any other form of loan/ borrowing of whatever nature or by whatever name called (hereinafter collectively referred to as "Loans") exceeding the aggregate of paid-up capital of the Company, its free reserves and securities premium, provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans, for which such charges, mortgages or hypothecations are created, and outstanding at any point of time shall not exceed a sum of ₹ **750 Crores (Rupees Seven Hundred Fifty Crores).**

RESOLVED FURTHER THAT the Board be and is hereby authorised to take such actions and steps, including delegation of authority, as may be necessary and to settle all matters arising out of and incidental thereto, as it may deem fit, and to sign and to execute deeds, applications, documents, instrument and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and for matters concerned therewith or incidental thereto and to settle any questions, difficulties or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) and/or Company Secretary of the Company be and are hereby severally authorised to do all acts, file necessary forms with Registrar of Companies, Gujarat and take all such steps as may be considered necessary, proper or expedient to giveeffect to this Resolution."

10. **To approve an increase in the borrowing limits of the Company.**

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

"RESOLVED THAT in supersession of the earlier resolution passed by the members of the Company under Section 180(1)(c) of the Companies Act, 2013 (the "Act") at the Annual General Meeting held on June 22, 2017 and subject to the provisions of Section 180(1)(c) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and any other applicable provisions and rules, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of Memorandum and Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to approve and ratify the power of the Board of Directors of the Company (hereinafter referred to as the "Board" and which term shall be deemed to include any duly authorised committee(s) thereof, exercising for the time being, the powers conferred on the Board by this resolution), for borrowing from time to time and in any manner, any sum or sums of monies, upon such terms and conditions, with or without security, as the Board may in its absolute discretion think fit, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of its paid up share capital, free reserves and securities premium, provided however that the total sums so borrowed and remaining outstanding on account of principal amount shall not at any time exceed of ₹ **750 Crores (Rupees Seven Hundred Fifty Crores).**

RESOLVED FURTHER THAT the Board be and is hereby authorised to take such actions and steps, including delegation of authority, as may be necessary and to settle all matters arising out of and incidental thereto, as it may deem fit, and to sign and to execute deeds, applications, documents, instruments, and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and for matters concerned therewith or incidental thereto and to settle any questions, difficulties or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) and/ or Company Secretary of the Company be and are hereby severally authorised to do all acts, file necessary forms with Registrar of Companies, Gujarat and take all such steps as may be considered necessary, proper or expedient to giveeffect to this Resolution."

By Order of the Board of Directors
For Mastek Limited

Dinesh Kalani
Company Secretary
Membership Number: FCS 3343

Mumbai, July 29, 2020

Registered Office:
804/805, President House,
Opp. C. N. Vidyalaya,
Near Ambawadi Circle, Ambawadi,
Ahmedabad - 380 006, Gujarat.
CIN: L74140GJ1982PLC005215
Website: www.mastek.com
Email: investor_grievances@mastek.com

NOTES:

1. In view of the global outbreak of the COVID-19 pandemic, social distancing norm to be followed and due to continuing restrictions on the movement of people at several places in the country, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, in relation to *"Clarification on passing of ordinary and special resolutions by Companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19"* and General Circular No. 20/2020 dated May 5, 2020, in relation to *"Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars")* and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, in relation to *"Additional relaxation in relation to compliance*

with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Covid-19 pandemic" ("SEBI Circular") have permitted the holding of the *AGM* through VC/ OVAM, without the physical presence of the members at a common venue.

In compliance with the applicable provisions of the Companies Act, 2013 (the "Act") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read with the MCA Circulars, SEBI Circular and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the AGM of the Company is scheduled to be held on **Thursday, October 29, 2020 at 5.30 p.m. (IST)** through VC/ OAVM and the voting for items to be transacted in the Notice to this AGM shall be only through remote electronic voting process ("e-Voting"). The deemed venue for the AGM shall be the Registered Office of the Company.

2. As per the provisions of Clause 3.A.II of the General Circular No. 20/ 2020 dated May 5, 2020 issued by MCA, only the urgent businesses, are permitted to be transacted at the AGM. Accordingly, we are seeking the approval of the members only for the urgent businesses, as appearing under Item Nos. 4 to 10 of the accompanying Notice, which are considered to be unavoidable by the Board and hence, forms part of this Notice.

3. The relevant Explanatory Statement pursuant to Section 102 of the Act, relating to certain ordinary and special businesses to be transacted at the 38th AGM as set out above in Item Nos. 4 to 10 and the relevant details of the Directors seeking appointment/ re-appointment under Item Nos. 3, 4 and 5 as required under Regulation 26(4) and 36(3) of the SEBI Listing Regulations and under Secretarial Standards - 2 on General Meetings issued by The Institute of Company Secretaries of India, is annexed hereto as **"Annexure - A"**. The Company has received the requisite consents/ declarations for the appointment/ re-appointment from the concerned Directors as mandated under the Act and the rules made thereunder.

4. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/ HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THE AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS AND THE SEBI CIRCULAR THROUGH VC/ OAVM, WHERE PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH, ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP INCLUDING ROUTE MAP ARE NOT ANNEXED TO THIS NOTICE.**

5. The attendance of the members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. The members of the Company under the category of Institutional Investors/ Corporate Members (i.e. other than individuals/ HUF NRI, etc.) are encouraged to attend and vote at the AGM through VC/ OAVM. Corporate members intending to send their authorised representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. authorising its representatives to attend the AGM, by sending an e-mail at investor_grievances@mastek.com.

7. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

8. Further on account of the threat posed by COVID-19 and in compliance with the aforementioned MCA Circulars and SEBI Circular, this AGM Notice along with the Annual Report for Financial Year 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depository Participants. Members may note that the Notice convening this AGM and the Annual Report for Financial Year 2019-20 will be available on the Company's website at www.mastek.com, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.

9. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company's Registrar and Transfer Agents ("RTA"), KFin Technologies Private Limited at einward.ris@kfintech.com. Members are requested to submit request letter mentioning the Folio No. and Name of member along with scanned copy of the Share Certificate (front and back) and self-attested copy of PAN card for updation of email address. Members holding shares in dematerialised mode are requested to register/ update their email addresses with their Depository Participants.

10. Pursuant to Section 91 of the Act, the Register of Members and Share Transfer books will remain closed from **Monday, October 26, 2020 to Thursday, October 29, 2020 (both days inclusive)** for the purpose of AGM.

11. The Company's Statutory Auditors, M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/ N500013 were appointed as Statutory Auditors of the Company for a period of 5 (five) consecutive years commencing from the conclusion of 35th AGM until the conclusion of the 40th AGM, subject to ratification of their appointment by members at every AGM.

Pursuant to the provisions Section 139 of the Act, and the Companies (Amendment) Act, 2018 effective from May 7, 2018, the requirement of seeking ratification from the members for the appointment of the Statutory Auditors had been withdrawn from the Statute.

In view of the above, ratification of the members for continuing the re-appointment of the Statutory Auditors at this AGM is not being sought. They have given a confirmation and consent under Sections 139 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2014, to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The Board of Directors based on the recommendation of the Audit Committee shall determine the remuneration payable to the Statutory Auditors.

12. The certificate from the Statutory Auditors of the Company certifying that the Company's Employee Stock Option Plans IV, V, VI and VII are being implemented in accordance with the SEBI (Share Based Employee Benefits), Regulations, 2014, and in accordance with the resolution of the members passed at the general meetings will be made available for inspection by the members.

13. Your attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the MCA on February 8, 2019. A person is considered as a Significant Beneficial Owner (SBO) if he/ she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10% (ten percent) or more. The beneficial interest could be in the form of a Company's shares or the right to exercise significant influence or control over the Company. If any members holding shares in the Company on behalf of other or fulfilling the criteria, is required to give a declaration specifying the nature of his/ her interest and other essential particulars in the prescribed manner and within the permitted time frame.

14. Members who hold shares in dematerialised form and want to provide/ change/ correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the RTA is obliged to use only the data provided by the Depositories, in case of such dematerialised shares.

Members who are holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number, to our RTA, at Selenium Tower B, 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad - 500 032, Telangana.

15. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or its RTA the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. SEBI has also mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA.

