

# **Transcript of 40<sup>th</sup> Annual General Meeting of Mastek Limited**

**HELD ON 14<sup>th</sup> September 2022 - 5.00 P.M. IST**  
**THROUGH THE NSDL VC / OAVM PLATFORM**

- **Mr. Dinesh Kalani – Vice President - Company Secretary, Mastek Limited:**
- With the permission of the Chairman, I'm starting the 40<sup>th</sup> Annual General Meeting. Good evening, Dear Members, On behalf of your Company, Mastek Limited, I welcome you all to the 40<sup>th</sup> Annual General Meeting of the Company today. This Meeting is being held through Video Conference in accordance with the circulars issued by the Ministry of Corporate Affairs, the applicable provisions of the Companies Act 2013, and the SEBI Listing Regulations. The quorum is complete, and before I hand over to the Chairman, Mr. S. Sandilya to declare the Meeting open, I would like to draw the attention of the Members to a few important points. First, the joining the Meeting is open 30 minutes before the scheduled time of the commencement of the Meeting. Members are encouraged to join the Meeting through their laptops with their headphones on for a better experience and use the Internet at a good speed to avoid any disturbance during the Meeting. Participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspots may experience an audio-video loss due to the fluctuation in their respective networks. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any aforesaid glitches. As mentioned in the notice, the facility of participation in the AGM through audio-visual means has been made available for up to 1,000 Members on a first-come-first-serve basis, except for the Promoters, Institutional Investors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee, and Stakeholders' Relationship Committee, and as well as the Auditors who will be allowed to attend the AGM without any restrictions.
- Pursuant to the MCA circular dated 8<sup>th</sup> of April, 2020 issued by the Ministry of Corporate Affairs, the facility to appoint a proxy to attend and cast votes for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through video and other audio-visual means and participate and cast their votes through e-voting. The registered office of the Company, situated in Ahmedabad, shall be deemed to be the venue for this Meeting and the proceedings of the AGM shall be deemed to be held thereat, for transacting the business, as mentioned in the notice. For inspection of documents or registers required to be made available during the AGM, Members are requested to write to the Company secretary at [investor\\_grievances@mastek.com](mailto:investor_grievances@mastek.com). The documents or registers will be made available electronically. We have received requests from 6 Members for registration as Speaker Members at this AGM today. These 6 Members have been provided specific links to log into the Meeting, and we shall be allowing them to speak once the Chairman directs the same.

- In the interest of time and to make the opportunity available to other Members to speak, we request the speakers to ask two questions each and share the rest of the questions, in case they have any, by writing to us at [investor\\_grievances@mastek.com](mailto:investor_grievances@mastek.com). The Company will reply to all such questions received through the e-mail described earlier. The questions or comments may please be limited to the Annual Report and the Accounts. We also request the Members to limit their talk time to two minutes each and if exceeded, the moderator may have to disconnect and move on to the next speaker. All Members joining the AGM will by default be placed on mute mode, and during the question-and-answer session, on the announcement of the name by the Company Secretary or Chairman, the Speaker Member will be put on unmute mode. Suppose a Speaker Member is unable to speak due to network or connectivity issues, the name of such Speaker Member shall be announced again at the end of the Question session, to give one more chance again to such Members to speak once other registered Members finished their speech. In accordance with the requirements of the provisions of the Companies Act, 2013, the Secretarial Standards and SEBI Listing Regulations, the facility to vote on the business items to be transacted at this AGM by electronic means was already provided through remote e-voting, from 9:00 A.M. IST on September 10, 2022, till 5:00 P.M. IST on September 13, 2022. The remote e-voting facility was blocked at 5:00 P.M. IST on September 13, 2022. Members who have not yet cast their votes electronically and are participating in this Meeting will have an opportunity to cast their votes during the Meeting through the E-voting system provided by NSDL. The e-voting system will also be available for 15 minutes more, immediately after the agenda items have been transacted and the Meeting is complete. Members can click on the “Vote” tab on the Video Conference screen to avail e-voting facility. With this, now I hand over the proceedings to the Chairman. Thank you very much.
- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- Thank you, Mr. Dinesh Kalani, for reading out the arrangements made for the Members. Good evening, Dear Valued Members of the Company. First, let me introduce myself, I am S. Sandilya, Chairman of the Company, and I will be chairing this Meeting today. I am also the Chairman of the Audit and Stakeholders’ Relationship Committees and a Member of the Nomination and Remuneration Committee of the Board of the Company. I am attending this Meeting from Gurgaon, Haryana. On behalf of the Board of Directors of the Company, it is my privilege to welcome you all to the 40<sup>th</sup> AGM of Mastek Limited conducted through the video conferencing facility. To begin with, I hope all of you and your families are well and safe. It would have been my pleasure to conduct these Meetings in person and interact with you, however, the onslaught of the pandemic in the last two years has forced us to resort to audio-visual means. Health and safety as you know are and must remain paramount considerations in whatever we do. Hence, I believe that audio-visual means continue to provide a safe and efficient way of transacting our business today. I look forward to your co-operation as we proceed with the Meeting agenda. Thank you. I understand from the Company Secretary that 33 Members are participating in this Meeting at present. I, therefore, confirm the quorum and declare the Meeting valid and open.

