

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Mastek Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Mastek Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') (Refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 31 December 2019 and the consolidated year to date results for the period 1 April 2019 to 31 December 2019 being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143 (10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



MKA

Mastek Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, specified under Section 133 of the Companies Act, 2013, the SEBI Circulars and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Walker Chandniok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



Adi P. Sethna

Partner

Membership No. 108440

UDIN No: 20108840AAAAAK4432

Place: Mumbai

Date: 28 January 2020

Enclosure: Annexure 1

List of entities included in the Statement

MKA

Mastek Limited


Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Annexure 1

List of entities included in the Statement

S. No.	Subsidiaries (including step down Subsidiaries)
5	Mastek (UK) Limited
2	Trans American Information System Private Limited
3	Mastek, Inc.
4	Taistech LLC
5	Trans American Information Systems, Inc.

MKA



Registered Office : 804/805, President House, Opp.C.N.Vidyalaya

Near Ambawadi Circle, Ahmedabad-380 006

CIN No. L74140GJ1982PLC005215

Statement of Unaudited Consolidated Financial Results for the Quarter and Nine months ended December 31, 2019

(Rs. in lakhs)

	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations	24,368	24,360	26,500	73,482	76,611	103,321
	(b) Other income	955	912	602	2,380	1,785	2,478
	Total Income	25,323	25,272	27,102	75,862	78,396	105,799
2	Expenses						
	(a) Employee benefits expenses	13,657	13,504	14,929	40,663	43,866	58,717
	(b) Finance costs	80	86	135	248	503	613
	(c) Depreciation and amortisation expenses	582	563	431	1,718	1,303	1,735
	(d) Other expenses	7,348	7,792	8,171	23,104	23,119	31,450
	Total expenses	21,667	21,945	23,666	65,733	68,791	92,515
3	Profit before exceptional items & tax (1 - 2)	3,656	3,327	3,436	10,129	9,605	13,284
4	Exceptional items - (loss) / gain, net (Refer note 5 & 6)	(453)	(199)	-	(652)	-	55
5	Profit before tax (3 + 4)	3,203	3,128	3,436	9,477	9,605	13,339
6	Income tax expense / (credit)						
	- Current tax	904	979	840	2,640	2,519	3,419
	- Deferred tax	(302)	(315)	(66)	(650)	(374)	(129)
	- Tax relating to prior periods	-	-	10	-	52	(98)
	- Total (net)	602	664	784	1,990	2,197	3,192
7	Net Profit for the period (5 - 6)	2,601	2,464	2,652	7,487	7,408	10,147
8	Other Comprehensive (Loss) / Income net of tax (Refer note 3)	(385)	(1,685)	(2,828)	5,650	9,064	8,755
9	Total Comprehensive Income / (Loss) net of tax (7 + 8)	2,216	779	(176)	13,137	16,472	18,902
10	Paid-up equity share capital (Face value Rs. 5/- per share)	1,206	1,201	1,194	1,206	1,194	1,199
11	Other Equity						70,441
12	Earnings per share (of Rs 5/- each) (not annualised) :						
	(a) Basic - Rs	10.79	10.26	11.12	31.16	31.14	42.61
	(b) Diluted - Rs	10.22	9.73	10.48	29.47	29.36	40.32



MKA



Registered Office : 804/805, President House, Opp.C.N.Vidyalaya
Near Ambawadi Circle, Ahmedabad-380 006
CIN No. L74140GJ1982PLC005215

Statement of Unaudited Consolidated Segmental Information for the Quarter and Nine months ended December 31, 2019

(Rs. in lakhs)

	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
	UK operations	18,501	17,433	19,899	53,989	55,933	76,361
	North America operations	5,630	6,472	6,236	18,408	19,400	25,275
	Others	237	455	365	1,085	1,278	1,685
	Revenue from operations (net)	24,368	24,360	26,500	73,482	76,611	103,321
2	Segment Results profit before exceptional item, tax and finance cost						
	UK operations	3,267	2,704	3,511	8,829	8,948	12,690
	North America operations	407	646	(38)	1,554	670	709
	Others	(528)	(416)	(44)	(1,174)	(158)	(447)
	Total	3,146	2,934	3,429	9,209	9,460	12,952
	Less : i. Finance costs	80	86	135	248	503	613
	ii. Other un-allocable expenditure net of un-allocable (income)	(590)	(479)	(142)	(1,168)	(648)	(945)
	Profit from ordinary activities after finance costs but before exceptional items	3,656	3,327	3,436	10,129	9,605	13,284
	Exceptional items - (loss) / gain, net						
	UK operations (Refer note 5)	-	-	-	-	-	(1,792)
	North America operations (Refer note 5)	-	-	-	-	-	1,847
	Others (Refer note 6)	(453)	(199)	-	(652)	-	-
	Exceptional (loss) / gain, net	(453)	(199)	-	(652)	-	55
	Profit from ordinary activities before tax	3,203	3,128	3,436	9,477	9,605	13,339

