

SEC/85/2021-22

October 19, 2021

<b>Listing Department</b> <b>BSE Limited</b> 25 <sup>th</sup> Floor, Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai-400 001 Tel No. 022- 22723121, Fax No. 022- 22721919 <b>SCRIP CODE: 523704</b>	<b>Listing Department</b> <b>The National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Tel No.: 022- 26598100, Fax No. 022-26598120 <b>SYMBOL: MASTEK</b>
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**Subject: Outcome of the proceedings of Board Meeting held today – October 19, 2021 - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")**

Dear Sir(s)/Ma'am(s),

We wish to inform you that the Board of Directors at their meeting held *today – October 19, 2021*, has transacted, approved and taken on record the Unaudited Financial Results for the second quarter and half year ended September 30, 2021; both Consolidated and Standalone prepared in terms of Regulation 33 of SEBI Listing Regulations.

Pursuant to the SEBI Listing Regulations, the Statutory Auditors of the Company, Walker Chandio & Co LLP, Chartered Accountants, have issued a Limited Review Report with unmodified opinion on the Unaudited Financial Results (Consolidated and Standalone) for the second quarter and half year ended September 30, 2021.

Accordingly, pursuant to the provisions of Regulation 30 and Regulation 33 of the SEBI Listing Regulations, we enclose the following;

1. Unaudited Financial Results (Consolidated and Standalone) for the second quarter and half year ended September 30, 2021 under IndAS along with Limited Review Report issued by M/s. Walker Chandio & Co. LLP, Statutory Auditors, of the Company.
2. Press Release and
3. Investor Presentation

Further, pursuant to the provisions of Regulation 47 of SEBI Listing Regulations, an extract of the aforementioned Financial Results would be published in the newspapers in accordance with the SEBI Listing Regulations and the same will be made available on the Company's website at [www.mastek.com](http://www.mastek.com).

The meeting of the Board of Directors of the Company commenced at 8.30 p.m. and concluded at 11.45 p.m. This is for your information and record.

Thanking you.  
Yours Truly,

For Mastek Limited

  
**Dinesh Kalani**  
Company Secretary



Encl: As above

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Walker Chandiook & Co LLP

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**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 **30 September 2021** and the consolidated year to date results for the period 01 April 2021 to 30 September 2021, 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'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure 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. 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.



**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)**

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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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, 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 Chandio & Co LLP**

Chartered Accountants

Firm Registration No:001076N/N500013



**Adi P. Setina**

Partner

Membership No:108840

**UDIN:21108840AAAAFW4869**

Place: Mumbai

Date: 19 October 2021

**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)**

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**Annexure 1**

**List of entities included in the Statement**

1. Trans American Information Systems Private Limited
2. Mastek (UK) Limited
3. Mastek, Inc.
4. Mastek Digital Inc.
5. Trans American Information Systems Inc.
6. Indigo Blue Consulting Limited (merged with Mastek (UK) Limited w.e.f 1 July 2018)
7. Mastek Arabia - FZ LLC
8. Evolutionary Systems Private Limited
9. Evolutionary Systems Qatar WLL
10. Evolutionary Systems (Singapore) Pte Ltd.
11. Evolutionary Systems Pty Ltd.
12. Evolutionary Systems Corp.
13. Evolutionary Systems Co. Ltd
14. Evosys Consultancy Services (Malaysia) Sdn Bhd
15. Evolutionary Systems B.V
16. Evolutionary Systems Saudi LLC
17. Evosys Kuwait WLL
18. Evolutionary Systems Bahrain WLL
19. Evolutionary Systems Consultancy LLC
20. Evolutionary Systems Egypt LLC
21. Newbury Cloud Inc.
22. Evolutionary Systems Canada Limited (w.e.f 17 May 2021)



**MASTEK LIMITED**  
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 Six months ended September 30, 2021

(Rs. in lakhs)

	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	(a) Revenue from operations	53,393	51,647	40,974	105,040	79,580	172,186
	(b) Other income	771	470	406	1,241	2,076	2,791
	<b>Total Income</b>	<b>54,164</b>	<b>52,117</b>	<b>41,380</b>	<b>106,281</b>	<b>81,656</b>	<b>174,977</b>
2	<b>Expenses</b>						
	(a) Employee benefits expenses	27,385	25,721	21,037	53,106	41,403	88,272
	(b) Finance costs	185	171	208	356	458	810
	(c) Depreciation and amortisation expenses	1,042	974	1,164	2,016	2,304	4,495
	(d) Other expenses	14,727	14,648	11,282	29,375	22,710	47,467
	<b>Total expenses</b>	<b>43,339</b>	<b>41,514</b>	<b>33,691</b>	<b>84,853</b>	<b>66,875</b>	<b>141,044</b>
3	<b>Profit before exceptional items &amp; tax ( 1 - 2 )</b>	<b>10,825</b>	<b>10,603</b>	<b>7,689</b>	<b>21,428</b>	<b>14,781</b>	<b>33,933</b>
4	Exceptional items - net	-	-	-	-	-	-
5	<b>Profit before tax ( 3 + 4 )</b>	<b>10,825</b>	<b>10,603</b>	<b>7,689</b>	<b>21,428</b>	<b>14,781</b>	<b>33,933</b>
6	<b>Income tax expense / (credit)</b>						
	- Current tax	2,868	2,649	1,901	5,517	3,671	8,136
	- Deferred tax	(196)	(67)	(127)	(263)	(193)	(131)
	- Tax provision relating to prior periods (Refer note 7)	-	-	-	-	730	753
	<b>- Total tax (net)</b>	<b>2,672</b>	<b>2,582</b>	<b>1,774</b>	<b>5,254</b>	<b>4,208</b>	<b>8,758</b>
7	<b>Net Profit ( 5 - 6 )</b>	<b>8,153</b>	<b>8,021</b>	<b>5,915</b>	<b>16,174</b>	<b>10,573</b>	<b>25,175</b>
8	<b>Other Comprehensive (loss) / Income, net of tax (Refer note 3)</b>	<b>(323)</b>	<b>1,660</b>	<b>10,260</b>	<b>1,337</b>	<b>13,946</b>	<b>13,709</b>
9	<b>Total Comprehensive Income, net of tax (7 + 8)</b>	<b>7,830</b>	<b>9,681</b>	<b>16,175</b>	<b>17,511</b>	<b>24,519</b>	<b>38,884</b>
	<b>Profit attributable to</b>						
	Owners of the Company	7,229	6,930	5,095	14,159	9,138	20,935
	Non-controlling interests	924	1,091	820	2,015	1,435	4,240
	<b>Profit after tax</b>	<b>8,153</b>	<b>8,021</b>	<b>5,915</b>	<b>16,174</b>	<b>10,573</b>	<b>25,175</b>
	<b>Other comprehensive (loss) / Income (OCI) attributable to</b>						
	Owners of the Company	(156)	1,550	10,191	1,394	13,878	13,452
	Non-controlling interests	(167)	110	69	(57)	68	257
	<b>Total other comprehensive (loss) / Income, net of taxes</b>	<b>(323)</b>	<b>1,660</b>	<b>10,260</b>	<b>1,337</b>	<b>13,946</b>	<b>13,709</b>
	<b>Total comprehensive Income attributable to</b>						
	Owners of the Company	7,073	8,480	15,286	15,553	23,016	34,387
	Non-controlling interests	757	1,201	889	1,958	1,503	4,497
	<b>Total comprehensive Income</b>	<b>7,830</b>	<b>9,681</b>	<b>16,175</b>	<b>17,511</b>	<b>24,519</b>	<b>38,884</b>
10	<b>Paid-up equity share capital ( Face value Rs. 5/- per share )</b>	<b>1,482</b>	<b>1,264</b>	<b>1,227</b>	<b>1,482</b>	<b>1,227</b>	<b>1,262</b>
11	<b>Other Equity</b>						<b>84,592</b>
12	<b>Earnings per share (of face value Rs 5/- each) (not annualised) :</b>						
	(a) Basic - Rs	27.78	27.43	20.81	55.21	37.45	84.92
	(b) Diluted - Rs	26.92	26.42	19.75	53.45	35.57	81.88



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Statement of Consolidated Segmental Information for the Quarter and Six months ended September 30, 2021

(Rs. In lakhs)

	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment Revenue</b>						
	UK & Europe operations	35,808	36,237	27,548	72,045	52,743	116,089
	North America operations	9,711	7,943	7,257	17,654	13,868	28,755
	Middle East	4,785	4,393	4,395	9,178	9,855	18,948
	Others	3,089	3,074	1,774	6,163	3,114	8,394
	<b>Revenue from operations, net</b>	<b>53,393</b>	<b>51,647</b>	<b>40,974</b>	<b>105,040</b>	<b>79,580</b>	<b>172,186</b>
2	<b>Segment Results profit before exceptional item, tax and finance cost</b>						
	UK & Europe operations	9,715	9,700	6,873	19,415	11,978	26,745
	North America operations	1,159	678	953	1,837	1,497	4,312
	Middle East	(168)	92	854	(76)	1,428	3,950
	Others	555	1,192	(415)	1,747	(256)	1,520
	<b>Total</b>	<b>11,261</b>	<b>11,662</b>	<b>8,265</b>	<b>22,923</b>	<b>14,647</b>	<b>36,527</b>
	Less : i. Finance costs	185	171	208	356	458	810
	ii. Other un-allocable expenditure / (income), net	251	888	368	1,139	(592)	1,784
	<b>Profit before tax</b>	<b>10,825</b>	<b>10,603</b>	<b>7,689</b>	<b>21,428</b>	<b>14,781</b>	<b>33,933</b>

**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 location 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 disclosures relating to total segment assets and liabilities are not practicable.