- I would now like to introduce to you my colleagues on the Board appearing on the screen. I would request each Member to acknowledge when I introduce them.
- First, I would like to introduce, Mr. Ashank Desai, Vice Chairman & Managing Director, and Co-founder of the Company. He is also the Chairman of the Risk Management and Governance Committee and a Member of the Audit Committee, CSR Committee, and Stakeholders' Relationship Committee of the Board.
- **Mr. Ashank Desai:** Hello/Namaste. I am Ashank Desai and I am attending this Meeting from Mumbai.
- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- Thank you Ashank. We also have Mr. Ketan Mehta, a Non-executive, Non-Independent Director and another Co-founder of the Company. He is also a Member of the Audit Committee and Nomination and Remuneration Committee of the Board.
- **Mr. Ketan Mehta:** Hello/Good afternoon to everybody. I am attending this Meeting from Dharampur, Gujarat. Thank you.
- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- Thank you, Ketan. I now introduce Mr. Atul Kanagat, Non-Executive and Independent Director of the Company. He is the Chairman of the Nomination and Remuneration Committee and a Member of the Audit Committee and Stakeholders' Relationship Committee of the Board.
- **Mr. Atul Kanagat:** Hello, I am Atul Kanagat, Independent Director, joining by video from Summit, New Jersey, USA.
- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- Thank you, Atul. Moving on, I now introduce Mr. Rajeev Kumar Grover, Non-Executive and Independent Director of the Company. He is a Member of the Audit Committee, Nomination and Remuneration Committee, CSR Committee, and Risk Management and Governance Committee of the Board.
- **Mr. Rajeev Kumar Grover:** Namaste. I am Rajeev Grover joining from Gurgaon, Haryana.
- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- Thank you, Rajeev. Further, I would like to inform you that Ms. Priti Rao, Non-Executive, Independent Director could not attend this Meeting due to her other prior commitment and has sought leave of absence, which has been granted to her. I now introduce the Company's Key Officials starting with Mr. Hiral Chandrana, Global Chief Executive Officer of Mastek Group.

- **Mr. Hiral Chandrana:** Hello/Namaste. Good day. Good evening. My name is Hiral Chandrana, I am joining from the Chicago office.
- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- Thank you, Hiral. Mr. Arun Agarwal is the Global Chief Financial Officer of the Company.
- **Mr. Arun Agarwal:** Good day everyone. I am joining this Meeting through our Mumbai office. Thank you.
- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- Thank you, Arun. You have already heard from Mr. Dinesh Kalani, Vice President - Company Secretary and he is attending the Meeting from the office of the Company in Mumbai, India.
- **Mr. Dinesh Kalani:** Hello/ Namaste.
- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- Okay. Further, I introduce Mr. Adi Sethna, Partner of Walker Chandiook & Co. Statutory Auditors and Mr. Prashant Mehta from P. Mehta & Associates, Secretarial Auditors of the Company who have also joined this Meeting. We also have other Senior Executives of the Company who have joined this Meeting through video conference. Please note that all participants will remain muted unless requested to speak during the Meeting. Now, let me highlight a few other aspects of this Meeting, and the way it will be conducted. We will start the Meeting with my address followed by a brief overview of the Company's performance and the industry trend by Vice Chairman & Managing Director, Mr. Ashank Desai and post that Mr. Hiral Chandrana, Global Chief Executive Officer, will provide further details about the Company's performance during the year. After the respective speeches, we will go over the resolutions, which have been placed before you for approval. I believe that all of you have been requested to send in advance your queries about the resolutions provided in the AGM notice and other matters relating to the Annual Report. In this Meeting, we will be able to respond to only those queries which were received before the defined cut-off time. We will open the lines for those Members who have registered themselves to speak at this AGM. As Mr. Kalani mentioned earlier, 6 people have registered and they will be permitted to ask their questions briefly. We are keen to hear your suggestions, input, and comments on the Company's performance, but I request that you stick to the matters relating to the AGM notice and the Annual Report as already advised by the Company Secretary. Any queries on the Company or its operations that remain unanswered in the Meeting today will be responded to in due course by the Company Secretary provided we have the e-mail address of the person asking the question. I trust that you have already received the Annual Report and the notice of the AGM containing the resolutions to be voted on.