Notes on Segment Information :

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on analysis of various performance indicators by geographical region of the customers.

Property, Plant and Equipment used in the Group's business or liabilities contracted have not been identified to any of the reportable segments, as the Property, Plant and Equipment and the support services are used interchangeably between segments. Accordingly disclosure relating to total segment assets and liabilities are not practicable.



Registered Office : 804/805, President House, Opp.C.N.Vidyaleya

Near Ambawadi Circle, Ahmedabad-380 006

CIN No. L74140G1982PLC005215

Notes to the consolidated financial results:

- The above results were reviewed by the Audit Committee and were thereafter approved by the Board at their respective meetings held on January 28, 2020. The auditors have carried out a limited review of the unaudited consolidated financial results.
- The Group has accounted net foreign exchange gain under "Other income" and net foreign exchange loss under "Other Expenses". Further, 'Revenue from operations' includes net realised foreign exchange loss / (gain) arising from currency hedges relating to certain firm commitments and forecasted sales transactions. The table below shows the impact of the net foreign exchange (gain) / loss on the Group's results in each of the periods presented:

Particulars	(Rs. in lakhs)					
	Quarter ended			Nine months ended		Year ended
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
Net foreign exchange (gain) / loss	(81)	24	212	77	61	(23)
Net realised foreign exchange (gain) / loss arising from hedging accounted under Income from Operations	(66)	(124)	28	(280)	(3)	(20)

3 Other Comprehensive Income includes:

Particulars	(Rs. in lakhs)					
	Quarter ended			Nine months ended		Year ended
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
(i) Items that will not be reclassified subsequently to the statement of profit or loss (net of tax):						
Defined benefit plan actuarial gains / (losses), net	45	(65)	(40)	29	(2)	(6)
Change in fair value of equity instrument through OCI, net #	(2,939)	(2,064)	(1,020)	3,584	9,172	8,377
Total	(2,894)	(2,129)	(1,060)	3,613	9,170	8,371
(ii) Items that will be reclassified subsequently to the statement of profit or loss (net of tax):						
Exchange differences on translation of foreign operations	3,060	268	(2,497)	2,213	(869)	(505)
Change in fair value of forward contracts designated as cash flow hedges, net	(535)	36	888	(303)	802	786
Change in fair value of financial instruments, net	(16)	140	(159)	127	(39)	103
Total	2,509	444	(1,768)	2,037	(106)	384
Other comprehensive (loss) / income net of tax (i+ii)	(385)	(1,685)	(2,828)	5,650	9,064	8,755

Includes fair value (loss) / gain of Rs. (1,346) lakhs and Rs. 1,240 lakhs for the quarter and nine months ended December 31, 2019 respectively, on account of sale of 2 million equity shares of MAJESCO (US) by Mastek (UK) Limited during the current quarter.

- The group has adopted Ind AS 116 'Leases' with effect from April 1, 2019 using the modified retrospective approach, as a result of which comparative information is not required to be restated. The group has discounted lease payments using the incremental borrowing rate as at April 1, 2019 for measuring lease liability. Accordingly, on transition to Ind AS 116, the group recognized 'right-of-use' assets and lease liabilities (adjusted for related prepayments/accruals) amounting to Rs. 1,326 lakhs, by discounting lease payments using the incremental borrowing rate as at April 1, 2019. For period ended December 31, 2019, the group has recognized finance cost on lease amounting to Rs. 64 lakhs and amortization on right-of-use assets amounting to Rs. 439 lakhs, which would have been recognised as rent Rs. 454 lakhs, based on the earlier standard. During the quarter ended December 31, 2019 the group has recognized finance cost on lease amounting to Rs. 21 lakhs and amortization on right-of-use assets amounting to Rs. 157 lakhs, which would have been recognised as rent Rs. 151 lakhs, based on the earlier standard.
- Exceptional gains / (loss) (net) during the financial year ended March 31, 2019 include (i) write back of contingent consideration Rs. 2,689 lakhs, towards liability no longer payable as per earn out settlement on acquisition of (TaisTech) US business; (ii) Impairment loss on goodwill Rs. 1,792 lakhs recognised on acquisition of Indigoblue Consulting Limited, on account of operational performance; and (iii) provision for restructuring cost Rs. 842 lakhs, recognised towards the restructuring of a portion of its US operations.
- Exceptional item for the quarters and nine months represents material provisions for doubtful debts on certain revenue contracts.
- These results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Ind-AS) Rules, 2015 as amended.
- Previous period's / year's figures have been regrouped or reclassified wherever necessary.