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Unaudited Consolidated Balance Sheet as at September 30, 2021

(Rs. In lakhs)

Particulars	As at	
	September 30, 2021	March 31, 2021
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property plant & equipment, net	5,035	4,762
Capital work-in-progress	231	154
Right-of-use Asset	788	1,143
Investment property	432	450
Goodwill	66,733	66,012
Other intangible assets, net	7,513	8,313
<b>Financial assets</b>		
Investments	4,232	4,119
Loans	207	277
Other financial assets	3,258	2,357
Deferred tax assets, net	5,768	5,320
Income tax (Current - tax) assets, net	175	-
Other non-current assets	494	131
<b>Total Non Current Assets</b>	<b>94,866</b>	<b>93,038</b>
<b>Current Assets</b>		
<b>Financial Assets</b>		
Investments	18,363	19,291
Trade receivables	38,458	37,488
Cash and Cash equivalents	71,578	60,761
Bank balances, other than cash & cash equivalents	51	51
Loans	328	307
Other financial assets	893	607
Other current assets	23,701	18,032
<b>Total Current Assets</b>	<b>153,372</b>	<b>136,537</b>
<b>Total Assets</b>	<b>248,238</b>	<b>229,575</b>



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Unaudited Consolidated Balance Sheet as at September 30, 2021

(Rs. In lakhs)

Particulars	As at	
	September 30, 2021	March 31, 2021
<b>EQUITY AND LIABILITIES</b>		
Equity		
Equity Share capital	1,482	1,262
Other Equity	83,637	84,592
<b>Total Equity</b>	<b>85,119</b>	<b>85,854</b>
Non Controlling Interest	20,161	18,203
<b>Total Equity</b>	<b>105,280</b>	<b>104,057</b>
<b>LIABILITIES</b>		
<b>Non Current Liabilities</b>		
Financial liabilities		
Borrowings	15,518	19,024
Other financial liabilities	38,453	29,118
Deferred tax liabilities, net	2,889	2,367
Provisions	2,174	1,831
<b>Total Non Current Liabilities</b>	<b>59,034</b>	<b>52,340</b>
<b>Current Liabilities</b>		
Financial liabilities		
Trade payables	1,678	3,069
Other financial liabilities	56,948	50,289
Other current liabilities	15,266	13,219
Provisions	2,939	2,323
Current tax liabilities (net)	7,093	4,278
<b>Total Current Liabilities</b>	<b>83,924</b>	<b>73,178</b>
<b>Total Liabilities</b>	<b>142,958</b>	<b>125,518</b>
<b>Total Equity &amp; Liabilities</b>	<b>248,238</b>	<b>229,575</b>





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Particulars	(Rs. In lakhs)	
	Six months ended	Six months ended
	September 30, 2021	September 30, 2020
	(Unaudited)	(Unaudited)
<b>Cash flows from operating activities</b>		
Profit for the period	16,174	10,573
Adjustments for:		
Interest income	(158)	(179)
Employee stock compensation expenses	238	332
Finance costs	356	458
Depreciation and amortisation	2,016	2,304
Tax expense	5,254	4,208
Provision against trade receivables, loans and advances (net)	859	393
(Profit) / Loss on sale of property plant and equipment, net	10	(3)
Profit on sale of current investments	(310)	(577)
Rental income	(209)	(236)
<b>Operating profit before working capital changes</b>	<b>24,230</b>	<b>17,273</b>
(Increase) in trade receivables	(1,871)	(260)
(Increase) / Decrease in loans and advances and other assets	(6,275)	631
Increase in trade payables, other liabilities and provisions	2,635	386
Cash generated from operating activities before taxes	18,719	18,030
Income taxes paid, net of refunds	(3,005)	(2,272)
<b>Net cash generated from operating activities</b>	<b>15,714</b>	<b>15,758</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment	-	3
Purchase of property, plant and equipment and software	(1,812)	(354)
Interest received	150	133
Rental income	221	219
Purchase of current investments	(9,904)	(10,851)
Proceeds from current investments	11,137	10,116
<b>Net cash (used in) from investing activities</b>	<b>(208)</b>	<b>(734)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares under the employee stock option schemes	72	240
Repayments of long term loan	(3,433)	(8,503)
Payment of lease liabilities	(465)	(485)
Interest paid on vehicle finance	(9)	(7)
Interest paid term loan	(241)	(342)
<b>Net cash (used in) financing activities</b>	<b>(4,076)</b>	<b>(9,097)</b>
Effect of changes in exchange rates for cash and cash equivalents	(613)	(3)
Net increase in cash and cash equivalents during the period	10,817	5,924
Cash and cash equivalents at the beginning of the period	60,761	22,033
<b>Cash and cash equivalents at the end of the period</b>	<b>71,578</b>	<b>27,957</b>



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Notes to the Consolidated financial results:

- 1 The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on October 19, 2021. The auditors have carried out a limited review of the unaudited consolidated financial results.
- 2 These results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Ind-AS) Rules, 2015 as amended.

3 Other Comprehensive Income includes:

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
(i) Items that will not be reclassified subsequently to the statement of profit and loss (net of tax):						
Defined benefit plan actuarial (loss) / gain, net	(173)	23	45	(150)	(194)	(261)
Gain on change in fair value of equity instrument through OCI, net *#	0	0	11,701	0	15,461	15,371
<b>Total</b>	<b>(173)</b>	<b>23</b>	<b>11,746</b>	<b>(150)</b>	<b>15,267</b>	<b>15,110</b>
(ii) Items that will be reclassified subsequently to the statement of profit and loss (net of tax):						
Exchange (loss) / gain on translation of foreign operations	(1,306)	1,738	(1,640)	432	(1,813)	(1,389)
Gain / (loss) on change in fair value of forward contracts designated as cash flow hedges, net	1,073	(93)	84	980	465	(168)
Gain / (loss) on change in fair value of financial instruments, net	83	(8)	70	75	27	156
<b>Total</b>	<b>(150)</b>	<b>1,637</b>	<b>(1,486)</b>	<b>1,487</b>	<b>(1,321)</b>	<b>(1,401)</b>
<b>Other comprehensive (loss) / income net of tax (i+ii)</b>	<b>(323)</b>	<b>1,660</b>	<b>10,260</b>	<b>1,337</b>	<b>13,946</b>	<b>13,709</b>

\*"0" denotes amounts less than one lakh rupees.

# Includes fair value gain on account of sale of equity shares of MAJESCO (US) by Mastek (UK) Limited at different points of time during the year ended March 31,2021.

- 4 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 transactions, goodwill, valuation of financial and non-financial assets / liabilities, and Cyber security pertaining to the remote access of information for the quarter ended September 30, 2021 and up to the date of approval of financial results. 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 situation. Group expects to recover the carrying amount of its assets and retain effectiveness of its hedge transactions. However, the impact of COVID-19 may be different from that estimated as on the date of approval of these financial results and the Group will continue to closely monitor any material changes to the business due to future economic conditions.



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- 5 During the year ended March 31, 2020, Mastek acquired control of the business of Evolutionary Systems Private Limited ("ESPL") and its subsidiary companies (together referred to as "Evosys"). The acquisition was as follows:-
- i. Mastek (UK) Limited, a wholly-owned subsidiary of Mastek Limited, entered into a Business Transfer Agreement ("BTA") on February 8, 2020 to acquire the business of Evosys Arabia FZ LLC and Share Transfer Agreements (STA) to acquire Middle East Companies ("MENA Acquisition") by paying a cash consideration (net of cash & 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 and its subsidiaries.
- The acquisition has been effected and full consideration has been paid and procedures to complete the legal processes like registering sale of shares in five geographies has been completed. The legal procedures for one geography are delayed because of COVID-19 pandemic related lockdown. The Company has been legally advised that such legal procedures are administrative in nature and the parties to the BTA expect to complete these by December 31, 2021, subject to lockdown relaxation / lifting in the concerned geography.
- ii. With respect to a business undertaking of ESPL (including investments in certain subsidiaries of ESPL), the parties (Mastek group and Evosys group) entered into a Demerger Co-operation Agreement (DCA) and Shareholders Agreement on February 8, 2020. The manner of discharge of the non-cash consideration and the acquisition of legal ownership, was decided to be achieved through a demerger scheme filed before the NCLT ("the Scheme"), or, as per DCA, the parties were to complete this transaction with the same economic effect, by an alternate arrangement within the period specified in the DCA. The DCA gave 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 provided for the relevant activities of ESPL and its subsidiaries to be decided by a majority vote of such board of directors, thereby resulting in transfer of control of business of ESPL and its subsidiaries to Mastek Group. The date of acquisition of business undertaking for the purposes of Ind AS 103 is the date of transfer of control to the Group, i.e. February 8, 2020. Discharge of consideration for demerger is through issue of 4,235,294 equity shares of Mastek Limited (face value ₹ 5 each) and balance through 15 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 which carry a Put Option to be discharged at agreed EBITDA multiples, based on actual EBITDA of 3 years commencing from financial year ending March 31, 2021 including adjustments for closing cash. Subsequent change in fair valuation of put option liability written on non-controlling interest ₹ 13,921 lakhs, for the six months ended September 30, 2021, is debited to other equity.
- 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 for acquisition through DCA as at March 31, 2020, 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.
- On September 14, 2021, the above transaction has been approved by the National Company Law Tribunal, pursuant to the Scheme of De-merger ('the Scheme'), for the demerger of Evolutionary Systems Private Limited (ESPL or demerged entity), into TAISPL, with the effective date of February 8, 2020 (Appointed Date). Accordingly, 4,235,294 equity shares of Mastek Limited (face value ₹ 5 each) have been issued on September 17, 2021 and considered for the calculation of basic earnings per share for the quarter and period ended September 30, 2021.
- 6 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	Quarter ended			Six months ended		Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
Net foreign exchange (gain) / loss	(480)	18	21	(462)	30	1,385
Net realised foreign exchange (gain) / loss arising from hedging accounted under Revenue from Operations	(42)	54	(11)	12	(64)	(17)

- 7 During the quarter ended June 30, 2020, the company had recognised a provision Rs. 730 Lakhs, for prior years towards the possible impact of an uncertain tax treatment based on the present status of the on-going proceedings of its Advance Pricing Arrangement with the tax authorities. These adjustments have been incorporated on a similar basis while estimating the current tax expense for all periods commencing with the period ended June 30, 2020. Current tax expense for the quarter ended and for the period ended September 30, 2021 includes ₹ 211 lakhs and ₹ 404 lakhs, respectively, recognised on a similar basis.
- 8 Previous period's / year's figures have been regrouped or reclassified wherever necessary.