- The statutory registers that are required to be kept open at this Meeting and all other documents referred to in the notice can be inspected in electronic mode by any Member. You may send an e-mail request on the e-mail ID provided in the notice to the Company Secretary, who will organise an electronic inspection of those registers. The notice for this Meeting and the Board and Auditors' Report is part of the Annual Report that you already have. I will now start my address as the Chairman of the Company.
- Once again, a very warm welcome to all of you to the 40<sup>th</sup> Annual General Meeting of Mastek Limited. On behalf of the Board of Directors, I thank you all for your continued trust, encouragement, and support of Mastek and its management. Your presence here is a testimony of your interest in continued support for the Company. As you all know, your Company has celebrated its 40 years this calendar year. We had a fantastic celebration in Ahmedabad, where the Company's registered office is situated. So, congratulations to all of you on being part of this glorious journey of scripting the Company's success. Your Company continues to register growth on all counts, including the Consolidated Operating Revenue, Earnings Before Interest, Taxes, Depreciation and Amortisation, normally known as EBITDA margins and Profits for the Financial Year 2022. Digital acceleration across industries is opening many new opportunities, and I'm confident that Mastek shall continue to explore and create value through technology-led innovations and digital transformations.
- Your Company also believes that responsible growth is just as crucial as profitable growth to drive success as a global corporate. In line with this philosophy, Mastek has integrated Environmental, Social, and Governance popularly known as ESG into its business strategy and is committed to (a) achieve net zero emissions by FY40, (b) achieve greater diversity, and gender diversity at 40% by FY26, and (c) touch a million lives through CSR program by FY26. While I'm requesting Mr. Ashank Desai and Mr. Hiral Chandrana to provide further details on the Company's performance, industry trends, and other initiatives, I on behalf of the Board, have the privilege to thank our 5,500 plus Mastekers for their dedication and passion, which will be a key pillar as we position your Company for the future. We also thank our clients, partners, co-founders, governments of the countries where we are operating, states that we operate in, and financial institutions or banks for their generous support. Our shareholders have always served as the polestar steering us towards greater ambition and success. To each of you, I offer our sincere thanks. I now request Mr. Ashank Desai, Vice Chairman & Managing Director of your Company to address the Shareholders. Namaste. Over to Ashank.
- **Mr. Ashank Desai – Vice Chairman & Managing Director, Mastek Limited:**
- Thank you, Mr. Sandilya and good day to all those who are present at this AGM. I hope all of you are doing well. I am incredibly pleased to welcome you to our 40<sup>th</sup> AGM. Obviously, this is a milestone year in Mastek's journey, and I'm here to discuss the past, future, and present in terms of industry and Mastek and my views on the industry trends. Mastek's performance has been remarkable.

- I will talk about it soon, but before that, I would like to congratulate all of you for your Company completing 40 glorious years on this journey. 4 decades ago, 4 visionaries came together to create a Software Company. 4 of them were Mr. R. Sundar, Mr. Ketan Mehta, Mr. Sudhakar Ram, and me. This was to craft business solutions to deliver business impact for our clients. In an era where computers were used only to do financial accounting and payroll processing, we were talking about building solutions and we worked hard to build that smart institution over the last 40 years around solutions to the IT industry. Teamwork, ethics, integrity, good governance, and long-term relationships were the pillars of this institution. Over the years, we have delivered countless mission-critical solutions to businesses, governments, and other clients all over the world. We have also built software products, we garnered national and international success. As you stand now, we have emerged as a leading provider of digital transformation services for public and private enterprises and we have created significant milestones. You will be happy to know that all 4 founders have created this journey together for the last 40 years. It was, however, very unfortunate that we lost one of our co-founders, Mr. Sudhakar Ram, almost 2 years ago. We still remember him and all the great contributions that he made over the last 40 years.
- Let me now move towards Mastek's performance. Last fiscal year Mastek had indeed witnessed a performance much faster than the industry. Revenue grew almost 26%, whereas industry grew around 18.5%-19%. Profit growth was 32%, again much higher than the industry. Return on Equity was almost 29.5%, which was again a benchmark compared to the industry average. That's why this is the year to be very proud as the 40<sup>th</sup> year. I would like to congratulate all of you for contributing towards making this happen. I would of course first thank, Mr. Hiral who took over as the CEO and took over to increase the velocity of our growth journey. Deepest gratitude to the Executive Leadership Team and the whole of the Mastek team who had worked very hard to make this happen. Through Hiral's leadership, we have transitioned to various changes throughout the fiscal year to achieve this greater synchronicity and alignment for the organisation across the globe. We of course want to move forward with such vigour and move towards achieving higher and higher success and we are building this institution to make that happen. I will give you very few pointers to that, much of it is covered in the Annual Report. One of the important dimensions of our growth over the next few years is going to be: Build, Buy, and Partner. The "Build" is about organising ourselves to build new services, and new practice lines in our digital transformation journey to help our clients to succeed. The second part is "Buy" is about acquisitions and acquiring new companies to get new capabilities and expansion in geographies. As you know, we acquired Evosys 2 years ago and you'll be happy to know that we have acquired, this year a Company called MST Solutions, which is a Summit level partnership to the fast-growing Salesforce domain area. We will of course continue this journey as we move along and we are gearing ourselves to make it happen. The third pillar and equally important is "Partner", as we speak here, we partner with the best of the large partners including Oracle and Salesforce and many others to deliver our digital services. Now, to become ready for tomorrow obviously, we need to look at multiple aspects. In this competitive market, we have to be financially strong and we are planning our financial structure and financial strategy around that to make the growth happen over the next 2 years.