Place : Mumbai, India
Date : January 28, 2020



S. Sandilya
S. SANDILYA
Chairman



Walker Chandiook & Co LLP
16th Floor, Tower II,
Indiabulls Finance Centre,
SB Marg, Elphinstone (W)
Mumbai - 400 013
India

T +91 22 6626 2600
F +91 22 6626 2601

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Mastek Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Mastek Limited ('the Company') for the quarter ended 31 December 2019 and the year to date results for the period 1 April 2019 to 31 December 2019, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143 (10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Mastek Limited

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, the SEBI Circular, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Walker Chandniok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



Adi P. Sethna

Partner

Membership No. 108440

UDIN No: 20108840AAAAAJ9333

Place: Mumbai

Date: 28 January 2020

MASTEK LIMITED

Registered Office : 804/805, President House, Opp.C.N.Vidyalaya
Near Ambawadi Circle, Ahmedabad-380 006
CIN No. L74140G11982PLC005215

Statement of Unaudited Standalone Financial Results for the Quarter and Nine months ended December 31, 2019

(Rs. in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended	
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Income						
	(a) Revenue from operations	3,660	4,231	4,885	12,307	14,431	18,944
	(b) Other income	1,269	1,669	1,293	3,337	2,994	3,459
	Total income	4,929	5,900	6,178	15,644	17,425	22,403
2	Expenses						
	(a) Employee benefits expenses	3,081	3,184	3,415	9,233	10,192	13,453
	(b) Finance costs	7	14	4	31	18	27
	(c) Depreciation and amortisation expenses	281	294	279	871	920	1,208
	(d) Other expenses	807	1,092	835	2,992	2,500	3,799
	Total expenses	4,176	4,584	4,533	13,127	13,630	18,487
3	Profit before exceptional items & tax (1 - 2)	753	1,316	1,645	2,517	3,795	3,916
4	Exceptional items - (loss) / gain, net (Refer note 5)	(453)	(199)	-	(652)	-	-
5	Profit before tax (3 + 4)	300	1,117	1,645	1,865	3,795	3,916
6	Income tax expense / (credit)						
	- Current tax	174	266	347	595	920	998
	- Deferred tax	(159)	(95)	36	(270)	(19)	(78)
	- Tax relating to prior periods	-	-	(8)	-	34	(55)
	- Total (net)	15	171	375	325	935	865
7	Net Profit for the period (5 - 6)	285	946	1,270	1,540	2,860	3,051
8	Other Comprehensive (Loss) / Income net of tax (Refer note 3)	(531)	139	699	(122)	770	872
9	Total Comprehensive (Loss) / Income net of tax (7 + 8)	(246)	1,085	1,969	1,418	3,630	3,923
10	Paid-up equity share capital (Face value Rs. 5/- per share)	1,206	1,201	1,194	1,206	1,194	1,199
11	Other Equity						
12	Earnings per share (of Rs 5/- each) (not annualised) :						
	(a) Basic - Rs	1.19	3.94	5.32	6.41	12.02	12.81
	(b) Diluted - Rs	1.12	3.73	5.02	6.06	11.33	12.12



MASTEK LIMITED

Registered Office : 804/805, President House, Opp.C.N.Vidyalaya
Near Ambawadi Circle, Ahmedabad-380 006
CIN No. L74140G1982PLCO05215

Statement of Unaudited Standalone Segmental Information for the Quarter and Nine months ended December 31, 2019