16. In accordance with the proviso to Regulation 40 of the SEBI Listing Regulations, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialised form. Accordingly, member holding equity shares in physical form are urged to have their shares dematerialised so as to be able to freely transfer them.

17. Non-resident Indian members are requested to inform about the following immediately to the Company or its RTA or the concerned Depository Participant, as the case may be:-

a) the change in the residential status on return to India for permanent settlement, and

b) the particulars of the NRE account with a Bank in India, if not furnished earlier.

18. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.

19. Members who wish to claim Dividends, which remain unclaimed, are requested to either correspond with the Secretarial Department of the Company or the Company's RTA for releasing the same only through banking channels before the due dates of transfer to Investor Education and Protection Fund Authority. The details of such unclaimed dividends are available on the Company's website at www.mastek.com. Members are requested to note that the dividend remaining unclaimed for a continuous period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all underlying shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company to demat account of the IEPF Authority within a period of 30 (thirty) days of such underlying shares becoming due to be transferred to the IEPF Authority.

In the event of transfer of underlying shares and the unclaimed dividends to IEPF Authority, Members are entitled to claim the same from the IEPF Authority by submitting an online application in the prescribed Form IEPF-5 (available on www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a Financial Year as per the IEPF Rules.

Pursuant to the applicable provisions of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (Including any statutory modification(s) and / or re-enactment(s) thereof for the time being in force), during the year under review, there were no Unclaimed Dividend Amount/ Shares due to be transferred to the IEPF Authority established by the Central Government.

Estimated due dates for transfer to IEPF authority (including the current Financial Year 2020-21), of the unclaimed/ unencahsed dividends from the Financial Year 2012-13 and thereafter, the details of same are available in the Corporate Governance Report which forms part of this Annual Report.

20. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to members at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 and amendments thereof. The members are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depository participants (in case of shares held in demat mode).

For resident members, taxes shall be deducted at source under Section 194 of the Income Tax Act as follows:

Members having valid PAN	7.5% or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during the Financial Year 2020-21 does not exceed ₹ 5,000 and also in cases where members provide Form No. 15G/ 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the Income Tax Act.

Registered members may also submit any other document as prescribed under the Income Tax Act to claim a lower/ Nil withholding tax. PAN is mandatory for members providing Form No.15G/ 15H or any other document as mentioned above. A Resident individual member with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/ 15H to avail the benefit of non-deduction of tax at source.

21. Non-resident members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form No. 10F, any other document which may be required to avail the tax treaty benefits. The aforesaid declarations and documents need to be submitted by the members.

22. All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act, and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents can send an e-mail to investor_grievances@mastek.com from their registered e-mail address.

23. The members, desiring any information relating to the Accounts, are requested to write to the Company Secretary at investor_grievances@mastek.com (at least 7 days in advance) to enable us to keep the requisite information ready and the same will be replied by the Company suitably.

24. This AGM Notice is being sent by e-mail only to those eligible members who have already registered their e-mail address with the Depositories and with Company on or before the cut-off date **Friday, September 25, 2020.**

25. VOTING OPTIONS

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-Voting system as well as e-voting during the AGM will be provided by NSDL.

Instructions for remote e-Voting are as under:

The remote e-Voting period begins on **Sunday, October 25, 2020 at 9.00 a.m. (IST) and ends on Wednesday, October 28, 2020 at 5:00 p.m. (IST).** The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently.

In addition, the facility for voting through electronic voting system shall also be made available during the AGM.

A. The instructions of the e-Voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "2 Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/ Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B. Process for those Members whose E-mail IDs are not registered for procuring user id and password and registration of E-mail ids for e-Voting on the resolutions set out in this notice:

1. In case shares are held in physical mode, please provide Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor_grievances@mastek.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor_grievances@mastek.com.
3. Alternatively member may send an E-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) above as the case may be.

24. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER

1. Member will be provided with a facility to attend the AGM through VC/ OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under members login by using the remote e-voting credentials. The link for VC/OAVM will be available in members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions as mentioned above to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. The members can join the AGM in the VC/ OAVM mode 30 minutes before the scheduled time of the commencement of the AGM by following the procedure as mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. Please note that 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 network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
4. The details of NSDL officials who may be contacted for any assistance with regard to e-Voting and VC/ OAVM facility are as follows:

For e-Voting:

a. Ms. Pallavi Mhatre, Manager - NSDL at E-mail ID pallavid@nsdl.co.in or call at 022-24994545, toll free number 1800-222-990

b. Mr. Amit Vishal, Senior Manager - NSDL at E-mail ID amitv@nsdl.co.in or call at 022-24994360, toll free number 1800-222-990.

For VC/OAVM:

a. Mr. Amit Vishal, Senior Manager - NSDL at E-mail ID amitv@nsdl.co.in or call at 022-24994360, toll free number 1800-222-990

b. Mr. Sagar Ghosalkar, Assistant Manager, NSDL at E-mail ID sagar.ghosalkar@nsdl.co.in or call at 022 -24994 553 / toll free number - 1800-222-990.

5. Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker and send request from their registered e-mail address mentioning their name, demat account number/ folio number, e-mail id, mobile number at investor_grievances@mastek.com from **Monday, October 26, 2020 to Tuesday, October 27, 2020.** Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

25. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.

2. Only those Members, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

General Guidelines for Members:

a. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to acs.pmehta@gmail.com with a copy marked to evoting@nsdl.co.in and investor_grievances@mastek.com

b. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in.

d. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending future communication(s).

26. GENERAL INFORMATION FOR MEMBERS

1. The Members who have cast their vote by remote e-Voting may attend the meeting through VC/ OAVM but shall not be entitled to cast their vote again.

2. 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 i.e. Thursday, October 22, 2020.**

3. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares **as on the cut-off date i.e.Thursday, October 22, 2020** may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company.

4. 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 meeting.

5. The Board of Directors has appointed Mr. Prashant S. Mehta, Proprietor of P. Mehta and Associates, Practising Company Secretaries (ACS No.: 5814 CP No.: 17341) as Scrutiniser to scrutinise the voting at the AGM and remote e-Voting process, in a fair and transparent manner.

   The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/ OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

6. The Scrutiniser shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM and, thereafter, unblock the votes cast through remote e-Voting and shall make, not later than 48 hours from the conclusion of the AGM, a Consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or Company Secretary in writing.

7. The Results declared, along with the Scrutiniser's Report, shall be placed on the Company's website at www.mastek.com and on the website of NSDL at www.evoting.nsdl.com, immediately after the declaration of the result by the Chairman or Company Secretary or a person authorised by Chairman in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and NSE and be made available on their respective websites viz. www.bseindia.com and www.nseindia.com.

By Order of the Board of Directors
For Mastek Limited

Dinesh Kalani
Company Secretary
Membership Number: FCS 3343

Mumbai, July 29, 2020

Registered Office:
804/805, President House,
Opp. C. N. Vidyalaya,
Near Ambawadi Circle, Ambawadi,
Ahmedabad - 380 006, Gujarat.
CIN: L74140GJ1982PLC005215
Website: www.mastek.com
Email: investor_grievances@mastek.com

EXPLANATORY STATEMENT SETS OUT ALL MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

Mr. Rajeev Kumar Grover, (DIN: 00058165) aged 56 years was appointed as an Additional Director (Indpendent) of the Company. The Board on the recommendation of Nomination and Remuneration Committee and based on skills, experience, knowledge and evaluation conducted by the Board of Directors of the Company at their meeting held on January 28, 2020 and in terms of the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, proposed unanimously to appoint him for a term of 5 (five) consecutive years w.e.f. January 28, 2020 up to January 27, 2025 and he will not be liable to retire by rotation. His brief profile is as follows:

Brief Profile:

"Mr. Grover is a B. Com (Hons.) graduate from Shri Ram College of Commerce, University of Delhi. He is a member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India and has over 3 (three) decades of rich and diverse experience across Finance, Operations, General Management & Business Transformation across Professional Services and Financial Services organisations like Mercer Consulting, Hewitt Associates (now Aon Hewitt), eFunds Corp. (now part of FIS), GE Capital International Services (now Genpact) and American Express.