Place : Mumbai, India  
Date : October 19, 2021



  
Ashank Desai  
Vice Chairman & Managing Director

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Walker Chandiook & Co LLP

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**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 **30 September 2021** and the year to date results for the period 01 April 2021 to 30 September 2021, 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'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure 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. 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.
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 Act, 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.



**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)**

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**5. Emphasis of Matter- Restatement of prior period financial information**

We draw attention to note no. 6 to the Statement which indicates that the Company has accounted for the scheme of de-merger with an appointed date of 8 February 2020, between Trans American Information Systems Private Limited (a wholly owned subsidiary of the Company), Evolutionary Systems Private Limited (demerged undertaking) and the Company in the quarter ended 30 September 2021, pursuant to the approval received from the Honorable National Company Law Tribunal on 14 September 2021, which has resulted in the restatement of the comparative financial information presented in the Statement.

Our conclusion is not modified in respect of this matter.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No:001076N/N500013



**Adi P. Sethna**

Partner

Membership No:108440

**UDIN:21108840AAAAFV6331**

Place: Mumbai

Date: 19 October 2021

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 Six months ended September 30, 2021

(Rs. In lakhs)

	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
		(Unaudited)	(Restated - refer note 6) (Unaudited)	(Restated - refer note 6) (Unaudited)	(Unaudited)	(Restated - refer note 6) (Unaudited)	(Restated - refer note 6) (Audited)
1	Income						
	(a) Revenue from operations	6,107	5,956	4,211	12,063	8,271	18,714
	(b) Other income (Refer note 10)	2,891	589	409	3,480	1,115	3,487
	<b>Total Income</b>	<b>8,998</b>	<b>6,545</b>	<b>4,620</b>	<b>15,543</b>	<b>9,386</b>	<b>22,201</b>
2	Expenses						
	(a) Employee benefits expenses	4,897	4,463	3,594	9,360	6,617	14,120
	(b) Finance costs	23	10	12	33	24	58
	(c) Depreciation and amortisation expenses	298	269	264	567	521	1,079
	(d) Other expenses	483	782	588	1,265	1,231	2,848
	<b>Total expenses</b>	<b>5,701</b>	<b>5,524</b>	<b>4,458</b>	<b>11,225</b>	<b>8,393</b>	<b>18,105</b>
3	<b>Profit before exceptional items &amp; tax ( 1 - 2 )</b>	<b>3,297</b>	<b>1,021</b>	<b>162</b>	<b>4,318</b>	<b>993</b>	<b>4,096</b>
4	Exceptional items - Gain / (loss) (Refer note 4)	483	211	167	694	7,115	(459)
5	<b>Profit before tax ( 3 + 4 )</b>	<b>3,780</b>	<b>1,232</b>	<b>329</b>	<b>5,012</b>	<b>8,108</b>	<b>3,637</b>
6	Income tax expense / (credit)						
	- Current tax	392	503	(56)	895	245	1,040
	- Deferred tax	(24)	(12)	(51)	(36)	(61)	(20)
	- Tax provision relating to prior periods (Refer note 9)	-	-	-	-	730	730
	<b>- Total tax (net)</b>	<b>368</b>	<b>491</b>	<b>(107)</b>	<b>859</b>	<b>914</b>	<b>1,750</b>
7	<b>Net Profit ( 5 - 6 )</b>	<b>3,412</b>	<b>741</b>	<b>436</b>	<b>4,153</b>	<b>7,194</b>	<b>1,887</b>
8	Other Comprehensive Income / (loss), net of tax (Refer note 3)	901	(36)	65	865	253	(313)
9	<b>Total Comprehensive Income / (loss), net of tax ( 7 + 8 )</b>	<b>4,313</b>	<b>705</b>	<b>501</b>	<b>5,018</b>	<b>7,447</b>	<b>1,574</b>
10	Paid-up equity share capital ( Face value Rs. 5/- per share )	1,482	1,264	1,227	1,482	1,227	1,262
11	Other Equity						46,702
12	Earnings per share (of face value Rs 5/- each) (not annualised) :						
	(a) Basic - Rs	13.11	2.93	1.78	16.20	29.48	7.65
	(b) Diluted - Rs	12.70	2.82	1.69	15.68	28.01	7.38



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CIN No. L74140GJ1982PLC005215

Unaudited Standalone Balance Sheet as at September 30,2021

(Rs. In lakhs)

Particulars	As at	
	September 30, 2021	March 31 ,2021
	(Unaudited)	(Restated refer note 6) (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property plant & equipment	2,735	2,828
Capital work-in-progress	147	154
Right-of-use assets	66	82
Investment property	432	450
Intangible assets	41	200
Investment in subsidiaries	28,391	28,391
<b>Financial assets</b>		
Investments	4,232	4,119
Loans	102	106
Other financial assets	793	319
Deferred tax assets	2,813	2,899
Income tax (Current - tax) assets, net	-	85
Other non-current assets	410	116
<b>Total Non Current Assets</b>	<b>40,162</b>	<b>39,749</b>
<b>Current Assets</b>		
<b>Financial Assets</b>		
Investments	17,501	15,865
Trade receivables	4,684	4,476
Cash and Cash equivalents	4,719	2,393
Bank balances other than cash & cash equivalents	51	51
Loans	17	17
Other financial assets	749	832
Other current assets	1,480	1,575
<b>Total Current Assets</b>	<b>29,201</b>	<b>25,209</b>
<b>Total Assets</b>	<b>69,363</b>	<b>64,958</b>



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Unaudited Standalone Balance Sheet as at September 30,2021

( Rs. In lakhs )

Particulars	As at	
	September 30, 2021	March 31, 2021
	(Unaudited)	(Restated refer note 6) (Audited)
<b>EQUITY AND LIABILITIES</b>		
Equity		
Equity Share capital	1,482	1,262
Other Equity	49,139	46,702
<b>Total Equity</b>	<b>50,621</b>	<b>47,964</b>
<b>LIABILITIES</b>		
<b>Non Current Liabilities</b>		
Financial liabilities		
Borrowings	134	80
Other financial liabilities	841	2,021
Provisions	882	648
<b>Total Non Current Liabilities</b>	<b>1,857</b>	<b>2,749</b>
<b>Current Liabilities</b>		
Financial liabilities		
Trade payables		
Dues of micro and small enterprises	20	27
Dues of creditors other than micro and small enterprises	54	107
Other financial liabilities	14,180	12,146
Other current liabilities	931	1,046
Provisions	1,074	919
Current tax liability (net)	626	-
<b>Total Current Liabilities</b>	<b>16,885</b>	<b>14,245</b>
<b>Total Liabilities</b>	<b>18,742</b>	<b>16,994</b>
<b>Total Equity &amp; Liabilities</b>	<b>69,363</b>	<b>64,958</b>





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Unaudited Standalone Statement of Cash Flow for Six months ended September 30, 2021

Particulars	Six months ended	Six months ended
	September 30, 2021	September 30, 2020
	(Unaudited)	(Restated refer note 6) (Unaudited)
Cash flows from operating activities		
Profit for the period	4,153	7,194
Adjustments for :		
Interest income	(168)	(180)
Guarantee Commission	(88)	(115)
Employee stock compensation expenses	124	136
Finance costs	33	24
Depreciation and amortisation	567	521
Trade receivables, loans and advances provided / written off (net)	32	77
Tax expense	859	914
Exceptional item	(694)	(7,115)
Dividend from subsidiary	(2,696)	-
(Profit) on sale of property plant and equipment, net	-	(3)
Profit on sale of current investments	(261)	(523)
Rental income	(209)	(232)
<b>Operating profit before working capital changes</b>	<b>1,652</b>	<b>698</b>
(Increase) in trade receivables	(240)	(547)
Decrease in loans and advances and other assets	596	603
(Decrease) / Increase in trade payables, other liabilities and provisions	(499)	184
<b>Cash generated from operating activities before taxes</b>	<b>1,509</b>	<b>938</b>
Income taxes paid, net of refunds	(417)	(357)
<b>Net cash generated from operating activities</b>	<b>1,092</b>	<b>581</b>
Cash flows from investing activities		
Proceeds from sale of property, plant & equipment	-	3
Purchase of property, plant & equipment and software	(645)	(194)
Interest received	148	91
Dividend from subsidiary	2,696	-
Rental income	221	219
Guarantee Commission received	139	223
Purchase of current investments	(7,004)	(5,899)
Proceeds from current investments	5,623	4,880
<b>Net cash generated from / (used in) investing activities</b>	<b>1,178</b>	<b>(677)</b>
Cash flows from financing activities		
Proceeds from issue of shares under the employee stock compensation schemes	71	240
Proceeds and repayment of borrowings, net	27	(14)
Payment of lease liabilities	(19)	(24)
Interest paid on finance lease and others	(23)	(7)
<b>Net cash generated from financing activities</b>	<b>56</b>	<b>195</b>
<b>Net increase in cash and cash equivalents during the period</b>	<b>2,326</b>	<b>99</b>
Cash and cash equivalents at the beginning of the period	2,393	2,018
<b>Cash and cash equivalents at the end of the period</b>	<b>4,719</b>	<b>2,117</b>



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Notes to the Standalone financial results:

1 The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on October 19, 2021. The auditors have carried out a limited review of the standalone financial results.