- Now beyond that, we need to build, as I said, skilled developed leaders and build a work environment which is very attractive. As you know, attrition has been one of the very important negative sides of this industry over the last few quarters and we are all gearing to reduce it so that we can move ahead with the best talent in the industry. We, of course, want to move positioning towards our industry and our customers, so we have created a tagline of Trust, Value, and Velocity. Client “Trusts” us to create business “Value” with “Velocity”. That's the essence of this tagline and we are working towards making it happen. As our Chairman said, beyond just delivering performance and planning to deliver higher growth, high over the next few years, we should also be responsible and we believe that we need to do that through various initiatives. One of them is our initiative to build an ESG focus. ESG is Environmental, Social, and Governance. We deliver ESG goals through various initiatives that we are taking, some of them were talked about by our Chairman, so I will not repeat them. It is around the diversity, equity, inclusion and belonging framework as we have evolved. The governance practices at Mastek are the benchmark and we're very proud and we'll continue it. Our S-dimension, the social dimension, is delivered through the Mastek Foundation. We have been making a difference in our commitment to the society around us through our NGO partners. We are working with 20 NGO partners and we have made monetary contributions to support almost 50,000 individuals. I'm tremendously happy with our growth trajectory, all-around alignment and momentum this team has achieved with persistent efforts. I thank all the shareholders, all the customers and all the Mastekeepers who make this happen and I hope we will continue to have your support for the long journey that we have planned over the next few years. Thank you again and thank you for your support. I now invite Hiral Chandrana, Global Chief Executive Officer Mastek Group to address the Members.
- **Mr. Hiral Chandrana -- Global Chief Executive Officer, Mastek Group:**
- Thank you, Mr. Ashank. Thank you, Mr. Sandilya. I wish we could have all been in person like Mr. Sandilya said, but nevertheless, it's always a pleasure to connect with all of you even if it is virtually. It's been a privilege and honour to lead Mastek over the last little over a year and as you know, Mastek is truly special. What makes us special is the support of our customers, our people who we call Mastekeepers, our partners, and all of you our well-wishers, and investors in the organisation. Mr. Ashank already covered a few highlights and there's a lot more detail in the Annual Report, but I will try to summarise a few snippets from our overall strategy and how we are continuing to rigorously execute them as we go forward. First of all, the Build, Partner, and Buy strategy that Ashank referred to is crucial as we develop a framework for scale and growth in the coming years. What capabilities to develop in-house versus what to partner with our key complementary as well as platform partners as well as what potential acquisitions we want to make. That has been clearly laid out, it has been shared in many analysts and investor calls as well. I just want to highlight a little bit more on the Trust, Value, Velocity because it's a core operating rhythm and guideline for us as we did not just run externally, but internally as well and when we look at our stakeholders, it's not necessarily just our customers, it's all the stakeholders that we interact with.

- Trust is a pillar for us across not just our customers, but our Mastekers, our investors, and even the society that we live in that both Mr. Sandilya and Mr. Ashank referred to. Business value, Career value, and Investor value are always going to be central to what we focus on and the speed and the velocity at which we deliver some of those values are going to be critical. So, that's how those things tie together, but when you look at the broader strategy for Mastek, it's centred around three different pillars. The Customer or Mastekers our people, and of course our growth and strategic initiatives. We have talked about many of these strategic initiatives. I'll highlight a few of them. During the fiscal year that ended in FY21-22, we integrated our Oracle business line with the rest of Mastek. As you know, Evosys has been a very successful organisation for the last 15 years. There have been tremendous IT best practices and learnings as we combine the two organisations together and we have also cross-pollinated many of the leaders across different roles in the organisation, which was critical as we had one Mastek strategy. When we all met together for the 40<sup>th</sup>-year celebration that was a great milestone as already discussed and it is very humbling to be part of that continuing journey.
- In addition to Oracle and the Oracle cloud focus, our Digital Engineering Business which has been core to some of our transformations continues to grow at a very fast pace, but also in technologically disruptive ways. So, by that I mean there are new and emerging technologies, there are new and emerging platforms, so we are carefully choosing which ones to bet on, which ones to focus on, and in addition to Oracle and Salesforce, we have selected a few additional platforms that we will specialise in and add differentiated value to our clients. In addition to the UK business and the public sector business, which is extremely strong for us, we have made tremendous progress in our Americas and US business as well. As you know there is tremendous market potential and there is enough literature around just on-premise to cloud migration, the various reports by Gartner's and McKinsey's of the world in terms of just the market opportunity in North America. We have made three specific changes, which we believe will set the foundation for scale and growth in the US. One is account mining. As you know Mastek has been very good at implementing projects, implementing solutions, as well as delivering certain cloud projects and engineering projects. We want to make sure that we are continuing and combining that with a broader portfolio of services and we believe there's a tremendous opportunity to go deep within our customer relationships within the same account to gain more wallet share in our strategic accounts. Healthcare, specifically, healthcare and life sciences, has been identified as a big focus industry area for us in the US. As you would have heard Oracle recently acquired Cerner, which is in the healthcare space as well. MST Solutions that we recently acquired as a Salesforce SI, also has significant healthcare domain experience. So, we believe our heritage of NHS, the work that we've done in the Middle East, the work that we've done in the Oracle space, and some of these recent acquisitions and movements give us a lot of the blueprint and ingredients across digital experience, digital engineering, cloud implementations, data automation, and even enhancement services, which is our managed services approach to combine all that in the context of healthcare and life sciences and we believe that's a big, big growth area not just for us, but the industry as a whole with the worker



shortage, with the automation potential, with what healthcare calls the digital front door where the patient experience is getting transformed.

- As Ashank mentioned, MST Solutions has been a recent acquisition, we see good momentum and are very bullish about how Salesforce will continue to grow for us. Last but not the least, our people, I would like to thank all the 5,500 Mastekeepers again. We have seen, as you know, tremendous commitment and resilience from our Mastekeepers through challenging times whether it's through the pandemic or even certain global uncertainties that we all face and we all truly believe that in the end employee and people experience is critical, so we've taken steps to not just reduce attrition, but also enhance our employee experiences. Our HR teams as well as across our business teams are committed to making sure that, that is a focus area for us going forward as well. ESG was already talked about, so I will not mention that again, but as part of an overall culture and value system as Mr. Sandilya mentioned, as well, we believe in not just profitable growth, but responsible growth as well. So, we have incorporated that strategy as part of our key strategic focus areas going forward. Last but not the least, I would like to thank all our clients, all our partners, all our employees again, and most importantly all of you on the call today as well as our investors globally who have trusted in Mastek and continue to support us in many ways. Thank you once again and I'll turn it over to Mr. Sandilya again.