He has been one of the pioneers of the Business Process Outsourcing Industry in India and has led the setup for 3 (three) organisations in the country. In his last role at Mercer Consulting, he served as the Global Head of Operations wherein he was responsible for driving Operational excellence across multiple lines of business represented by over 9000 employees across 25 countries including shared service centers spread across India, Poland, Portugal, China & Ireland.

He is a Founder Director of ExempServ Professional Services Private Limited, which provides value-added financial reporting, compliance and allied services to social sector organisations. He is also a Non-Executive Treasurer of SOS Children's Villages of India, which is one of the largest self-implementing independent non-governmental social development organisation focused on Children's development."

He has submitted his declarations in prescribed forms viz. (i) consent in writing to act as a Director in Form DIR -2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, confirming his eligibility for such appointment, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013 (iv) his disclosure of interest in prescribed Form MBP-1 and he is not having any pecuniary relationship with the existing Directors/ Management/ Promoters of the Company.

The Board is of the opinion that Mr. Rajeev Kumar Grover is independent of the management and is a person of integrity and possesses relevant expertise and experience and shall bring an independent judgement on the Board's discussions especially on issues related to Finance, Operations, Technology and General Management. In the opinion of the Nomination and Remuneration Committee and the Board of Directors of the Company, the appointment of Mr. Grover on the Board would be beneficial to the overall functioning of the Company considering his vast experience in the corporate field and knowledge of the business. The additional information is given under **"Annexure A"**.

It is proposed to appoint him as an Independent Director on the Board of the Company for a term of 5 (five) consecutive years starting from January 28, 2020 up to January 27, 2025.

Except Mr. Rajeev Kumar Grover, being the appointee, none of the other Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the resolution set out above.

The Board recommends the said resolution, as an ordinary resolution for approval of the members.

Item No. 5

The members of the Company at its Annual General Meeting held on June 22, 2017 had approved the re-appointment of Mr. Sudhakar Ram as Vice - Chairman & Managing Director of the Company for a period of 3 (three) years i.e. from July 1, 2017 up to June 30, 2020 and payment of remuneration during his tenure. The Board of Directors of the Company at its the meeting held on June 14, 2020, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members of the Company, approved his re-appointment as Whole Time Director of the Company and designated as 'Vice - Chairman & Managing Director' for a period of 5 (five) consecutive years with effect from July 1, 2020 up to June 30, 2025, liable to retire by rotation, on such remuneration which is in conformity with the provisions and requirements of the Companies Act, 2013 read with Schedule V, and Rules framed thereunder. The remuneration payable to Mr. Ram as Managing Director shall not exceed 10% (ten percent) or such higher percentage of the net profits of the Company as permitted under applicable laws from time to time.

Further, as per Regulation 17(6)(e) of the SBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compensation payable to Whole Time Director, who is Promoter or member of the Promoter group, shall be subject to approval of the members by a special resolution, if the aggregate annual remuneration to such directors, where there is more than one such director, exceeds 5% (five per cent) of the net profits of the Company. Mr. Sudhakar Ram is one of the Promoters of the Company, and therefore the approval of the members by way of special resolution is being sought for his re-appointment and remuneration.

Mr. Ram shall perform such duties as shall from time to time be entrusted to him, subject to overall supervision, superintendence, guidance and control of the Board of Directors of the Company. An agreement will be entered into by the Company with Mr. Ram. The main terms and conditions of his re-appointment as Managing Director are contained in the said agreement.

This Explanatory Statement and additional information is given under **"Annexure A"** together with the accompanying Notice, may also be regarded as a disclosure pursuant to Section 190 of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2).

The Company has, inter alia, received an intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, from Mr. Sudhakar Ram to the effect that he is not disqualified in accordance with Section 164(2) of the Companies Act, 2013 and a declaration that he is not debarred or restrained from acting as a director by any SEBI order or by any other such authority. He satisfies all the conditions as set out in Section 196(3) and Part I of Schedule V to the Companies Act, 2013, for being eligible for his re-appointment.

In the opinion of the Nomination and Remuneration Committee and Board of Directors of the Company, the re-appointment of Mr. Sudhakar Ram as Vice - Chairman & Managing director is in the best interest of the Company, considering his rich experience and expertise in the Company's businesses and the knowledge of general business management.

The remuneration payable to Mr. Ram is in consonance with the remuneration being paid by the other Companies of similar size in the industry to their Chief Executive Officer/ Managing Director.

In the event of loss or inadequacy of profit in any Financial Year during the tenure of services of Mr. Ram, the Company shall make payment of the remuneration, perquisites, allowances, benefits and amenities as mentioned under Para II(c) below, as minimum remuneration.

The information as required to be disclosed to the members as per Schedule V to the Companies Act, 2013 (with respect of the re-appointment of Mr. Sudhakar Ram as the Vice - Chairman & Managing Director) is as under:

I. GENERAL INFORMATION

a. Nature of Industry

The Company is an enterprise digital transformation specialist that engineers excellence for customers in the UK, US, and India. It enables large-scale business change programmes through its service offerings, which include application development, support, and testing, BI and analytics, agile consulting, and digital commerce. Whether it's creating new applications, modernising existing ones or recovering failing projects, Mastek helps enterprises to navigate the digital landscape and stay competitive. With digital solutions constituting more than 80% to the business, Mastek is emerging as one of the leaders in Enterprise Digital Transformation journey. Mastek is well poised to be among the top providers of agile digital transformation solutions and a significant player within the digital transformation space in retail and financial services.

b. Date of commencement of commercial production

The Company was incorporated on May 14, 1982 and has already commenced its business of Information Technology Services. For more details about the operations of the Company, please refer to the Management Discussion and Analysis Section which forms part of this Annual Report.

c. Financial Performance

Financial performance of the Company during the last 3 (three) Financial Years is as under:

(₹ in Lakhs)

Particulars	Financial Year 2019-20	Financial Year 2018-19	Financial Year 2017-18
Revenue from Operations	**16,344**	18,944	16,232
Other Income	**4,886**	3,459	2,323
Total Income	**21,230**	**22,403**	**18,555**
Profit before Exceptional Items	**4,066**	3,916	2,734
Profit before Tax	**3,383**	**3,916**	**2,734**
Profit after Tax	**2,745**	**3,051**	**1,574**
Basic Earnings per Share (INR)	**11.40**	12.81	6.69

d. Foreign Investment or Collaborations, if any

As on March 31, 2020, 8.02% of the share capital of Company are held by non-resident Indians, foreign institutional & foreign institutional investors. There has been no foreign Collaboration by the Company.

II. INFORMATION ABOUT THE APPOINTEE

a. Background details, Recognition or awards, Job profile and suitability thereof

Mr. Sudhakar Ram is a veteran of the Information Technology industry and is also a keen observer of Domestic and Global IT business trends. He is a silver medalist of Indian Institute of Management (IIM), Calcutta (IIM-C ranks among the Top 5 Management Institutes in India). He holds a Bachelor of Commerce from Chennai University and a PGDM from IIM Calcutta.

He is a Co-Founder of Mastek and has been serving as a member of the Board of Mastek since October 1985. He currently serves as Vice - Chairman & Managing Director of Mastek, having previously served as Managing Director & Group CEO of Mastek.

He has also handled the additional responsibilities of leading Mastek's business in the UK as CEO for Mastek (UK) Ltd. (Wholly owned Subsidiary of Mastek Limited) from 2013 until March 2015. He was also on the Board of various overseas subsidiaries of Mastek in the past and contributed significantly towards establishment and growth in the respective geographies.

He has nearly 4 decades of rich and diverse experience in Information Technology Industry. He was at the helm of several strategic initiatives that helped the Company to achieve its vision of becoming an excellent provider of Vertical Enterprise Platforms and Applications that enable Digital Transformation. Within the Mastek organisation, his focus is on bringing about a marked shift in Leadership, Commitment, Creativity and Culture with a view to accelerate increase in value delivery.

Mr. Sudhakar Ram is responsible for providing guidance and mentorship to the Group CEO.

Before joining Mastek, from 1982 until 1984, he was the CIO of Rediffusion Dentsu Young & Rubicam (part of the Young & Rubicam network held by WPP plc), a communication media Company.

He has received CNBC Asia's "India Business Leader of the Year" award in 2007.