2 These results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Ind-AS) Rules, 2015 (as amended).

3 Other Comprehensive Income includes: (Rs. In lakhs)

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
(i) Items that will not be reclassified subsequently to the statement of profit and loss (net of tax):						
Defined benefit plan actuarial (loss) / gain, net	(90)	43	49	(47)	8	(19)
Total	(90)	43	49	(47)	8	(19)
(ii) Items that will be reclassified subsequently to the statement of profit or loss (net of tax):						
Gain / (loss) on change in fair value of forward contracts designated as cash flow hedges, net	909	(72)	(53)	837	219	(451)
Gain / (loss) on change in fair value of financial instruments, net	82	(7)	69	75	26	157
Total	991	(79)	16	912	245	(294)
Other comprehensive income, net of tax (+ii)	901	(36)	65	865	253	(313)

4 Exceptional items represents the following:

(Rs. In lakhs)

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
Settlement provision relating to revenue contracts	-	-	(700)	-	(700)	(700)
Gain on changes in fair value of put option liability	483	211	867	694	7,815	241
Total	483	211	167	694	7,115	(459)

5 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:

(Rs. In lakhs)

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
Net foreign exchange loss / (gain)	132	(150)	(22)	(18)	(18)	(218)
Net realised foreign exchange (gain) / loss arising from hedging accounted under Revenue from Operations	(22)	69	(13)	47	(83)	(10)



**MASTEK LIMITED**  
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- 6 During the quarter and year ended March 31, 2020, Mastek acquired control of the business of Evolutionary Systems Private Limited ("ESPL") and its subsidiary companies (together referred to as "Evosys"). The acquisition was as follows:-
- i. Mastek (UK) Limited, a wholly-owned subsidiary of Mastek Limited, entered into a Business Transfer Agreement ("BTA") on February 8, 2020 to acquire the business of Evosys Arabia FZ LLC and Share Transfer Agreements (STA) to acquire Middle East Companies ("MENA Acquisition") by paying a cash consideration (net of cash & 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 on 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 and its subsidiaries. While the acquisition has been effected and full consideration has been paid, procedures to complete the legal processes like registering sale of shares in one geography is ongoing. The legal procedures are delayed because of COVID-19 pandemic related lockdown. The Company has been legally advised that such legal procedures are administrative in nature and the parties to the BTA expect to complete these by December 31, 2021, subject to lockdown relaxation / lifting in the concerned geography.
- ii. With respect to a business undertaking of ESPL (including investments in certain subsidiaries of ESPL), the parties (Mastek group and Evosys group) entered into a Demerger Co-operation Agreement (DCA) and Shareholders Agreement on February 8, 2020. The manner of discharge of the non-cash consideration and the acquisition of legal ownership, was decided to be achieved through a demerger scheme filed before the NCLT ("the Scheme"), or, as per DCA, the parties were to complete this transaction with the same economic effect, by an alternate arrangement, within the period specified in the DCA. The DCA gave 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 provided for the relevant activities of ESPL and its subsidiaries to be decided by a majority vote of such board of directors, thereby resulting in transfer of control of business of ESPL and its subsidiaries to Mastek Group. The date of acquisition of business undertaking for the purposes of Ind AS 103 is the date of transfer of control to the Group, i.e. February 8, 2020. Discharge of consideration for demerger is through issue of 4,235,294 equity shares of Mastek Limited (face value ₹ 5 each) and balance through Compulsorily Convertible Preference Shares (CCPS) of TAISPL, which carry a Put Option to be discharged at agreed EBITDA multiples, based on actual EBITDA of 3 years commencing from financial year ending March 31, 2021 including adjustment for closing cash. Pending completion of legal acquisition, this transaction had only been considered for disclosure in the standalone financial statements for the years ended March 31, 2020 and 2021 and all periods ending June 30, 2021.
- On September 14, 2021, the above transaction has been approved by the National Company Law Tribunal, pursuant to the Scheme of De-merger ('the Scheme'), for the demerger of Evolutionary Systems Private Limited (ESPL or demerged entity), into TAISPL, with the effective date of February 8, 2020 (Appointed Date). Consequently, the effect of the De-merger has been considered in the above financial results in accordance with Ind AS 103 – 'Business Combinations' and standalone financial results for the previous quarter / six months ended September 30, 2020, quarter ended June 30, 2021 and year ended March 31, 2021, have been restated. Following is the impact of restatement on the amounts reported in the financial results/financial statements of earlier periods.

**Balance Sheet**

Particulars	(Rs. In lakhs)	
	March 31 ,2021	March 31 ,2021
	Before restatement	After restatement
Other Equity	27,292	46,702
Other financial liabilities (non-current)	920	2,021
Other financial liabilities (current)	5,669	12,146
Investment in subsidiaries	1,403	28,391

**Statement of Profit and Loss**

Particulars	(Rs. In lakhs)					
	Quarter ended			Six months ended		Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
Before restatement						
Exceptional items - (loss)	-	-	(700)	-	(700)	(700)
After restatement						
Exceptional items - gain / (loss)	483	211	167	694	7,115	(459)

- 7 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 transactions, goodwill, valuation of financial and non-financial assets / liabilities, and Cyber security pertaining to the remote access of information for the quarter ended September 30, 2021 and up to the date of approval of financial results. 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 situation. Group expects to recover the carrying amount of its assets and retain effectiveness of its hedge transactions. However, the impact of COVID-19 may be different from that estimated as on the date of approval of these financial results and the Group will continue to closely monitor any material changes to the business due to future economic conditions.
- 8 In accordance with Ind AS 108 – 'Operating Segments', the Company has opted to present segment information along with the consolidated financial results of the Group.
- 9 During the quarter ended June 30, 2020, the company had recognised a provision Rs. 730 Lakhs, for prior years towards the possible impact of an uncertain tax treatment based on the present status of the on-going proceedings of its Advance Pricing Arrangement with the tax authorities. These adjustments have been incorporated on a similar basis while estimating the current tax expense for all periods commencing with the period ended June 30, 2020. Current tax expense for the quarter ended and for the period ended September 30, 2021 includes ₹ 211 lakhs and ₹ 404 lakhs, respectively, recognised on a similar basis.
- 10 Other income for the quarter and six months ended September 30, 2021 includes dividend income from subsidiary Rs. 2,696 lakhs.
- 11 Previous period's / year's figures have been regrouped or reclassified wherever necessary.

Place : Mumbai, India  
Date : October 19, 2021



  
Ashank Desai  
Vice Chairman & Managing Director



Press Release | Q2FY22

**Q2FY22 revenue at Rs 533.9 crore; up by 30.3% Y-o-Y basis**

- **EBITDA Margin at 21.1% for Q2FY22**
- **PAT grew 37.8% Y-o-Y**
- **12 month order backlog grew 22.7% Y-o-Y**
- **Added 45 new clients in the quarter**

**Mumbai, India – 19<sup>th</sup> October, 2021:** Mastek, a global digital transformation specialist and a trusted partner in complex digital & cloud programs in the Government and Global Enterprises worldwide, announced today its financial results for the Second Quarter & Half Year of FY22 ended on 30th September 2021.

**Commenting on the Q2FY22 results, Hiral Chandrana, Global Chief Executive Officer, Mastek Group, said:** *“We continue to demonstrate sustained growth across geographies and industry sectors. I am pleased with our expansion in Fortune 1000 clients in Americas and increasing deal sizes in our pipeline. As an organization, we have made progress on our Vision 2025, strategic priorities and big bets that will drive accelerated growth in digital & cloud services over the next 3 years. We will continue to invest on our talent and our Mastek experience. As we shape the future in partnership with our clients, we will stay focused on delivering business outcomes & solutions, living the trust with stakeholders and innovating with disruptive technologies to drive time to value.”*

**Arun Agarwal, Global Chief Financial Officer, Mastek Limited, said:** *“Q2FY22 has been another quarter of consistent financial performance. We reported Rs 533.9 crore revenue, reflecting a growth of 30.3% on Y-o-Y basis, demonstrating the strong fundamentals of our business. Despite increase in costs due to salary hikes and investments in sales & marketing, we have been able to maintain healthy operating EBITDA margin at 21.1%. We are confident that with refreshed focus towards new age practices and strategic investments, we are well placed to sustain the growth momentum, create values for our customers and maximize value for our shareholders.”*

**Review of the Consolidated Financial Performance for Quarter ended 30<sup>th</sup> September 2021:**

Figures in \$mn	Q2FY22	Q1FY22	Q-o-Q Growth	Q2FY21	Y-o-Y Growth
Revenue from Operations	72.0	70.2	3.9% (CC)	55.1	25.0% (CC)

Figures in Rs Crore	Q2FY22	Q1FY22	Q-o-Q Growth	Q2FY21	Y-o-Y Growth
Total Income	541.6	521.2	3.9%	413.8	30.9%
Revenue from Operations	533.9	516.5	3.4%	409.7	30.3%
Operating EBITDA	112.8	112.8	0.0%	86.6	30.3%
% of Op. Income	21.1%	21.8%	(71)bps	21.1%	1bps
Total EBITDA	120.5	117.5	2.6%	90.6	33.0%
% of Total Income	22.3%	22.5%	(29)bps	21.9%	35bps
Net Profit	81.5	80.2	1.6%	59.2	37.8%
Net Profit %	15.1%	15.4%	(34)bps	14.3%	76bps
EPS (Rs) – Diluted	26.9	26.4		19.7	

Figures in Rs Crore	H1FY22	H1FY21	Y-o-Y Growth
Total Income	1,062.8	816.6	30.2%
Revenue from Operations	1,050.4	795.8	32.0%
Operating EBITDA	225.6	154.7	45.9%
% of Op. Income	21.5%	19.4%	204bps
Total EBITDA	238.0	175.4	35.7%
% of Total Income	22.4%	21.5%	91bps
Net Profit	161.7	105.7	53.0%
Net Profit %	15.2%	12.9%	227bps
EPS (Rs) – Diluted	53.4	35.6	

**Operating highlights:**

- New accounts added during the quarter:** The Company added 45 new clients in Q2FY22. Total client count as of 30<sup>th</sup> September, 2021 was 649 (LTM) as compared to 651 (LTM) in Q1FY22.
- 12 month Order Backlog:** 12 month order backlog was Rs 1,154.3 crore (\$155.5mn) as on 30<sup>th</sup> September, 2021 as compared to Rs 940.5 crore (\$127.5mn) in Q2FY21, reflecting a growth of 22.7% in rupee terms and 18.8% in constant currency terms on Y-o-Y basis and Rs 1,177.7 crore (\$158.4mn) in Q1FY22, this represents a degrowth of 2% in rupee terms and flat in constant currency on Q-o-Q basis.