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

- Thank you, Ashank and Hiral for that very comprehensive coverage of the Company's strategy as well as performance and some kind of future direction as to where we are headed for the future growth of the Company. The notice for the 40<sup>th</sup> Annual General Meeting and the Annual Report has been with you dear Members for quite some time and as a result and with your permission, I take the AGM notice as read. I'm pleased to note that as all Members have been made aware of in advance, the Company as required under the Companies Act, 2013 has provided to all the Members the facility to cast their vote electronically on all the resolutions set forth in the notice. Members who have not yet cast their vote electronically and are participating in this Meeting will have an opportunity to cast their votes through the E-voting system provided by NSDL. Members may please note that all the resolutions mentioned in the notice have already been put to vote by e-voting method as you know till yesterday evening at 5:00, hence there will not be any proposer or seconder requirements or voting by show of hands at this time.
- We now take up the resolutions as set forth in the notice. Where a Director is being recommended for re-appointment, a brief profile of such a Director is available in the notice. Please also refer to the explanatory statement for each of these special business agenda items on the notice. We will open the floor for any questions from Members after all the resolutions as mentioned in the notice are briefly mentioned by me. Under the ordinary business, we have included.
- The adoption of Audited, Standalone, and Consolidated Financial Statements for the Financial Year ended March 31, 2022, including the Audited Balance Sheet as of 31<sup>st</sup>

March 2022, the Statement of Profit and Loss, the Cash flow Statement of the Company for the year ended on that date, and notes related together with the reports of the Board of Directors and the Auditors thereon.

- Item number 2 is confirmation of the payment of an interim dividend of ₹7 per equity share and also the declaration of a final dividend of ₹12 per share for the financial year 2021-22.
- Item number 3 is the re-appointment of Mr. Ketan Mehta, his Director DIN No. 00129188 as a Non-Executive, Non-Independent Director of the Company who is retiring by rotation. His profile has already been attached to the notice.
- Item number 4 is the re-appointment of the Statutory Auditors for the second term of 5 consecutive years and to fix their remuneration. The relevant details have been mentioned in the explanatory statement.
- The special business includes, which is item number 5, approval to give authority to the Board to create a mortgage and or charge over the movable and immovable properties of the Company up to ₹1,500 crores.
- Item number 6 is approval to give authority to the Board to increase the borrowing limits of the Company up to ₹1,500 crores.
- The text of all the special resolutions along with the detailed explanatory statements thereto is already provided in the notice and circulated to all the Members well in time and line with the applicable regulations. I now request, Mr. Dinesh Kalani to initiate the question-and-answer session, which I'm sure all of you are waiting for. Thank you. Over to you, Mr. Dinesh Kalani.
- **Mr. Dinesh Kalani – Vice President - Company Secretary, Mastek Limited:**
- Dear Members, before we go live with the question-and-answer sessions here are some points you may keep in mind. Kindly turn on your video when you are projected on the broadcast screen, unmute yourself, and proceed to ask the question. Please mention your name DP ID, client ID, and the location from where you are joining. Members are requested to keep their questions brief and specific and not to repeat and try to finish within 2 minutes. The moderator will facilitate the questions on the video feature. Please keep your questions limited to the Annual Report Agenda and Accounts only. To avoid repetition, the Board will respond to all the questions at the end. Once you have asked your questions, you may kindly mute yourself on your device and continue to watch the proceedings. Speaker Members who have already registered and desire to ask questions pertaining to any item on the notice may do so now. I will call out the registered Speaker Member names in order as received and they will be unmuted to allow them to speak. So, now I request speaker number 1. Mr. Santosh Kumar Saraf to unmute himself and kindly proceed with the question.

- **Mr. Santosh Kumar Saraf – Shareholder:**
- Hello. Respected Chairman and Board of Directors, and my shareholder brothers and sisters and all officer personnel, I am Santosh Kumar Saraf living in Kolkata, today from Bangalore say hello to you all. I hope all the Directors and all the officers are in good health. Sir, I would like to thank your Company and the management people for giving an 80% dividend. Sir, you have been restricted to 2 questions, Sir, so I will ask 2-3 questions. I sent a list of questions, I hope Mr. Kalani received it. I have asked some questions, I hope he will give the answer. My question is, do we have any plan of capital raising in the future for growth, because growth should be kept continuous? You have explained nicely about the Capex. Regarding the women employees, we have almost 30% women employment Sir, are you taking any steps to increase the percentage? Sir, I would like to know about our CSR expenses, do you audit them to check whether proper CSR expenses are incurred and whether the audit for fire safety measures is made? Lastly, I would like to request all the employees take the booster dose. I am requesting it because I have suffered from it. After one dose, I caught COVID. Please take the doses, as if you get COVID, it will not be serious. This VC Meeting is very nice Sir. You have joined from Gurgaon, some have joined from Bombay, someone has joined from Dharampur, from Chicago, from New Jersey, this is all possible Sir through video conference. Sir, I request you to please continue this in the future, and even if you want to have a physical meeting, keep a hybrid Meeting, as aged shareholders like me cannot attend the physical Meeting. I will pray to God for a long and healthy life for all the directors, officers, employees, and their families. We will again meet next year through a VC Meeting. Namaskar.
- **Moderator:**
- Thank you so much, Sir. Now, I request speaker No. 2, Mr. Dilip Kumar Jain to unmute and kindly proceed with the question.
- **Tech Support – Mastek Limited:**
- Ma'am the person with said name is not connected to this Meeting.
- **Moderator:**
- Okay, I will go ahead then. Now, I request speaker No. 3, Mr. Ravi Naredi to unmute and kindly proceed with the question.
- **Mr. Ravi Naredi – Shareholder:**
- Thank you, respected Chairman, MD, and honourable Board of Directors, employees of the Company, and fellow shareholders, I salute all 4 people who started Mastek for 4 decades. How this small tree became a banyan tree and will grow in time to come. The fantastic annual report you made with all information given there. We wish all 5,500 employees of Mastek further growth under the umbrella of Mastek. Sir, my first question any good growth are we getting from the US now, since the UK and Europe are facing some inflation high and currency downward size, how does this create a