Mr. Sudhakar Ram was also holding the position of promoter Chairman & Managing Director of Cashless Technologies India Private Limited (CTIPL), Company founded by him. Now he is holding position of Non Executive Chairman of CTIPL since July 4, 2020.

b. Past Remuneration

The Remuneration paid to him during the last 3 (three) Financial Years are as under:

(Amount in ₹)

Financial Years	2019-20	2018-19	2017-18
Total Remuneration paid (excluding benefits)	**9,420,816**	9,420,816	9,420,816

c. Remuneration proposed

Sr. No.	Particulars	Description
1.	Basic Salary	₹ 586,400 /- per month (from July 1, 2020 to September 30, 2020); ₹ 615,720/- per month (w.e.f October 1, 2020), with authority to the Board/ Committee to revise the remuneration from time to time.
2.	Other Allowances	Lunch Coupon of ₹ 2,200/- per month and any other Allowances as per Company's policy.
3.	Provident Fund / Gratuity Contribution	The contribution to Provident Fund, Pension Fund and Superannuation as per Company's policy and Gratuity Contribution in accordance with the provisions of the Payment of Gratuity Act, 1972. For the purpose of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Sudhakar Ram will be considered as continuous service from the date of his joining the Company.
4.	Performance Incentive	Annual Incentive as per the Company's policy and/or as may be decided based on Performance Evaluation by the Board and/or nomination and remuneration committee (base incentive ₹ 15,00,000 per year).
5.	Medical Benefits and Car perquisite	As per rules of the Company.
6.	Club Fees	Reimbursement of Club Fees for 2 (two) Clubs.
7.	Termination	Either party can terminate the agreement by giving 3 (three) months' notice to the other party or payment in lieu thereof.
8.	Insurance	Personal accident insurance cover and Group life insurance cover as per the Company's policy.
9.	Leave	Leave with full pay and allowance as per the Company's policy. The leave accumulated but not availed of, can be encashed by him at the end of his tenure.
10.	Reimbursement of Expenses	Reimbursement of travel, stay and entertainment expenses actually and properly incurred in the course of business as per the Company's policy.

d. Comparative Remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Taking into consideration, his qualifications, expertise and rich experience, he is best suited for the responsibilities assigned to him by the Board of Directors. Further, in view of size of the Company, the profile of Mr. Ram, the responsibilities shouldered by him and the industry benchmarks, the remuneration paid/ proposed to be paid is commensurate with the Remuneration package paid to senior level counterparts of Mr. Ram in other similar companies.

e. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any

Mr. Ram does not have any pecuniary relationship directly or indirectly with the Company, except being promoter and for receiving remuneration as a Vice - Chairman & Managing Director of the Company. He holds 15,88,680 equity shares of ₹ 5/- each of the Company constituting 6.54% of the paid up share capital of the Company.

III. OTHER INFORMATION

Reasons of loss or inadequate profits, Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

The Company has earned profits during the last 3 (three) Financial Years as mentioned above. Further, the Company has taken appropriate steps to ensure profitability in future.

IV. DISCLOSURE

a.	Elements of Remuneration package	As mentioned above
b.	Details of fixed components and performance linked incentive along with performance criteria	As mentioned above
c.	Service Contract, Notice period, Severance fees etc.	As mentioned above
d.	Stock option details	No stock option has been granted to him

Mr. Ram, being Vice - Chairman & Managing Director, is in-charge of overall management of the Company. Considering his rich and vast experience in Information Technology industry, the Nomination and Remuneration Committee and the Board of Directors, considered it desirable to re-appoint him as Vice - Chairman & Managing Director of the Company for a further period of 5 (five) consecutive years.

Except Mr. Sudhakar Ram and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

The Board recommends the said resolution, as special resolution for approval of the members for the re-appointment on the terms and conditions including remuneration payable to Mr. Sudhakar Ram, as the Vice - Chairman & Managing Director of the Company as stated above.

Item No. 6

The members of the Company at the Annual General Meeting of the Company held on July 19, 2018, had accorded their consent for payment of Profit related Commission to Non-Executive Directors including Independent Directors, a sum not exceeding in aggregate 1% (one percent) per annum, of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, be paid to and distributed amongst any or all of the Non-Executive Directors of the Company.

A yearly commission to be paid to the Non-Executive Directors (including Independent Directors) out of the available distributable profits of the Company for the Financial Year 2019-20 based on the time and services taken by the Company from the Directors. Accordingly, Company had calculated and has kept aside ₹ 18,00,000/- for payment of Commission to the Non-executive Directors, subject to tax for the year under review.

Considering the substantial time devoted by Mr. S. Sandilya, Chairman (Non- Executive) & Independent Director, in providing his valuable advice and strategic inputs to the Company on various critical business aspects, on the recommendation of Nomination and Remuneration committee, the Board of Directors at its meeting held on June 14, 2020 recommended that he should be paid more than 50% (fifty percent) of the annual Commission being paid to all Non-executive directors as remuneration. Accordingly, it was decided to pay Commission of ₹13,00,000 to Mr. S Sandilya in addition to the sitting fees for the year under review.

Further, as per Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) 2015 approval of the members of the Company is required annually, in case Remuneration payable to a single Non-executive Director exceeds the limit of 50% (fifty percent) of that payable to all Non-executive Director annually.

Except Mr. S Sandilya, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

The Board recommends the said resolution, as special resolution for approval of the members.

Item No. 7

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to them by Post/ Registered post/ Speed post/ Courier/ delivering at their office address/ such electronic or other mode as may be prescribed.

It further provides that a member can request for delivery of any document to them through a particular mode for which they shall pay such fees as may be determined by the Company in its Annual General Meeting. Therefore, to enable the members to avail this facility, it is necessary for the Company to determine the fees to be charged in advance for delivery of a document in a particular mode, as mentioned in the resolution.

The proposed resolution is for the purpose of seeking approval of members of the Company for determination of such fees.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their equity holding in the Company, if any, in the resolution set out at Item No. 7.

The Board recommends the said resolution, as an Ordinary Resolution for approval of the members.

Item No. 8

Under the provisions of Section 186 of the Companies Act, 2013, the powers to make loan(s) to any person or other body corporate and/or give any guarantee(s) or provide any security in connection with a loan(s) made to any other body corporate or person and to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, in excess of the limits of:

i) 60% (Sixty per cent) of the aggregate of the paid-up capital and free reserves and securities premium account or,

ii) 100% (Hundred per cent) of its free reserves and securities premium account, whichever is more, can be exercised by the Board with the consent of the members obtained by a Special Resolution.

The members of the Company had at its 35th Annual General Meeting held on June 22, 2017, passed special resolution under the Companies Act, 2013 approving an overall limit of ₹ 250 Crores (Indian Rupees Two Fifty Crores) to be exercised by the Company for giving loans and guarantees, making investments and providing securities from time to time excluding loans made or guarantees given or security provided for loans availed by a wholly owned subsidiary of the Company. Since then, the Company has been judiciously utilising these limits through its Board/ Committees Up to March 31, 2020, the Company has not made any loans to any third parties. However, it has given corporate guarantees or provided security for loans availed by its wholly owned subsidiaries to the tune of ₹ 332 Crores (Indian Rupees Three Thirty Two Crores). As per first proviso to Section 186(3) of the Companies Act, 2013, approval of members would not be required where a loan or guarantee or where a security is provided by the Company to its wholly owned subsidiary Company or a joint venture Company or acquisition is made by a holding Company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary Company.

As per latest Audited Financial Statements of the Company for the Financial Year ended March 31, 2020, 60% (sixty percent) of the paid-up capital, free reserves and securities premium account is equal to ₹ 132 Crores (Indian Rupees One Hundred and Thirty Two Crores) while 100% (Hundred per cent) of its free reserves and securities premium account is equal to ₹ 207 Crores (Indian Rupees Two Hundred and Seven Crores). The aggregate of paid up capital, free reserves and securities premium of the Company as at March 31, 2020 is ₹ 219 Crores (Indian Rupees Two Hundred and Nineteen Crores).