- **Employees:** As on 30<sup>th</sup> September, 2021, the company had a total of 4,510 employees, of which 3,411 employees were based offshore in India while the rest were at various onsite locations. Employee count at the end of 30<sup>th</sup> September 2020 was 3,354 and at the end of 30<sup>th</sup> June 2021 was 4,302.
- **Cash Balance:** The total cash, cash equivalents and fair value of Mutual Funds stood at Rs 943.9 crore as on 30<sup>th</sup> September 2021 as compared to Rs 959.8 crore at the end of 30<sup>th</sup> June 2021. Net Cash balance (after adjusting for debts) stood at Rs 719.1 crore as on 30<sup>th</sup> September 2021 as compared to Rs 702.9 crore at the end of 30<sup>th</sup> June, 2021.
- **Update on Evosys Acquisition:** On 15<sup>th</sup> September, 2021, the company received the order of the Hon'ble National Company Law Tribunal, Ahmedabad Bench, pronounced on September 14, 2021 sanctioning the Scheme of Arrangement between Evolutionary Systems Private Limited, Trans American Information Systems Private Limited and the Company and their respective Shareholders and Creditors under Sections 230 to 232 of Companies Act, 2013 read with Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.
- **Key wins for the quarter:** During the quarter, we continued to experience momentum in winning deals as illustrated below:
  - As a Direct to Stakeholder (D2X) Partner Mastek would enable its Canadian Client in providing a highly performant, secure, mobile-friendly user experience to its patients and customers and provide them with curated, tailored, one stop shop for Lab Services and tests.
  - Mastek would leverage its D2X methodology and enable the US Client to migrate from existing legacy applications to a Modern Enterprise Platform that supports its continued eCommerce growth. This new platform would help the client distinguish themselves by driving better customer experience.
  - Mastek received 2-year multi-million commitment, from a UK Government Agency, for Azure/ Data and DevSecops services to be provided in their 'data as a service' programme – shifting customers' business from paper-based maritime charts to real-time geo-spatial services.
  - Mastek will provide services to UK's Government Agency, which will include agile squad supplementation in major digital programmes which will help in driving advanced digital services for the citizens, for their vehicles and driving licenses, and will be 100% online.

- Mastek has won a new logo, wherein it will provide consulting strategic advisory services to the British Army on their Zodiac program for shaping their intelligence, surveillance, targeting and reconnaissance (iSTAR) programme. This is to drive Army's Digital Strategy, leveraging information exploitation in the Battlespace, using the latest AI and Integration technologies.
- Mastek will be working with the Scottish Local Government Council for transforming their back-office and migrating to Oracle cloud while retiring legacy system. This will benefit our client to improve the process management, support digital channel shift and ensure statutory compliance and continuity of service.
- With Oracle Cloud Applications and Mastek's Expertise in their industry, the Finnish based customer will be able to move to single Platform and eliminate several on-prem based solutions. The customer will be able to achieve enhanced functionalities such as continued accessibility, better reliability and eliminate upfront capital expenditures.
- **Awards & Recognition:** During the quarter, Mastek and its Subsidiaries received awards and recognitions conferred by reputable organizations. Some of them are:
  - Mastek featured in the list of Indian companies on the 'Forbes Asia Best Under a Billion 2021' list;
  - The Mastek Digital Catalyst Team was awarded the 'Innovation in Infrastructure Management' Award at Data Center Summit 2021 presented by UBS forums on Cloud Data Center in digital world – focus Security and cloud computing;
  - IIT- Bombay named its Centre for Policy Studies after Mastek's Co-founder, MD and VC Ashank Desai, who is also an alumni of the institute;
  - Evosys has been certified as an achiever in 2021-2022 by the Oracle Partner Network for its Service Expertise in:
    - Project Portfolio Management in UK & Ireland;
    - Human Resources(Core) in Middle East & North Africa, North America, UK & Ireland; and
    - Payroll in North America.



## About Mastek

Mastek (NSE: MASTEK; BSE: 523704), is an enterprise digital transformation specialist that engineers excellence for customers across 41 Countries worldwide including UK, US, Europe, Middle East, and Asia Pacific. We enable business outcomes for clients through our differentiated digital and cloud services, which includes Digital & Application Engineering; Cloud & Enterprise Apps; Digital Commerce & Experience; Data, Automation and AI and Next Generation Managed Services. Mastek helps enterprises to navigate the IT and business landscape and stay competitive by unlocking the power of data, modernizing applications, and accelerating digital advantage for our customers. Evosys – A Mastek company, is an Oracle Platinum partner and a leading Oracle Cloud implementation and consultancy company, with 1,200+ Oracle Cloud clients.

Mastek is well poised to be among the top providers of agile digital transformation solutions across diverse set of industries such as retail, manufacturing, healthcare & life sciences, public sector and financial services.

For more information and past results & conference call transcripts, please visit our web site [www.mastek.com](http://www.mastek.com) (and/or the Investors section at <https://www.mastek.com/in/financial-information> or <https://www.mastek.com/in/investor-information>). Updated disclosures regarding corporate governance may also be accessed in the web site's Investors section at: <http://www.mastek.com/investors/corporate-governance.html>.

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Shareholders may also contact Mastek via email at [Investor\\_grievances@mastek.com](mailto:Investor_grievances@mastek.com), which has been specifically created for the redressal of investor grievances. You may also contact the Investor Relations team by email at [investor.relations@mastek.com](mailto:investor.relations@mastek.com).

*Note: Except for the historical information and discussion contained herein, statements included in this release may constitute forward looking statements. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those that be projected by these forward looking statements. These risks and uncertainties include, but not limited to such factors as competition, growth, pricing environment, recruitment and retention, technology, wage inflation, law and regulatory policies etc. Such risks and uncertainties are detailed in the Annual Report of the company which is available on the website [www.mastek.com](http://www.mastek.com). Mastek Ltd. undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.*

**Thank You**

**Mastek** 



# Investor Presentation – Q2FY22

*19 October 2021*



*Presented by:  
Hiral Chandrana | Global Chief Executive Officer, Mastek  
Arun Agarwal | Global Chief Financial Officer, Mastek*

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Key Wins for the Quarter



# Highlights of the Quarter



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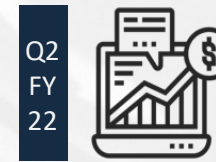
# Highlights of Q2FY22

## Q2FY22 revenue at Rs 533.9 crore



30.3 % YoY revenue growth

## PAT grew by 37.8% YoY



15.1% PAT margin in Q2FY22, 76 bps improvement YoY

## Proud Moment

Forbes Asia Best Under a Billion 2021: Indian companies on the list	
PI Industries	\$6,291 mln
Astral Ltd.	\$5,322 mln
Laurus Labs	\$5,078 mln
Persistent Systems	\$3,184 mln
Alkyl Amines Chemicals	\$2,892 mln
V-Guard Industries	\$1,487 mln
Balaji Amines	\$1,448 mln
Caplin Point Laboratories	\$855 mln
Mastek	\$798 mln

Mastek featured in the list of Indian companies on the 'Forbes Asia Best Under a Billion 2021 list'

## Total headcount of 4,510 as on 30 September 2021



208 headcount added during the quarter (net of attrition)

# Financial Performance



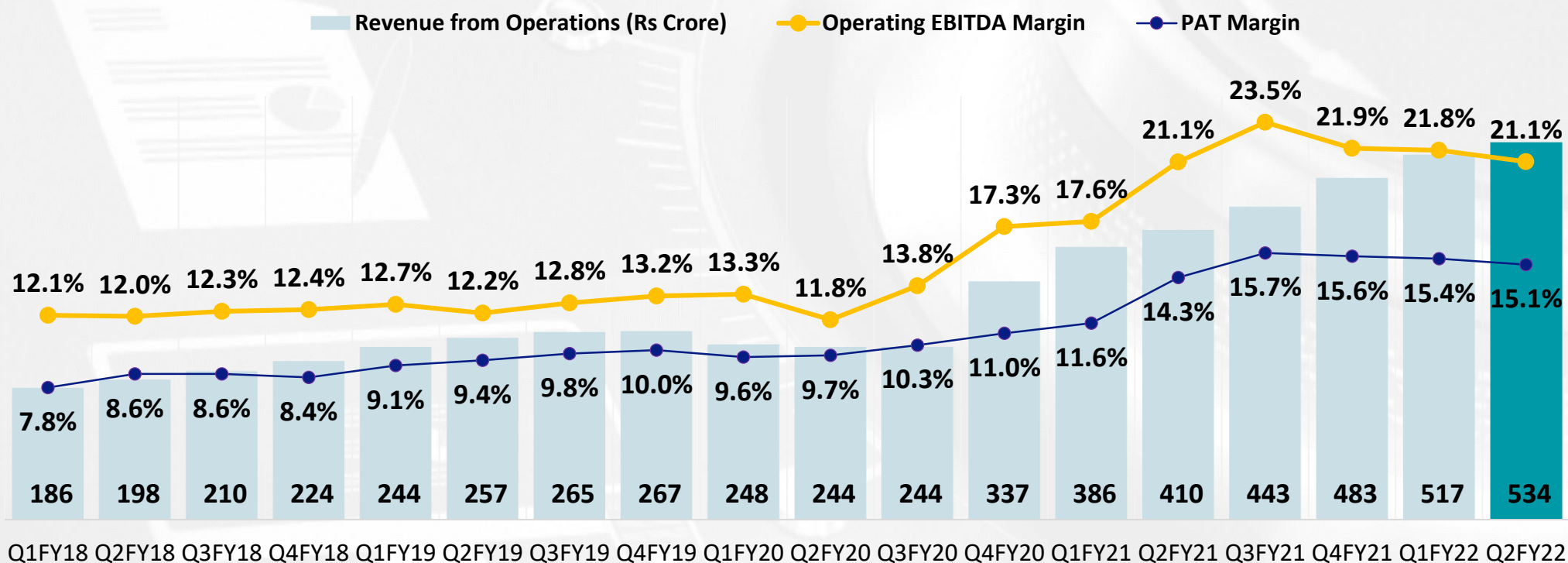
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# Consistent Financial Performance