problem for a Company and how do we come out of this problem? And second, in a medium run of 3 years, where we see Mastek, our reputed Company, and last one why Company need ₹1,500 crore borrowing power, will you give a proper explanation for same? Thank you very much. All the best.

- **Moderator:**

- Thank you, Sir. Now, I request speaker No. 4, Ms. Smita Shah to unmute and kindly proceed with the question.

- **Ms. Smita Shah – Shareholder:**

- Hi. Thanks for the opportunity. So, I have a few questions about the business. Sir, since we're hearing a lot about the growth tapering in UK and US due to rising inflation and interest rates, Sir what's our take on our business, since we are getting almost more than 65% revenues from the UK public sector? So can you highlight what has been I mean the scenario there? What has been a pipeline for us this year and next year? Also, you know we witness some delay in UK NHS order execution, which we highlighted in the call, so partnering with everything how's the outlook for FY23 and next year FY24? If you could highlight that would be great. Sir, the second question is on the margins. So we have maintained 20% plus kind of operating margins despite higher attrition last year. So, what would be the guidance there? Should we sustain these margins in the short to medium term given the currency headwinds that we're facing in terms of the UK Pound, which is down almost 7%-8% in the last couple of months? Sir third on the US acquisition, so would like to know when will the consolidation happen in our books it's a little too soon to ask about the synergies of this US acquisition, but if you could highlight what's the initial sense on the US business post this acquisition and what's the road map for us to take the US business to 30% plus in next 3 years or so, which we had highlighted in earlier strategies? That's it, Sir. Thank you so much.

- **Moderator:**

- Thank you so much, Sir. Now, I request speaker No. 5, Mr. Varun Sheth to unmute and kindly proceed with the questions.

- **Mr. Varun Sheth – Shareholder:**

- Thank you for the opportunity. So, I think some of the questions on the outlook have been asked, but just to summarise my question was more again on the outlook perspective given the UK and US are facing headwinds economically, recessions and all, and more particularly I would like to know 4 months back it was a different story for cloud digital transformation and all, so would that story continue or we face some headwinds or what is our take on that from outlook perspective? That is point number one, and point number two what is our cash balance post our acquisition and how do we intend to now utilise that? Are more acquisitions still on the plan, we are looking at it in some 6 months time frame etc? These are the 2 questions. Thank you.

- **Moderator:**
- Thank you, Sir, for your questions. Now request speaker No. 6, Mr. Kirti Shah to unmute and kindly proceed with the questions.
- **Tech Support – Mastek Limited:**
- Ma'am the person with said name is not connected to this Meeting.
- **Moderator:**
- Okay. So, Chairman Sir, we have finished the Questions from all the speakers present here, so you may just take it ahead.
- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- Thank you for the question-and-answer session. I must compliment the Members for asking extremely interesting questions and also giving a lot of suggestions. What I would do is I would kind of combine the questions and broadly take on the major issues and I will let Mr. Hiral Chandrana and Mr. Arun Agarwal answer some specific questions. A lot of questions have been asked about the future outlook of the Company. As you know Mastek does not give any kind of future projections, guidance as they call it in the industry, however, a broad outlook Mr. Hiral Chandrana already shared, Mr. Ashank Desai already shared in terms of what is the outlook and what are the kind of strategies that we're doing. Santosh Kumar Saraf Ji, you have asked many things and you have thanked us for the dividend. Thank you very much. You said, "Is there any capital raising plan?" In the Company, wherever and whenever there is a requirement, we will raise the capital. Second, you asked why we are asking for a potential capital infusion of ₹1,500 crores by way of enabling resolution. It is because if there is a need, we can do it faster. At the time of need, going to shareholders and getting permission from the shareholders will be time-consuming, so we have proposed an enabling resolution. You also asked about do we audit CSR expenditures. We do it, as whatever spending we do for CSR through our Mastek Foundation, our Statutory Auditors and Internal Auditors do a thorough audit to ensure that the money that we are spending should achieve the proper purpose for which we intended to spend. You also asked us to continue virtual Meetings. Even we expect that when we start the physical Meetings if the government gives the permission to do hybrid, we will definitely do hybrid. We have taken note of your suggestions. Mr. Dilip Kumar Jain was not able to attend the Meeting. Ravi Naredi Sir has also congratulated on Annual Report. Thank you. You have said, good growth is from the US. Like Hiral Chandrana has said, the acquisitions that we have made in the US as well as the MST acquisition with Salesforce, are all with the approach to have significant growth in the US, but anyway I will later request Mr. Hiral Chandrana to give you some specific answers on this.