The Company at its meeting held on February 8, 2020 had considered and approved the draft Scheme of Arrangement under Sections 230-232 of the Companies Act, 2013 amongst the Company, Trans American Information Systems Private Limited, ("TAISPL') wholly owned subsidiary of the Company, Evolutionary Systems Private Limited ("ESPL") and their respective shareholders and creditors for the demerger of entire identified undertaking of ESPL i.e demerger of its identified business undertaking which includes all of the Oracle services business and ancillary and support services together with all assets, properties, obligations, and liabilities whatsoever. Upon the implementation of the scheme, the consideration for acquisition of the demerged identified undertaking of ESPL shall be partially discharged by the Company and TAISPL which would lead to deemed investment in equity shares of TAISPL. Further, as a result of implementation of the said Scheme of Arrangement, TAISPL will not remain a wholly owned subsidiary of the Company. The deemed investment in TAISPL will be to the tune of ₹ 192 Crores approx and will be in excess of the limits of the Board as specified under Section 186 (2) of the Companies Act, 2013.

Further, the Company being the flagship and holding Company for various Subsidiaries/ Wholly Owned Subsidiaries continues to support its subsidiaries and joint ventures by means of financial guarantees and offering security for due repayment of the financial assistance/ facility availed by such subsidiaries and joint ventures. Considering the investments to be made in various projects approved by the Board those being pursued as also to support its business activities, the Company may be required to acquire by way of subscription, purchase or otherwise, the securities of other body corporate and give loan or guarantee or provide security in connection with a loan to other body corporate, to the tune of ₹ 100 Crore (Indian Rupees Hundred Crores).

Based on the above, the consent of Members of the Company is sought pursuant to the provisions of the Section 186(3) of the Companies Act, 2013 to give authority to the Board of Directors to make loans and /or give guarantees, and/or provide any security in connection with loan made and/or acquire by way of subscription, purchase or otherwise the securities of body corporate for an amount not exceeding ₹ 1,000 Crores (Indian Rupees One thousand Crores).

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution except to the extent of their directorship and / or shareholding in the bodies corporate in which investment in securities / units may be made or loans / guarantees may be given or securities may be provided.

The Board recommends the said resolution, as special resolution for approval of the members.

Item No. 9

In terms of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the members in general meeting by way of a special resolution, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The creation of mortgage and/or charge by the Company of its movable and/or immovable properties, in favour of the lenders/ agent(s)/trustees, with a power to take over the management and substantial assets of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

The members of the Company had at its 35th annual general meeting held on June 22, 2017 had passed special resolution under the Companies Act, 2013 for creation of charges/ mortgages/ hypothecations for an amount not exceeding ₹ 250 Crores (Indian Rupees Two Fifty Crores) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher. The Company has accordingly availed various financial facilities for itself through its Board /Committees.

As per the audited standalone financial statements of the Company, the borrowings and other current and non-current financial liabilities of the Company (akin to the borrowing) as of March 31, 2020 is ₹ 48.46 Crores. The Company intends to achieve greater financial flexibility and meet the business requirements, growth and future expansion especially considering the recent acquisition of Evosys group business. The Company took strategic steps to fuel its digital transformation growth in cloud migration services and is expediting its plan to scale up its capacity, coverage to diversify its geographic concentration, and seek leverage on customer velocity. The Company is consolidating and synergising the internal assets to build futuristic solutions in its products to embrace future trends. All the aforesaid initiatives require sizeable investment and capital. As a part of exercise of strategic plan, the Company endeavours to maintain a capital structure which would be consistent with its cash flows while optimising the cost of capital which drives its selection of business operations and expansion plans. It may consider raising of funds by way of exercise of borrowing powers, it is proposed to increase the overall borrowing limits for ease and financial support in business operations and expansions. Further, in order to facilitate funding to its subsidiaries and joint ventures, the Company may be required to offer guarantees or provide security by way of charge, mortgage or encumbrance on its own assets.

Based on the above, the consent of the Members of the Company is sought pursuant to the provisions of the Section 180(1)(a) of the Companies Act, 2013, to increase the borrowing limits from ₹ 250 Crores (Indian Rupees Two Fifty Crores) to ₹ 750 Crores (Indian Rupees Seven Fifty Crores) towards creation of charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies to be borrowed by the Company (excluding temporary loans obtained from the Company's Bankers in the ordinary course of business) in future for its business operations.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise in the resolution set out above except to the extent of their shareholding in the Company.

The Board recommends the said resolution, as special resolution for approval of the members.

Item No. 10

In terms of the Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company shall not, except with the consent of the members by Special Resolution, borrow money together with the money already borrowed, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeding the aggregate of its paid-up capital, free reserves and securities premium.

The members of the Company had at its 35th Annual General Meeting held on June 22, 2017 had passed special resolution under the Companies Act, 2013 for borrowing limit for an amount not exceeding ₹ 250 Crores (Indian Rupees Two Fifty Crores) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher. The Company has accordingly availed various financial facilities for itself as well as for the benefit of its wholly owned subsidiaries. Hence, it is proposed to increase the maximum borrowing limits for ease and financial support in business operations and expansions.

The Company in order to enhance its presence in global markets as also to capture emerging business opportunities for growth, has to strengthen its financial position and net worth by augmenting long term resources substantially from time to time. The Company intends to focus on offerings that show tremendous growth potential. Keeping in view, the existing borrowings and the additional fund requirements for the ongoing /future projects, capacity expansion, acquisitions and enhanced long term working capital needs of the Company, it is prudent for the Company to have enabling approvals to raise full or part of the funding requirements for the aforesaid purposes. Hence, it may consider raising funds by means of borrowing by way of loans, or issue of debt securities, or by any other means. Considering the extent of financing facilities proposed to be availed by the Company for its own business requirements as well as for the purpose of providing the benefit of financing guarantees and security by the Company to its subsidiaries (including wholly owned subsidiaries and subsidiaries / joint ventures), the Company may be required to enhance the borrowing limits from ₹ 250 Crores (Indian Rupees Two Fifty Crores) to ₹ 750 Crores (Indian Rupees Seven Fifty Crores) by passing a special resolution in supersession of the resolution passed in June 22, 2017.

In view of the above, the consent of the Members of the Company is sought pursuant to the provisions of the Section 180(1) (c) of the Companies Act, 2013, to increase the borrowing limits from ₹ 250 Crores (Indian Rupees Two Fifty Crores) to ₹ 750 Crores (Indian Rupees Seven Fifty Crores) to secure the repayment of monies to be borrowed by the Company (excluding temporary loans obtained from the Company's Bankers in the ordinary course of business) in future for its business operations.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise in the resolution set out above except to the extent of their shareholding in the Company.

The Board recommends the said resolution, as special resolution for approval of the members.

By Order of the Board of Directors
For Mastek Limited

Dinesh Kalani
Company Secretary
Membership Number: FCS 3343

Mumbai, July 29, 2020

Registered Office:
804/805, President House,
Opp. C. N. Vidyalaya,
Near Ambawadi Circle, Ambawadi,
Ahmedabad - 380 006, Gujarat.
CIN: L74140GJ1982PLC005215
Website: www.mastek.com
Email: investor_grievances@mastek.com

Annexure A

Item Nos. 3, 4 & 5

Additional information on Directors recommended for Appointment/ Re-appointment [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

Name of the Directors	Mr. Ashank Desai (Re-appointment)	Mr. Rajeev Kumar Grover (Appointment)	Mr. Sudhakar Ram (Re-appointment)
Director Identification Number	00017767	00058165	00101473
Date of Birth	16/05/1951	28/07/1964	08/09/1960
Age (in years)	69	56	59
Date of Appointment	06/06/1982	28/01/2020	01/07/2017
Nationality	Indian	Indian	Indian
Qualifications	B.E. from Mumbai University, M. Tech Degree from the Indian Institute of Technology, Mumbai and Post Graduate Diploma in Business Management (PGDBM) from the Indian Institute of Management (IIM), Ahmedabad in 1979.	B Com. (H), Shri Ram College of Commerce, University of Delhi. Associate Chartered Accountant from The Institute of Chartered Accountants of India and Associate Company Secretary from The Institute of Company Secretaries of India.	Gold Medalist in Commerce from Loyola College, Chennai and PGDM from the Indian Institute of Management (IIM), Calcutta, graduated with a silver medal in 1982.
Nature of Expertise in specific functional areas	Wide managerial 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 Organisation (ASOCIO). He has expertise in all key functions relevant to the Company's operations.	Wide managerial experience in Finance, Operations, Technology and General Management.	Wide managerial experience in Technology, Global Business Perspective, Operations and General Management, Mergers and Acquisitions, Strategy and Planning, Risk Management etc.
Shareholding in the Company as on March 31, 2020	30,99,552 (12.76%)	Nil	15,88,680 (6.54%)
Directorships held in Listed Companies	a. NRB Bearings Limited- Independent Director b. Majesco Limited- Promoter & Non-Executive Director	Nil	Nil