▲ **30.3 %**  
Revenue growth  
YoY

▲ **21.1 %**  
EBITDA margin  
Flat YoY

▲ **15.1 %**  
PAT Margin  
improved by 76 bps YoY



# Financial Summary – Q2FY22

Key Performance Metrics		Q2FY22	Q1FY22	Q2FY21	Growth QoQ	Growth YoY
Revenue	Revenue from Operations (\$mn)	\$72.0	\$70.2	\$55.1	3.9% (CC)	25.0% (CC)
	Revenue from Operations (Rs Crore)	533.9	516.5	409.7	3.4%	30.3%
	Other Income (Rs Crore)	7.7	4.7	4.1	64.0%	89.9%
	<b>Total Income (Rs Crore)</b>	<b>541.6</b>	<b>521.2</b>	<b>413.8</b>	<b>3.9%</b>	<b>30.9%</b>
Margins (Rs Crore)	Op. EBITDA	112.8	112.8	86.6	0.0%	30.3%
	Total EBITDA	120.5	117.5	90.6	2.6%	33.0%
	PBT	108.3	106.0	76.9	2.1%	40.8%
	PAT	81.5	80.2	59.2	1.6%	37.8%
Margin (%)	Op. EBITDA	21.1%	21.8%	21.1%	(71) bps	1 bps
	Total EBITDA	22.3%	22.5%	21.9%	(29) bps	35 bps
	PBT	20.0%	20.3%	18.6%	(36) bps	140 bps
	PAT	15.1%	15.4%	14.3%	(34) bps	76 bps
EPS (Rs)	Basic	27.8	27.4	20.8		
	Diluted	26.9	26.4	19.7		

# Financial Summary – H1FY22

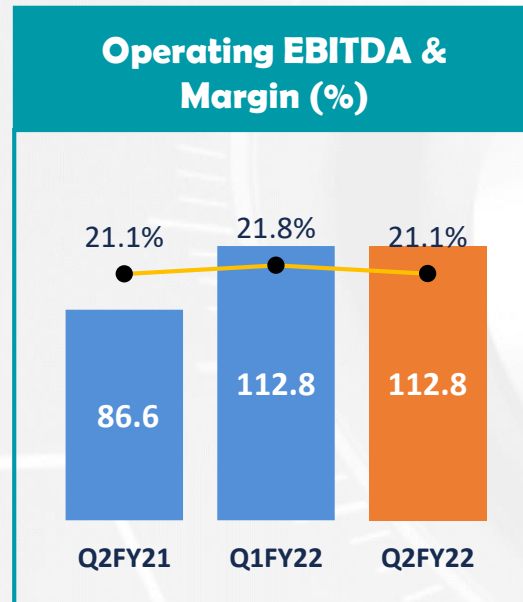
Key Performance Metrics		H1FY22	H1FY21	Growth YoY
Revenue	Revenue from Operations (\$mn)	\$142.2	\$105.8	26.0% (CC)
	Revenue from Operations (Rs Crore)	1,050.4	795.8	32.0%
	Other Income (Rs Crore)	12.4	20.8	(40.2)%
	<b>Total Income (Rs Crore)</b>	<b>1,062.8</b>	<b>816.6</b>	<b>30.2%</b>
Margins (Rs Crore)	Op. EBITDA	225.6	154.7	45.9%
	Total EBITDA	238.0	175.4	35.7%
	PBT	214.3	147.8	45.0%
	PAT	161.7	105.7	53.0%
Margin (%)	Op. EBITDA	21.5%	19.4%	204 bps
	Total EBITDA	22.4%	21.5%	91 bps
	PBT	20.2%	18.1%	206 bps
	PAT	15.2%	12.9%	227 bps
EPS (Rs)	Basic	55.2	37.5	
	Diluted	53.4	35.6	

Comparison: Quarter-on-Quarter and Year-on-Year (Figures in Rs Crore)

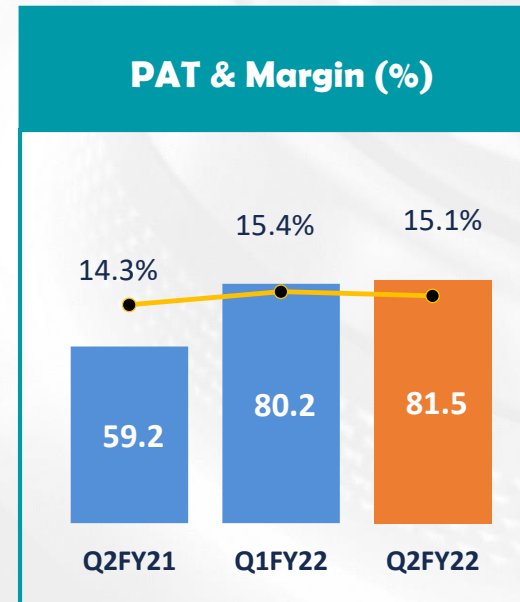
# Consolidated Financial Highlights Q2FY22



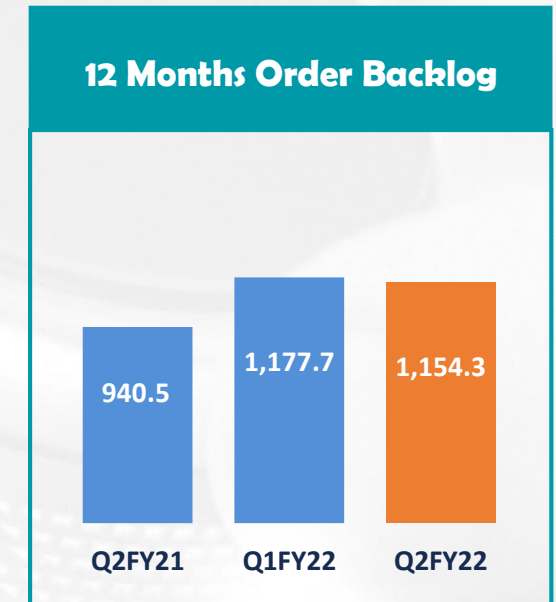
- ▲ 3.4% QoQ
- ▲ 3.9% QoQ (CC)
- ▲ 30.3% YoY
- ▲ 25.0% YoY (CC)



- Flat QoQ
- ▲ 30.3% YoY



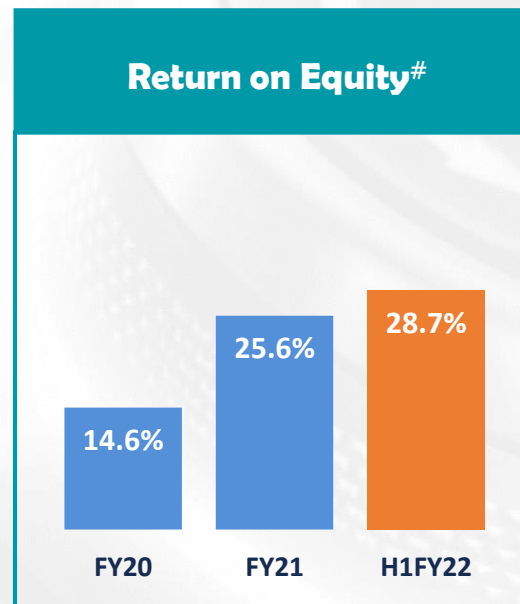
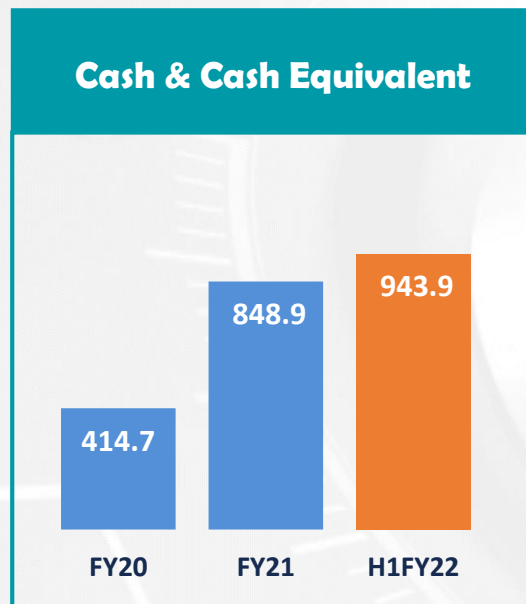
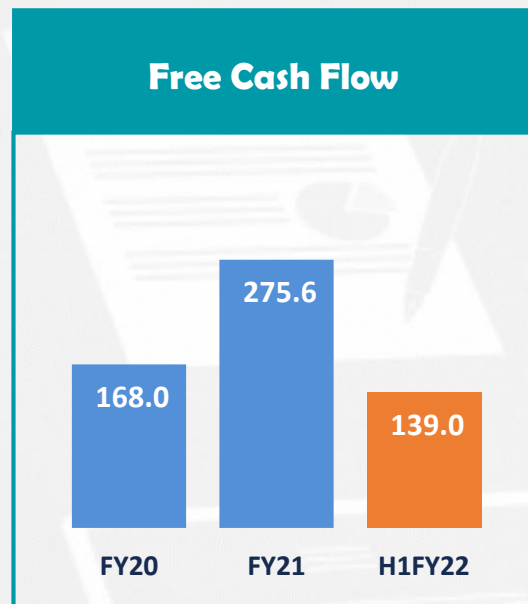
- ▲ 1.6% QoQ
- ▲ 37.8% YoY



- ▲ 22.7% YoY
- ▲ 18.8% YoY (cc)
- ▼ 2.0% QoQ
- Flat QoQ (cc)