- In the medium run, what kind of growth do we see - again we don't give any projections or guidance. I can only say that there is a huge growth opportunity that we are really gunning for. Mr. Ravi Naredi asked about this ₹1,500 crore resolution. I already answered it's an enabling provision, not that we have any specific plans just now for using these ₹1,500 crores. Ms. Smita Shah asked questions regarding the US and UK businesses. Again, as we said that there could be a recession, and there could be other uncertainties, but Mastek's approach has always been and we have so far succeeded that our growth will be hopefully higher than the industry average. That's our approach, but what will happen is something which is not in our hands because the situation is volatile. You all say that we are in the VUCA world and that will continue because nobody expected the pandemic to hit for 2 years, but you know that despite the pandemic, despite the kind of problems that we had, Mastek has come out successfully and that's the resilience of the Company and we do hope with all your support, the Company's resilience will continue to help us. On the margins, can we sustain the margins is again a futuristic question? We cannot specifically answer, but our approach would be to ensure that we're able to sustain a reasonable level of margin despite currency fluctuations, but that's something which is very, very uncertain, we can't comment except our intention will be to hold on to whatever we can do. Some questions Mr. Varun Sheth asked regarding, 4 months back there was some industry situation, again it's a little futuristic question.
- As far as the cash balance is concerned, I will let Mr. Arun Agarwal, the Global Chief Financial Officer answer and once again thank you very much. Mr. Kirti Shah also asked a lot of questions. He sent something like 28 questions he asked by e-mail. I think wherever there are relevant answers to be given our Company Secretary will send you the answer, but many of the questions are those where the answers are given in the Annual Report itself. So, my request would be that you go through the Annual Report to find answers to some of the questions. Mr. Santosh Saraf, in addition to what questions he asked, has asked a few more questions in the e-mail that he sent. I thank him for giving a detailed list of questions. There again he can refer to the Annual Report and if there are any questions which are not answered in the Annual Report, our Company Secretary will ensure that he sends an e-mail with appropriate answers. Now, over to Mr. Hiral Chandrana and Mr. Arun Agarwal to answer any specific questions over and above the general answers that I've given you for the questions that you have raised. Over to Hiral.
- **Mr. Hiral Chandrana -- Global Chief Executive Officer, Mastek Group:**
- Thank you, Mr. Chairman. I will try to answer the specific questions and there are a few questions that my colleague, Arun will take up. So, again thank you for all the support and feedback. Mr. Santosh Saraf asked about women and gender diversity and we have a series of initiatives that are ongoing in the organisation. Some of them have been highlighted in the Annual Report, but specifically, we also have a diversity leader under our people and HR teams. We re-coined our HR unit and organisation to be called PxD. PxD stands for People, Experience, and Diversity, and Maninder who leads is also on the call within that group, we have a specific focus on diversity and gender diversity in particular.

- As part of our ESG commitments, it is our aspiration to take that less than 30% number to 40% over the next few years and we're committed to that through not just hiring women and gender talent, but also grooming them for future leaders right. For many of the key positions, many of the key roles we're making sure that we give equal opportunities as well as in many cases we have programmes like re-shine where women who have gone through maternity leave can come back to the work floors and still perform the roles and take up new opportunities. We had a series of month-long programmes during the earlier part of the year and will continue to focus on this very important topic, which is gender diversity. For the next question from Mr. Ravi Naredi, I will try to combine a couple of questions on the Americas and the US market very quickly. So, this is clearly a big opportunity and an untapped opportunity in a way for us, right? We have gone through a very deep analysis of what it takes for us to grow in the Americas and while some of those initiatives will take time to completely pay off, we are seeing leading indicators that it is on the right track I talked about earlier about account mining.
- We're seeing more CIO and CXO-level conversations. We're seeing more customers visiting us even in India. We have a series of initiatives where we have taken the top 25 accounts to make sure that we go deep across our portfolio of offerings. We have new leaders who have been hired we have new subsidiary Board Members who have been part of now the Mastek journey. We actually have Mr. David Rutchik as well as Mr. Vivek Chopra here in the US as well as Mr. David O'Brien in the UK to help with advisory and regional business growth as well. So, we are looking at all aspects. Industry dimension, I talked about healthcare, but also retail, and manufacturing. The recent MST acquisition has given us entry into the state and local government in the US, which is a very interesting vertical for us in addition to the others. So, all focus and hands down on the Americas market. Having said that, our UK market will continue to grow and we have seen some good, solid momentum in the public sector even though there is macro-level uncertainty with some of the political environment. Some of the engagements that we have, whether it's in the Home Office or HMRC or many of the public sector institutions are long-term in nature. We continue to make progress in the private sector in the UK as well as our Middle East business has shown some really good revival in recent months as well, both through the order booking lead indicator as well as some growth momentum in our existing accounts.
- For our Europe business, which is outside of the UK, we have been very selective. We have some global accounts that we have opened in the last year, which are showing potential globally not just in Europe, but across multiple parts of the globe including the US. So, hopefully, that provides some flavour on the Americas and answers the two or three questions that were there on the US outlook and the broad direction that we're taking as well. I will let Arun answer some of the borrowing related or some of the Capex-related questions, although Mr. Sandilya has already touched on that. While we do not report numbers or guide, there is good momentum that we are seeing in the first month after the acquisition of MST Solutions. It's very humbling to see the teams coming together in many different ways not just through the cultural elements of it, but also through account planning and account mining. We have a few deals that are ongoing.