(Rs. in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Segment Revenue						
UK operations	3,285	3,647	4,179	10,809	12,070	15,994
North America operations	138	129	342	415	1,063	1,265
Others	237	455	365	1,085	1,278	1,685
Revenue from operations (net)	3,660	4,231	4,885	12,307	14,431	18,944
2 Segment Results profit before exceptional item, tax and finance cost						
UK operations	376	517	688	1,556	1,860	2,527
North America operations	18	17	42	56	124	149
Others	(528)	(416)	(44)	(1,174)	(158)	(447)
Total	(134)	118	686	438	1,826	2,229
Less : i. Finance costs	7	14	4	31	18	27
ii. Other un-allocable expenditure net of un-allocable (income)	(894)	(1,212)	(963)	(2,110)	(1,987)	(1,714)
Profit from ordinary activities after finance costs but before exceptional items	753	1,316	1,645	2,517	3,795	3,916
Exceptional items - (loss) / gain, net (Refer note 5) (Others)	(453)	(199)	-	(652)	-	-
Profit from ordinary activities before tax	300	1,117	1,645	1,865	3,795	3,916

Notes on Segment Information:

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on analysis of various performance indicators by geographical region of the customers.

Property, Plant and Equipment used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the Property, Plant and Equipment and the support services are used interchangeably between segments. Accordingly disclosure relating to total segment assets and liabilities are not practicable.



MKA



MASTEK LIMITED

Registered Office : 804/805, President House, Opp.C.N.Vidyalaya
Near Ambawadi Circle, Ahmedabad-380 006
CIN No. L74140G1982PLC005215

Notes to the standalone financial results:

- The above results were reviewed by the Audit Committee and were thereafter approved by the Board at their respective meetings held on January 28, 2020. The auditors have carried out a limited review of the unaudited standalone financial results.
- The Company has accounted net foreign exchange gain under "Other Income" and net foreign exchange loss under "Other Expenses". Further, during the period company has realised foreign exchange loss / (gain) arising from currency hedges relating to certain firm commitments and forecasted sales transactions. The table below shows the amount of gain or loss in each of the periods presented:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
	2019	2019	2018	2019	2018	2019
Net foreign exchange (gain) / loss	(276)	(37)	154	(197)	41	(19)
Net realised foreign exchange (gain) / loss arising from hedging accounted under Income from Operations	(66)	(124)	28	(280)	(3)	(20)

3 Other Comprehensive Income includes:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
	2019	2019	2018	2019	2018	2019
(i) Items that will not be reclassified subsequently to the statement of profit or loss (net of tax):						
Defined benefit plan actuarial gains/ (losses), net	27	(55)	(30)	30	7	(6)
Total	27	(55)	(30)	30	7	(6)
(ii) Items that will be reclassified subsequently to the statement of profit or loss (net of tax):						
Change in fair value of forward contracts designated as cash flow hedges, net	(542)	54	558	(279)	802	774
Change in fair value of financial instruments, net	(16)	140	(159)	127	(39)	104
Total	(558)	194	729	(152)	763	878
Other comprehensive (loss) / income net of tax (i+ii)	(531)	139	699	(122)	770	872

- The company has adopted Ind AS 116 'Leases' with effect from April 1, 2019 using the modified retrospective approach, as a result of which comparative information is not required to be restated. The company has discounted lease payments using the incremental borrowing rate as at April 1, 2019 for measuring lease liability. Accordingly, on transition to Ind AS 116, the company recognized 'right-of-use' assets and lease liabilities (adjusted for related prepayments/accruals) amounting to Rs. 143 lakhs, by discounting lease payments using the incremental borrowing rate as at April 1, 2019. For period ended December 31, 2019, the company has recognized finance cost on lease amounting to Rs. 10 lakhs and amortization on right-of-use assets amounting to Rs. 23 lakhs, which would have been recognised as rent Rs.29 lakhs, based on the earlier standard. During the quarter ended December 31, 2019, the Company has recognized finance cost on lease amounting to Rs. 3 lakhs and amortization on right-of-use assets amounting to Rs. 8 lakhs, which would have been recognised as rent Rs. 7 lakhs, based on the earlier standard.
- Exceptional item for the quarters and nine months represents material provisions for doubtful debts on certain revenue contracts.
- These results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Ind-AS) Rules, 2015 as amended.
- Previous periods / year's figures have been regrouped or reclassified wherever necessary.

Place : Mumbai, India
Date : January 28, 2020



S. Sandilya
S. SANDILYA
Chairman



WJKR