Strengthening the Balance Sheet (Figures in Rs Crore)

# Balance Sheet Metrics H1FY22 - Consolidated



**FCF to PAT:**  
H1FY22: 86.0%  
FY21: 109.5%  
FY20: 147.6%

**Net Cash:**  
H1FY22: Rs 719.1 cr  
FY21: Rs 588.6 cr  
FY20: Rs 81.0 cr

<sup>#</sup> Return on Equity = PAT/Average Networth; Return on Capital Employed = EBIT/Average Capital Employed; H1FY22 numbers are annualized for ROE and ROCE calculations

# Operational Performance



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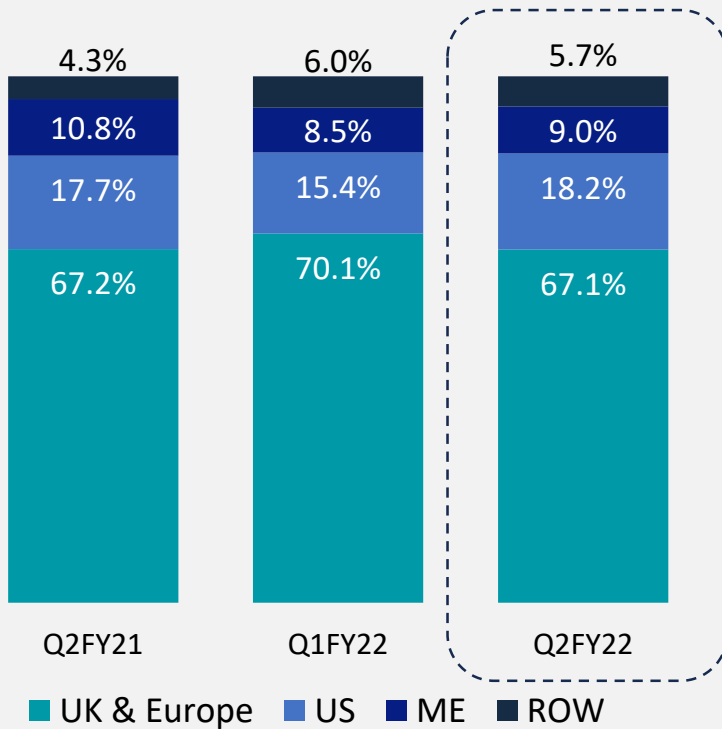
# Operating Metrics Q2FY22

Strengthening our business		Q2FY22	Q1FY22	Q2FY21
<b>Client Base</b>	New Clients Added	45	40	37
	Active Client (immediately preceding 12 months)	649	651	542
	Top 5	30.8%	33.0%	35.1%
	Top 10	45.3%	47.7%	45.8%
<b>Employee Base</b>	Total Employee	4,510	4,302	3,354
	- Offshore	3,411	3,181	2,283
	- Onsite	1,099	1,121	1,071
	- Diversity (Women employees)	26.9%	26.0%	25.8%
<b>DSO</b>	LTM attrition	24.2%	19.6%	14.7%
	Days	76	72	71
<b>FX Hedges for next 12 months</b>	Value (In mn) – £	11.1	12.2	10.1
	Average rate/ Rs.	104.7	103.6	99.3
	Value (In mn) – \$	8.5	6.7	3.6
	Average rate/ Rs.	77.1	76.6	76.0

Balancing our portfolio

# Revenue Analysis Q2FY22 - Consolidated

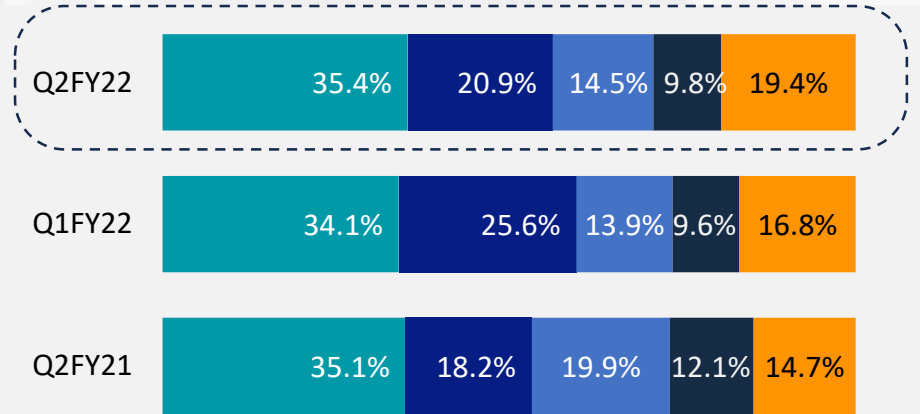
## Revenue by Market Region\*



\* ROW includes India, Singapore, Malaysia and Australia

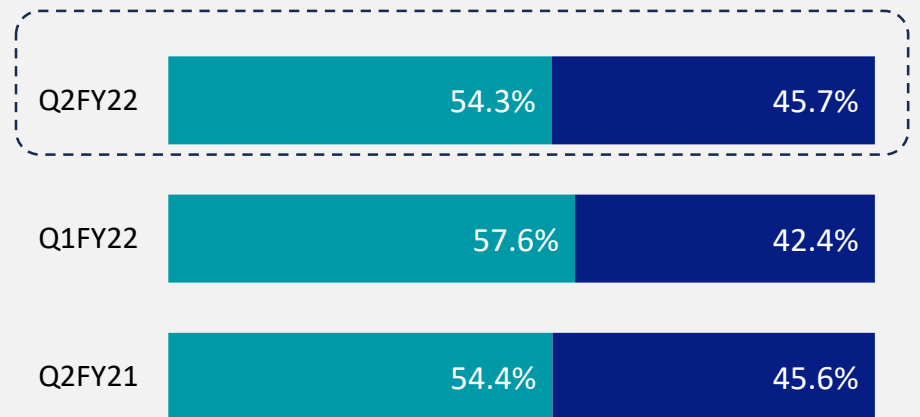
## Revenue by Industry Segment

- Government
- Health & Life Sciences
- Retail/ Consumer
- Financial Services
- Others



## Revenue by Contract Type

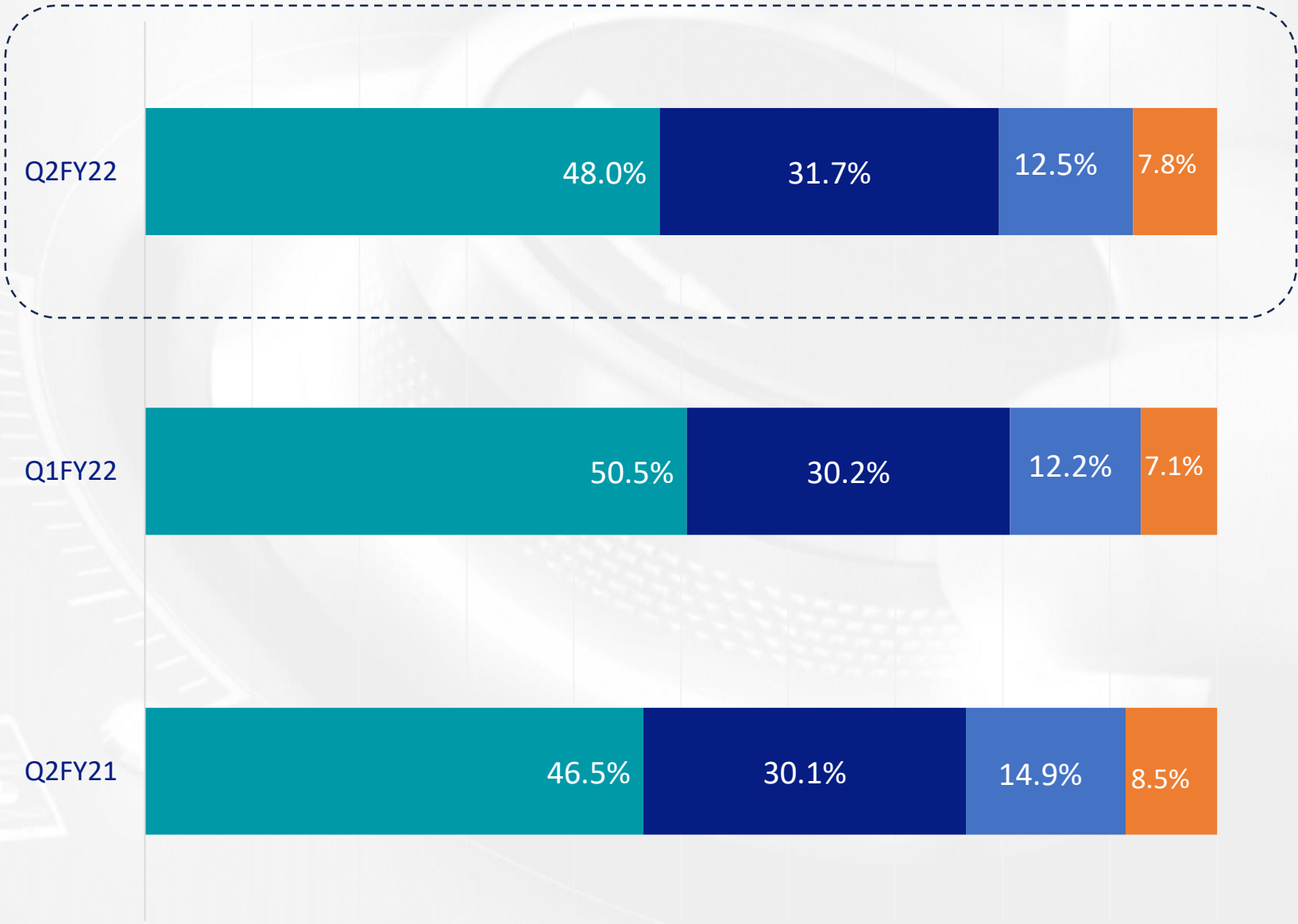
- Time & Material
- Fixed Price



Operational Performance

# Revenue By Practice Line\* Q2FY22 – Consolidated

- Digital & Application Engineering
- Cloud & Enterprise Apps
- Digital Commerce & Experience
- Data, Automation and AI