- As we speak, there are opportunities that we're bidding together; Mastek and MST together and we will continue to make sure that they integrate as part of the Mastek family. I'm very happy with the progress over the last few weeks and our leadership team has really come together to make that happen. I understand there are economic headwinds and there are recessionary concerns, there is obviously inflation, there are supply chain challenges, and we have taken all steps possible to mitigate some of the risks, you know like Mr. Chairman said it's difficult to predict beyond a point, but we're making sure that we have carefully considered some of the challenges in the industry. With that, again I'd like to thank everyone for their support and the resilience of our employees and Mastekers as we look forward. We continue to look forward to interacting with you and I'll turn it over to Arun to answer the remaining questions as well.
- **Mr. Arun Agarwal – Global CFO, Mastek Limited:**
- Thanks a lot. Thanks, everyone for the humble remarks and your support. I am combining some of the questions which we have received offline from Mr. Santosh Saraf and also from Mr. Kirti Shah, and also received from other Members in the call today. Capex plan is asked for, again on a going concern basis, we expect 120 to 140 crores of Rupees next 3 years including the current running year, however, I'm not including any acquisition, which may happen in the future depending upon Build, Buy, and Partnership strategy, which Ashank and Hiral both alluded to. Price-to-book ratio, which was asked for, is roughly 8.2X as of 31<sup>st</sup> March. Our return on equity was 29.5% for the financial year 21-22. Kindly refer to pages 14-15, 269, and 270 of our Annual Report. It has all the information about the key ratios of your Company. There was another question in terms of investments, Mastek makes investments predominantly only in terms of mutual funds and fixed-term deposits as part of our treasury initiatives. Kindly refer to pages 240 and 241 for further details on our investments. Details for bad debt and provision for doubtful debts are included in Schedule 20 of consolidated financial statements, kindly refer to page 252 of our Annual Report. There was another question about the borrowings. Borrowing as of 31<sup>st</sup> March stands at Rs. 190 crores at the group level. Again, further details in terms of what would be paid in the next 12 months and what will be beyond are included in Schedules 10 and 12 of our consolidated financial statements and further details are covered there. There were further questions in terms of ESG. I am combining them all as Hiral and Ashank Mr. Sandilya Sir alluded to. We have integrated ESG into our business strategies and actions by joining multiple initiatives. It includes energy efficiency initiatives, water management and waste management under the Environment. Mastek Foundation continues to drive multiple initiatives for the betterment of society as Ashank covered. Apart from as you know, we are also focused on gender diversity as alluded to by Mr. Hiral and also we have continuously invested in the health and safety of our employees. Governance as you know continues to be our topmost priority and Mastek is also well-known in the industry. I am again glad to mention that we have included BRSR reporting in this financial year while it was not mandatory. Mastek is one of those companies that have started ESG adoption and reporting much earlier than the regulatory requirement. Thank you everyone for your time. Giving mike back to Mr. Sandilya our Chairman.



- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- Thank you, Hiral and Arun for that very comprehensive coverage of the questions raised by the Members it's been good and as I said earlier any questions still unanswered will be replied to by e-mail wherever we have the e-mail address with us. Before I announce the closure of the Meeting, there are a few important points for me to mention. Members may note that the voting on the NSDL platform will continue to be available for the next 15 minutes after the conclusion of this Meeting, therefore Members who have not yet cast their vote are requested to do so. The Board of Directors has appointed P. Mehta & Associates represented by Mr. Prashant Mehta, Practising Company Secretary as the scrutiniser to supervise the E-voting process. Further, I hereby authorise Mr. Dinesh Kalani, Vice President - Company Secretary to declare the results of the voting and place the results on the website of the Company and NSDL at the earliest as per the Company requirement which is normally supposed be 48 hours or 2 working days after the announcement to the exchange. The resolutions as set forth in the notice shall be deemed to be passed today subject to receipt of the requisite number of votes. We are grateful to all our Members who have taken time out for this Meeting. I am also thankful to every employee who continues to give their best to the Company and our partners and clients and financiers who trust the Company to meet their business requirements. Lastly, I must wish each of you and all our Members a safer and more peaceful life, full of happiness. Thank you all once again for taking the time to attend this Meeting and I hereby declare the proceedings closed. Thank you very much and see you next year. Thank you.
- **Mr. Dinesh Kalani – Vice President - Company Secretary, Mastek Limited:**
- I request that someone can propose a vote of thanks.
- **Mr. Vimal Dangri**
- It's my pleasure on behalf of shareholders to propose a vote of thanks with sincere gratitude to the Chair, Board Members, and shareholders. Thank you.
- **Mr. Dinesh Kalani – Vice President - Company Secretary, Mastek Limited:**
- Thank you.
- **Mr. S. Sandilya – Chairman, Mastek Limited:**
- So, the Meeting is officially closed, but the NSDL platform will be open for e-voting. Thank you.
- **Mr. Hiral Chandrana -- Global Chief Executive Officer, Mastek Group:**
- Thank you.

**End of Transcript**

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