Committee position held in Public Companies	**Mastek Limited** • Audit Committee – Member • Nomination and Remuneration Committee – Member • Stakeholders Relationship Committee – Member • Corporate Social Responsibility Committee – Member • Governance Committee – Chairman **NRB Bearings Limited** • Stakeholders Relationship Committee – Chairman • Corporate social Responsibility Committee – Member	**Mastek Limited** • Audit Committee – Member • Nomination and Remuneration Committee – Member • Governance Committee – Member	**Mastek Limited** • Stakeholders Relationship Committee – Member • Corporate Social Responsibility Committee – Member
Number of meetings of the Board attended during the Financial Year (2019-20)	7 out of 7	3 out of 4 (appointment w.e.f. January 28, 2020)	3 out of 7
Relationships between Directors inter-se	No such relationship exists between the Directors inter-se		
Key terms and conditions of the Re-appointment	Retirement by Rotation	It is proposed to appoint Mr. Grover as a Non-Executive Independent Director, for a term of 5 (five) consecutive years with effect from January 28, 2020 and as mentioned in resolution no. 4 of the Notice convening this Meeting read along with Explanatory Statement thereto.	It is proposed to re-appoint Mr. Ram as a Whole time Director, for a further period of 5 (five) years with effect from July 1, 2020 and as mentioned in Resolution No. 5 of the Notice convening this Meeting read along with Explanatory Statement thereto.
Remuneration last drawn	Refer to Directors' Report and Corporate Governance Report forming part of the Annual Report		
Remuneration sought to be paid	Mr. Desai being a Non-Executive Director shall be paid sitting fees for attending Board and/or Committee Meetings and commission, as approved by the members of the Company.	Independent directors are entitled to sitting fees for attending meetings of the Board & Committees thereof and also Commission	As per the Resolution No. 5 of the Notice convening this Meeting read along with Explanatory Statement thereto.

Notes:

1. For additional details on skills, expertise, knowledge and competencies of Directors, please refer Corporate Governance Report which forms part of this Annual Report.
2. The Directorship, Committee Memberships and Chairmanships do not include positions in Foreign Companies, Private Companies, position as an advisory board member and position in Trust and companies under Section 8 of the Companies Act, 2013.

E-COMMUNICATION REGISTRATION FORM

(FOR PHYSICAL HOLDER OF SHARES / FOR MEMBERS NOT YET UPDATED THEIR E-MAIL ID OR BANK ACCOUNT DETAILS WITH THE COMPANY)

To,
KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
(Unit: MASTEK LIMITED)
Selenium, Tower-B, Plot Nos. 31 & 32, Financial District,
Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana.
Tel: +91-040-6716-2222, Fax: +91-040-2300-1567
E-mail: einward.ris@kfintech.com Toll Free No.: 1800-345-4001

Folio No.	
Name of the sole / first named Member	
Name of joint holder(s)	
Permanent Account Number (PAN)	
Registered Address of Member	
E Mail ID to be registered	
Mobile No.	

Bank Account Details : (for electronic credit of unpaid dividends and all future dividends)			
Name of the Bank			
Name of the Branch			
Account Number (as appearing in your cheque book)			
Account Type (Saving / Current / Cash Credit)	**Saving**	**Current**	**Cash Credit**
9 Digit MICR Number (as appearing on the MICR cheque issued by the bank) Please enclose a photocopy of a cheque for verification			
11 Digit IFSC Code			

Date: _ /_ / 202_ Signature of the Member:______________________

Note:

1. *Members holding shares in demat form are requested to fill up prescribed registration form with their Depository Participant (DP).*
2. *Members are requested to keep DP / RTA / Company informed as and when there is any change in the Email address. Unless the E-mail ID given above is changed by you by sending another communication in writing / E-mail, the Company will continue to send the documents to you on the above mentioned E-mail ID.*
3. *Members hereby authorise Company to send all the correspondence on the above mentioned E-mail ID.*
4. *Please enclose a self-attested copy of PAN card of the members, original cancelled cheque leaf, Bank pass book and address proof viz., Aadhaar card as required for updating of the details along with this form.*

Frequently Asked Questions (FAQs)

1. **When was Mastek Limited ("the Company") incorporated and when did it have its Initial Public Offer?**

   The Company 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 1992 followed by another public issue in 1996.

2. **Who are the Founder Members of the Company?**

   The Founder Members of the Company are Mr. Ashank Desai, Mr. Ketan Mehta, Mr. Radhakrishnan Sundar and Mr. Sudhakar Ram.

3. **Which are the Stock Exchanges where the Company's shares are listed?**

   The Company's shares are listed in India on BSE Limited since March 30, 1993 and the National Stock Exchange of India Limited since May 10, 1995. (BSE Scrip Code: **523704**; NSE Symbol: **MASTEK**).

4. **What is the Company's area of operations?**

   The Company is an enterprise digital transformation specialist that engineers excellence for customers in the UK, US, and India. It enables large-scale business change programmes through its service offerings, which includes an application development, support, and testing, BI & analytics, agile consulting, & digital commerce. Whether it's creating new applications, modernising existing ones or recovering failing projects, Mastek helps enterprises to navigate the digital landscape and stay competitive. With digital solutions constituting more than 80% to the business, Mastek is emerging as one of the leaders in Enterprise Digital Transformation journey. Mastek is well poised to be among the top providers of agile digital transformation solutions and a significant player within the digital transformation space in retail and financial services.

5. **What is the Evosys area of operations?**

   Evosys is a leading Oracle Cloud implementation and consultancy Company serving 1,000+ Oracle Cloud customers across 30+ countries. An Oracle Platinum partner, Evosys provides solution offerings like Oracle HCM Cloud, Oracle ERP Cloud, Oracle SCM Cloud, Oracle CX, Oracle EPM Cloud, PaaS solutions (including custom-built solutions), AI, IoT and machine learning. Evosys diverse customer portfolio consisting Government, Healthcare, Finance, Logistics, Manufacturing & Distribution organisations, is a testimony to the expertise and leadership in Oracle Cloud implementation. Evosys was recognised for winning **'Oracle Partner of the Year'** Awards at Oracle OpenWorld 2019 for three times and the **'Dream Employer of the Year'** award from World HRD in 2019.

6. **What is the Vision Statement of the Company?**

   Mastek Vision 2020 Statement was to be a Global Leader in digital transformation services. Your Company have been steadfast in pursuit of this vision. Innovating, developing bespoke solutions and serving clients in a rapidly changing marketplace have enabled to reposition the Company from a commodity Indian - offshore IT services to a high-value impact and trusted digital transformation partner.

7. **What are the Core Values of the Company?**

   Our people, referred to as Mastekeers are the core of our inspirational growth agenda and are conducted by a set of defined ethical values. These values, called **PACTS (Passionate, Accountable, Collaborative, Transparent and Sustainable)**, which are imbued across the organisation, and ensure that no member of the team indulges in outrageous or discriminatory behaviour towards anyone within the organisation. This value system, which all Mastekeers are required to uphold at all times, is rooted in respect for our heritage. More importantly, however, it serves as the framework for the behaviour of current and future generations of Mastekeers, enabling quicker and better integration of new Mastekeers into our family.

   Passionate- We are fired-up about finding novel ways to exceed our customers' expectations.

   Accountable- Mastek 4.0 (our people transformation programme) empowers us to excel and accept individual ownership.

   Collaborative- Mutual respect and teamwork enrich our business outcomes with unique perspectives and experiences.

   Transparent - Open and honest behaviour is core to earn trust and deliver exceptional results for our stakeholders.

   Sustainable - We increase our social dividend, investing as much in our communities as in business improvements.