# Gartner Recognizes Evosys & Mastek

Evosys named in Gartner 2021 Magic Quadrant for Oracle Cloud Applications Services, Worldwide report. This is the *third consecutive year* the global research and advisory firm has recognized Evosys for its Oracle Cloud Application Services, Worldwide



**2021**

## Awards & Recognition

- *IIT- Bombay named its Centre for Policy Studies after Mastek's Co-founder, MD and VC Ashank Desai, who is also an alumni of the institute*
- *The Mastek Digital Catalyst Team was awarded the 'Innovation in Infrastructure Management' Award at Data Center Summit 2021 presented by UBS forums on Cloud Data Center in digital world – focus Security and cloud computing*

# Key Wins For The Quarter



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## Key wins for the quarter

# Public Sector & Government

UK

**Client:** UK's government agency providing hydrographic and marine geospatial data to mariners and maritime organizations across the world

**About the deal:** Mastek received 2-year multi-million commitment for Azure/ Data and DevSecops services to be provided in their 'data as a service' programme – shifting customers' business from paper-based maritime charts to real-time geospatial services

UK

**Client:** UK's government agency responsible for maintaining a database of drivers in Great Britain and a database of vehicles for the entire UK

**About the deal:** Mastek will provide services which will include agile squad supplementation in major digital programmes which will help in driving advanced digital services for the citizens, for their vehicles and driving licenses , and will be 100% online

## Key wins for the quarter

# Public Sector & Government

UK

**Client:** A British company conducting R&D in the fields of communications, networks, electronic sensors, AI/ ML, data science, information assurance and human science

**About the deal:** Mastek has won a new logo, wherein it will provide consulting strategic advisory services to the British Army on their Zodiac program for shaping their intelligence, surveillance, targeting and reconnaissance (iSTAR) programme. This is to drive Army's Digital Strategy, leveraging information exploitation in the Battlespace, using the latest AI and Integration technologies

UK

**Client:** Scottish Local Government Council that is responsible for providing public services to its residents

**About the deal:** Mastek will be working with the council for transforming their back-office and migrating to Oracle cloud while retiring legacy system. This will benefit our client to improve the process management, support digital channel shift and ensure statutory compliance and continuity of service

## Key wins for the quarter

# Healthcare and Lifesciences

### UK

**Client:** NHS Digital

**About the deal:** New 4-year commitment received through the Digital Capability for health framework 'Cancer Waiting Times', having framework value of circa £8mn. It will include data & process services to manage and direct critical waiting list for cancer treatment in England. This is a critical service to drive the recovery of cancer care in UK which has been significantly delayed during the pandemic

### Americas

**Client:** Canada's leader in laboratory diagnostic information serving Canadians & conducting 100mn+ tests annually

**About the deal:** As a Direct to Stakeholder (D2X) Partner, Mastek would enable the company in providing a highly performant, secure, mobile-friendly user experience to its patients and customers and provide them with curated, tailored, one stop shop for Lab Services and tests

### AMEA

**Client:** An international private healthcare company with an extensive network of hospitals across Indonesia, Malaysia and Vietnam

**About the deal:** Mastek helps the customer to remove manual interventions and processes while implementing a system which provides information symmetry, consolidation of transactions and financial information to facilitate single data source

## Key wins for the quarter

# Manufacturing and Engineering & Construction

### AMEA

**Client:** A leading provider of rigid packaging and plastics catering to the South East Asia and China Markets

**About the deal:** The company partnered with Mastek to achieve the configurable and upgradable consolidation and close framework, to tailor solution to specific requirements with Oracle EPM solution

### Europe

**Client:** Finnish based company operating in the construction, energy and utilities domain

**About the deal:** With Oracle Cloud Applications and Mastek's Expertise in their industry, customer will be able to move to single Platform and eliminate several on-prem based solutions. The customer will be able to achieve enhanced functionalities such as continued accessibility, better reliability and eliminate upfront capital expenditures

### AMEA

**Client:** One of the largest asset management and infrastructure solutions company

**About the deal:** Mastek helps the customer to upgrade from existing system to Oracle Recruitment Cloud, to accelerate time to productivity for new hires thereby reducing sourcing costs

## Key wins for the quarter

# Retail

### Americas

**Client:** Leading pop culture toy manufacturer based in US having operations globally. With revenues of ~\$800mn, its growing at a very fast pace

**About the deal:** Mastek has been chosen as a Strategic Technology Partner to accelerate programs very critical to their business transformation. The first is the above deal for enabling business through BI & Reporting. Another deal won is for integrating Magento Commerce with their Oracle back office

### AMEA

**Client:** One of the largest QSR operator in India and having presence in Sri Lanka & Maldives as well

**About the deal:** Mastek's proposed solution will help customer to reduce the lead time for MIS generation, thereby improving their business decision making. Mastek will be automating 20+ processes across Finance & MIS for them in the first phase using the UiPath RPA Platform. Mastek managed and closed the deal including a trust-building PoC in quick time

## Key wins for the quarter

### Travel & Logistics

#### Americas

**Client:** A leading provider of freight transportation and logistics solutions. Providing customers with supply chain solutions that can be scaled to meet changing demands and volumes

**About the deal:** Mastek would leverage Microsoft platform based OCR solutions to improve operational efficiency for its Client. A digital transformation program complementing with their back office implementation

### Media

#### Americas

**Client:** A US based, media & marketing services conglomerate serving consumers through its magazines, television stations, websites & radio stations

**About the deal:** Mastek would leverage its D2X methodology and enable the Client migrate from existing legacy applications to a Modern Enterprise Platform that supports its continued eCommerce growth. This new platform would help the client distinguish themselves by driving better customer experience

### BFSI

#### AMEA

**Client:** One of the biggest private general insurance company in India

**About the deal:** Customer valued our end-to-end D2X proposition and partnered with us in enhancing features of their existing Mobile Application. Mastek will provide integrated service capabilities around UI/UX, Mobile App Dev, Analytics, Testing and Integration to ensure deal closure



Mastek and Evosys

# Cross-Sell Opportunity



The acquisition enables company to provide **end-to-end digital transformation and cloud migration services**



**Mastek Services:**  
Application Development  
Digital Commerce  
Application Support & Maintenance  
BI & Analytics  
Agile Consulting  
Assurance & Testing

**Evosys Services:**  
Oracle Cloud Application Implementation  
Oracle On Premise Implementations and Upgrade  
Oracle Application Support  
Oracle Cloud Technology  
Evosys IP on Cloud

**126**  
active clients

**523**  
active clients

**500+**  
Clients globally

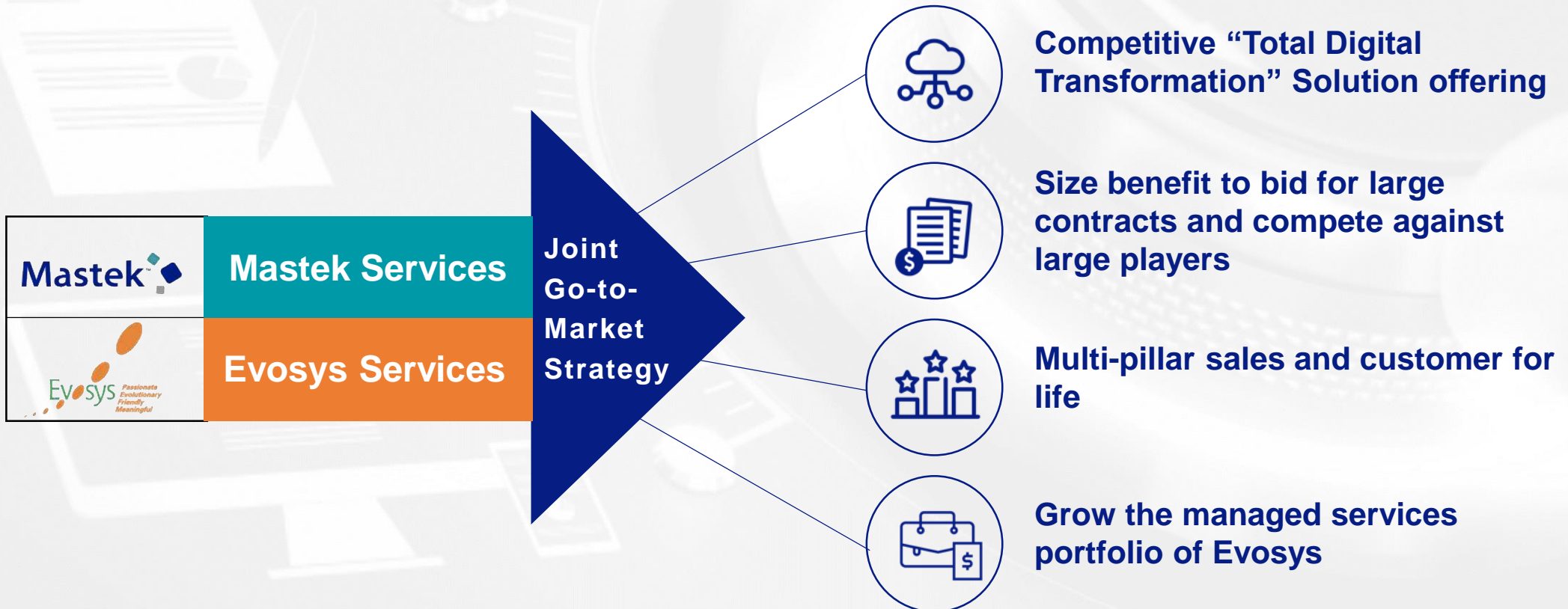
**1,300+**  
Clients globally



Strengthening *Our Joint Sale*

# Co-sell Opportunity

Advantages of joint bids for Evosys ERP/ HCM bids





**THANK YOU**

Questions & Answers