8. What is the Quality Policy of the Company?

Building and delivering systems, services and processes that help customers deliver their Digital vision" through

- Aligning to customer customers' objectives, being proactive and taking actions to exceed their business impact providing innovative digital solutions and building software using latest delivery methodology & engineering practices to deliver superior value to our customers
- Effective practice of "Quality Management System" ensuring quality standards of products and services are met prior to delivery through appropriate quality assurance and quality control
- Practicing risk management as inherent part of our operations with appropriate mitigation planning and regular risk tracking
- Striving for continual improvement of the Quality Management System

9. What are the Quality Objectives of the Company?

The Quality objectives are-

- Customer Experience – Satisfaction, Advocacy, Loyalty and Value for Money
- Quality of Deliverables
- Timeliness of Deliveries
- Productivity and Throughput

We endeavour to achieve client's expectations, quality and delivery performance metrics for the industries. We serve as per the respective roadmaps, improve or retain our stakeholder's engagement scores. Focus on building skills and capabilities to keep abreast with the changing demands of the businesses.

10. Has the Company issued any bonus shares in past? Has there been any stock split?

The Company had issued bonus shares in the ratio of 1:1 in January 2000 and also in April 2006. The Company's shares were sub divided from ₹ 10/- to ₹ 5/- since November 2000.

11. What is face value of the Company's Equity Shares and What is the Share Capital of the Company?

The face value of the Company's Equity Share is ₹ 5/- per share. The Authorised Share Capital is divided into 4,00,00,000 Equity Shares of ₹ 5/- each and 20,00,000 Preference Shares of ₹ 100/- each. The issued, subscribed and paid up Equity Share Capital as on March 31, 2020 is ₹ 12,14,47,360 and comprises of fully paid 2,42,89,472 Equity Shares of ₹ 5/- each.

12. What are the names of the Subsidiaries (including Evosys entities) of the Company and Where are they located?

The Company's Subsidiaries have increased (after the recent Evosys acquisition), the statement attached in Form AOC-1 Annexure to the Directors Report provides all the relevant details of our Subsidiaries.

13. What is the Employee strength of the Group?

As on March 31, 2020, the Group had 3,404 employees (including temporary/contractual).

14. How many Software Development Centres does the Company have?

The Company has 7 software development centers out of which 2 are located in and around Mumbai, 2 in Chennai and 1 each in Noida, Gurgaon and Pune.

15. Where are the Marketing offices situated?

The Company has Marketing offices in: UK, U.S.A, India and other Evosys locations as well.

16. What is the Fiscal Year of the Company?

The Fiscal Year of the Company is April 1 - March 31 every year.

17. Where is the Registered Office and Corporate Office of the Company located?

Registered Office:
804 / 805, President House, Opposite C N Vidyalaya, Near Ambawadi Circle, Ambawadi, Ahmedabad-380006, Gujarat.
Tel: +91-79-2656-4337; **Fax:** +91-22-6695-1331;
E mail: investor_grievances@mastek.com
Website: www.mastek.com

Corporate Office:
106/107, SDF IV, Seepz, Andheri (East), Mumbai - 400 096
Tel: +91-22-6722-4200; **Fax:** +91-22-6695-1331

18. What is the Credit Rating of the Company?

The Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations. During the year under review, ICRA Limited, a Rating Agency, had reaffirmed the ratings assigned for the bank facilities as [ICRA] A+ (Positive) rating for fund based limits and [ICRA] A1+ for non-fund based limits for the Working Capital Facilities granted to the Company by its Bankers.

19. What are the Financial Highlights of the Company's Performance this year?

Particulars	Consolidated ₹ in Lakhs		Standalone ₹ in Lakhs	
	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from operations	**107,148**	103,321	**16,344**	18,944
Profit after tax	**11,381**	10,147	**2,745**	3,051

20. Who are the Auditors of the Company?

M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), are the Statutory Auditors of the Company since 35th Annual General Meeting ("AGM") of the Company for a period of 5 (five) consecutive years, commencing from the conclusion of 35th AGM till the conclusion of the 40th AGM. (Financial Year 2017–18 to Financial Year 2021-2022).

21. What is the past years' dividend track record of the Company since Fiscal Year 2001?

Fiscal Year	Shares Outstanding (in Millions)	Dividend (₹ per share)	Total Dividends (₹ in Lakhs)
2001	13.88	2.00	27.77
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	1,036.11
2006	28.14	6.50	1,403.12
2007	28.46	7.50	2,132.34
2008	27.62	10.00	2,557.70
2009	26.90	10.00	2,679.34
2010	26.94	3.25	876.30
2011	26.95	-	-
2012	27.02	-	-
2013	24.64	3.00	739.15
2014	22.16	4.50	1,040.59
2015	22.55	2.50	563.94
2016	23.00	2.50	574.41
2017	23.38	3.50	817.41
2018	23.60	6.00	1,422.00
2019	23.98	8.50	2,035.00
2020	24.29	8.00	1,945.59

22. Does the Company have a dividend reinvestment program or dividend stock purchase plan?

The Company does not offer a dividend reinvestment program or dividend stock program at present.

23. How does one get the Annual Report and Quarterly Results of the Company?

The Annual Report as well as Quarterly Results along with Analysis, Press Release and Analyst Presentation are available on the Company's website at https://www.mastek.com/financial-information.

These are also available on the websites of BSE Limited (www.bseindia.com) and the National Stock Exchange of India Limited (www.nseindia.com), where the shares of the Company are listed.

24. Where one can obtain details of the Company's Shareholding?

The Shareholding Pattern can be obtained from the website of the Company at https://www.mastek.com/investor-information. These are also available on the websites of BSE Limited (www.bseindia.com) and the National Stock Exchange of India Limited (www.nseindia.com), where the shares of the Company are listed.

25. Does the Company organise any Investors / Analysts meetings?

Conference calls with the Investors/Analysts are held immediately after the announcement of quarterly results and the transcript of the said calls are displayed on the Company's website at https://www.mastek.com/financial-information.

Apart from the quarterly meeting, Investors/Analysts meetings are also held with senior officials of the Company and the Intimation of the said meets are shared with the stock exchanges and also disclosed under Investor Information section on the website of the Company at https://www.mastek.com/investor-information.

26. Who is the Registrar and Share Transfer Agent of the Company?

The Registrar and Share Transfer Agent (RTA) of the Company since April 2016 are:
KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
Unit: Mastek Limited
Address: Selenium Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana.
Tel.: +91-040-6716-2222;
Fax: +91-040-2300-1567;
Toll Free no.: 1800-345-4001
E-mail: einward.ris@kfintech.com
Contact Person: Mr. Birender Thakur

27. How does one transfer his/her shares or change the address with the RTA?

SEBI has mandated that, effective April 1, 2019, no share can be transferred in physical mode. Hence, the Company's RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. For the transmission of shares in physical form and noting your change of address, you need to write to Company's RTA.

Transfer of shares in the electronic mode is effected through your Depository Participant only.

28. Whom does one contact in case of non-receipt of dividend, loss of share certificates, etc?

You may contact Company's 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.

29. Is Automated Clearing House (ACH) mode facility available for payment of dividend?

The Company extends ACH mode facility to all its members since longtime. The dividend amount of members availing ACH mode facility is directly credited to their Bank accounts. Members holding shares in physical form may submit a request letter with copy of cancelled cheque to RTA for availing ACH mode facility. Those holding shares in demat form are advised to please update their Demat Account details with proper and correct Bank account details with their Depository Participant.

30. How do I buy Company's shares?

The Company's shares can be purchased in India either through a stockbroker or through any financial institution that provides brokerage services at the BSE or NSE. The Company does not offer a direct share purchase plan to outsiders.

31. If dividend warrant is lost / was never received / has expired, how do i get a fresh demand draft re-issued?

Please write to the Company's RTA with details of folio numbers and cancelled cheques (in the case of physical holdings) or the DP ID and account number in the case of dematerialised holdings. After verification, they will register the details and will arrange to initiate NEFT directly to your designated Bank Account through Dividend Banker.

To avoid this problem in the future, you can use the ECS / ACH facility in which the dividend amount is automatically credited to the Bank Account of your choice. To avail of this facility, give your request to RTA in writing.

Also, you should consider dematerialising your holdings through a Depository Participant. This would not only eliminate the issues of storage and risk of loss of paper certificates but also ensure automatic crediting of dividends to your Bank Account in time.

32. Does the Company have a quiet period? When is that?

Yes. The Company follows quiet periods i.e. Trading Window Closure, which is made every quarter prior to its release of quarterly results. During the quiet period, the Company or any of its designated officials will not discuss earnings expectations with any external parties. As per Company's Code of Conduct for Prevention of Insider Trading, the Trading Window Closure of the Company for every quarter starts from last day of any fiscal quarter and will continue till 48 hours after the disclosure of such financial results / information to the concerned Stock Exchanges.

33. How can the shares be dematerialised and who are the Depository Participants (DP)?

The Company's shares are traded only in electronic form since June 2000. Shares can be dematerialised by opening the demat account with any of 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.

34. Where can I find details of the dividends unclaimed for 7 (seven) consecutive years, the shares in respect of which are liable to be transferred to the Investor Education and Protection Fund Authority (IEPF Authority)?

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, and amendments made thereunder all the concerned shares in respect of which dividend had not been claimed or remained unencashed for 7 (seven) consecutive years or more is required to be transferred by the Company to IEPF Authority in specified Demat Account.

The web link to find out the Detailed list of Equity Shares / Dividends transferred to IEPF Authority is available on the website of the Company at https://www.mastek.com/investor-information as mandated by Ministry of Corporate Affairs ('MCA').

The Company had already transferred 48,285 shares in November, 2017 and 7,033 shares in January, 2018 (based on Un-Paid Interim and Final Dividend of year 2009-10 in November 2017 and January, 2018 respectively) to IEPF Authority Demat Account to comply with the said Rules.

In case the members have any queries on the subject matter and the Rules, they may contact the Company's RTA. The Members / claimants whose shares, unclaimed dividend, etc. have been transferred to IEPF Authority can claim the concerned shares and unclaimed dividend by making an application to IEPF Authority in IEPF Form-5 (available on www.iepf.gov.in). The Member / claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules. It is in the Members interest to claim any un-encashed dividends and for future, opt for Automated Clearing House (ACH) mode, so that dividends paid by the Company are directly credited to the investor's account on time.

35. How does one inform the Company to send the correspondence in electronic form to save the time and have speedy communication?

On account of the threat posed by COVID-19 and in compliance with the aforementioned MCA Circulars and SEBI Circular, the copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report), Annual Report for Financial Year 2019-20 and Notice of Annual General Meeting is being sent only through electronic mode only.

Members are requested to follow the procedures as mentioned in the Notice of Annual General Meeting for registering themselves for receiving the further communications electronically.

36. How can a Member access information about the Company?

Information about the Company is available on its website. Further, all information that is material in nature is notified to the stock exchanges and appropriate advertisements are also issued in the newspapers from time to time.

Members and Investors are also advised to go through the section on Management Discussion and 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.

Office Locations of Mastek Group and its Subsidiaries

INDIA

Mastek Limited

Mumbai #106/107/122/122 C SDF IV, Seepz, Andheri (East), Mumbai - 400 096	**Mumbai** # IT 5/6/7/8, SDF VII, Seepz, Andheri (East), Mumbai - 400 096	**Mumbai** #183, SDF VI, Seepz, Andheri (East), Mumbai – 400 096
Navi Mumbai A/7, Mastek Millennium Centre Millennium Business Park, Mahape, TTC, Off Thane Belapur Road, Navi Mumbai – 400 710	**Navi Mumbai** A/303 Sector 1, Millennium Business Park, Mahape, Navi Mumbai - 400 710	**Pune** B 1/201, Second Floor, The Cerebrum, Kumar Cerebrum IT Park, Mulik Nagar, IT Park Area, Kalyani Nagar, Pune - 411 014
Ahmedabad 804/805, President House, Opp. C. N. Vidyalaya, Near Ambawadi Circle, Ahmedabad – 380 006	**Chennai** Mahindra World City, Plot No. TP – 5, 4th Avenue, Nathan Sub (PO), Chengalpattu, Tamil Nadu – 603 002	

Trans American Information Systems Private Limited

Ahmedabad 804/805, President House, Opp. C. N. Vidyalaya, Near Ambawadi Circle, Ahmedabad – 380 006	**Chennai** Temple stops, Block-1, 4th Floor, No. 184-187, Anna Salai, Little Mount Chennai, Tamil Nadu - 600 015	**Gurugram** Unit Nos. 101, 101A, 102A and 102B, IRIS Tech Park, Wing A, First Floor, Sector 48, Sohna Road, Gurugram - 122 018
Noida Logix Cyber Park, Tower C, 9th Floor, C- 28 & 29, Sector 62, Noida, Uttar Pradesh - 201 301		

Evolutionary Systems Private Limited

Ahmedabad 11th Floor, Kataria Arcade, Beside Adani Vidya Mandir School, S.G. Highway, Makarba Circle, Ahmedabad – 380 054	**Ahmedabad** 3rd Floor, Block C, Acropolis Mall, Above Home Town, Thaltej, Ahmedabad – 380 059	**Pune** Office No. 101A, Gamma 1 Giga Space IT Park, Viman nagar, Pune - 411 014

INTERNATIONAL

Mastek

United Kingdom

Reading
(Mastek (UK) Limited)
Pennant House, 2 Napier Court,
Napier Road Reading,
RG1 8BW, UK

Leeds
(Mastek (UK) Limited)
4th Floor, 36 Park Row,
Leeds, LS1 5JL, UK

United States of America, Canada and Middle East

Dallas
(Mastek Inc. and Trans American Information Systems Inc.)
15601 Dallas Parkway, Suite 250,
Addison, TX 75001

Toronto
(Mastek Digital Inc.)
55 York Street, Suite 401,
Toronto ON M5J 1R7

Dubai
(Mastek Arabia – FZ LLC)
112, Building 11,
Dubai Internet City,
PO Box: 500830, Dubai

Evosys

United Kingdom

Middlesex
(Evolutionary Systems Company Limited)
Harrow Business Centre,
429-433 Pinner Road,
North Harrow, Middlesex HA1 4HN

United States of America

Chicago
(Evolutionary Systems Corp.)
1 South Wacker Drive,
Chicago, IL 60606

Massachusetts
(Newbury Cloud Inc.) &
(Evolutionary Systems Corp.)
400,Trade Center,
Woburn, MA 01801,
Massachusetts

Middle East

Abu Dhabi
(Evolutionary Systems Consultancy LLC)
PO Box 7891,
Air Port Road
Abu Dhabi, UAE

Egypt
(Evolutionary Systems Egypt LLC)
37 Ali Amer Street - Off Makram
Ebeed Street - Infront of Child
Garden, 6th floor, Flat 603,
Nasr City - Cairo – Egypt

Saudi Arabia
(Evolutionary Systems Saudi LLC)
Suite #1, Delia Plaza,
Dabbab Street, Sulaimaniah,
PO Box: 220032, Riyadh - 11311,
Kingdom of Saudi Arabia

Bahrain
(Evolutionary Systems Bahrain SPC)
Manama, Hoora, Block 319, Road 1910,
Building 322, Flat no. 69
Building Name: Dar Elizz Tower,
Kingdom of Bahrain

Kuwait
(Evosys Kuwait WLLC)
Al-Wataniya Tower, 7th Floor, Al-Qibla, Kuwait

Qatar
(Evolutionary Systems Qatar W.L.L)
Al Shoumoukh Towers, 10th floor,
Tower B, C –Ring Road, Al Sadd,
Doha, Qatar

Rest of the World

Singapore
(Evolutionary Systems Singapore Pte Ltd)
Level 42-01, Suntec Tower Three 8
Temasek Boulevard, Singapore 038988

Malaysia
(Evosys Consultancy Services (Malaysia) Sdn Bhd.)
Suite B-01096, Dataran 3 Two,
No. 2, Jalan 19/1, Petaling
Jaya - 46500, Selangor, Malaysia

Australia
(Evolutionary Systems Pty Ltd)
Level 26, 44 Market Street Sydney,
NSW 2000
Australia

Netherlands
(Evolutionary Systems B.V.)
Weesperstraat 61,
1018 VN Amsterdam,
Netherlands

Notes


Charitable Trust
Since 2011

Mastek Limited

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

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www.mastek.com