

**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial 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 June 2019, being submitted by the Holding Company pursuant to the requirements of Regulation 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 has been 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'), specified under section 133 of the Companies Act, 2013, SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing, 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**

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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 recognition and measurement principles laid down in Ind AS 34, specified under Section 133 of the Companies Act, 2013, the SEBI Circular(s) 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 Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



**Adi P. Sethna**

Partner

Membership No. 108440

**UDIN No:19108840AAAABC6723**

Place : Mumbai

Date: 22 July 2019

**Enclosure : Annexure 1**

**List of entities included in the Statement**

## Mastek Limited

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### Annexure 1

#### List of subsidiaries included in the statement

S. No	Name of the subsidiary (including step down subsidiary)
1	Mastek (UK) Limited
2	Trans American Information Systems Private Limited
3	Mastek, Inc.
4	Taistech LLC
5	Trans American Information Systems, Inc.



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## Statement of Unaudited Consolidated Financial Results for the Quarter ended June 30, 2019

(' in lakhs)

	Particulars	Quarter ended			Year ended
		June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income				
	(a) Revenue from operations	24,754	26,710	24,404	103,321
	(b) Other income	513	693	313	2,478
	Total Income	25,267	27,403	24,717	105,799
2	Expenses				
	(a) Employee benefits expenses	13,502	14,851	13,967	58,717
	(b) Finance costs	82	110	126	613
	(c) Depreciation and amortisation expenses	573	432	393	1,735
	(d) Other expenses	7,964	8,331	7,343	31,450
	Total expenses	22,121	23,724	21,829	92,515
3	Profit before exceptional items & tax ( 1 - 2 )	3,146	3,679	2,888	13,284
4	Exceptional items - gain / (loss), net (Refer note 5)	-	55	-	55
5	Profit before tax ( 3 + 4 )	3,146	3,734	2,888	13,339
6	Tax expense / (credit)				
	- Income tax - current	757	900	810	3,419
	- Deferred tax (credit) / charge	(33)	245	(168)	(129)
	- Income tax - prior periods	-	(150)	-	(98)
	- Total (net)	724	995	642	3,192
7	Net Profit for the period ( 5 - 6 )	2,422	2,739	2,246	10,147
8	Other Comprehensive Income/(Loss) net of tax (Refer note 3)	7,720	(309)	4,912	8,755
9	Total Comprehensive Income net of tax (7 + 8)	10,142	2,430	7,158	18,902
10	Paid-up equity share capital ( Face value Rs. 5/- per share )	1,199	1,199	1,186	1,199
11	Other Equity				70,441
12	Earnings per share (of Rs 5/- each) (not annualised) :				
	(a) Basic - Rs	10.10	11.47	9.47	42.61
	(b) Diluted - Rs	9.58	10.89	8.88	40.32



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MASTEK LIMITED

Registered Office : 304/805, President House, Opp.C.N.Vidyalaya  
Near Ambawadi Circle, Ahmedabad-380 006  
CIN No. L74140GJ1982PLC005215

Statement of Unaudited Consolidated Segmental Information for the Quarter ended June 30, 2019

(₹ in lakhs)

	Particulars	Quarter ended			Year ended
		June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue				
	UK operations	18,055	20,428	17,405	76,361
	North America operations	6,306	5,876	6,503	25,275
	Others	393	406	496	1,685
	Revenue from operations (net)	24,754	26,710	24,404	103,321
2	Segment Results profit: before exceptional items, tax and finance cost				
	UK operations	2,858	3,742	2,878	12,690
	North America operations	501	39	239	709
	Others	(230)	(289)	(98)	(447)
	Total	3,129	3,492	3,019	12,952
3	Exceptional Items - gain / (loss), net (Refer note 5)				
	UK operations	-	(1,792)	-	(1,792)
	North America operations	-	1,847	-	1,847
	Exceptional gain, net	-	55	-	55
	Less: i. Finance costs	82	110	126	613
	ii. Other un-allocable expenditure net of unallocable (income)	(99)	(297)	5	(945)
	Profit from ordinary activities before tax	3,146	3,734	2,888	13,339

Notes on Segment Information :

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

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



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Notes to the consolidated financial results:

- The above results were reviewed by the Audit Committee and were thereafter approved by the Board at its meeting held on July 22, 2019. The auditors have carried out a limited review of the unaudited consolidated financial results.
- The Group has accounted net foreign exchange gain under "Other income" and net foreign exchange loss under "Other Expenses". Further, "Revenue from operations" includes net realised foreign exchange loss / (gain) arising from currency hedges relating to certain firm commitments and forecasted sales transactions. The table below shows the impact of the net foreign exchange (gain) / loss on the Group's results in each of the periods presented:

(₹ in lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
Net foreign exchange loss / (gain)	134	(84)	1	(23)
Net realised foreign exchange (gain) / loss arising from hedging accounted under Income from Operations	(90)	(17)	(63)	(20)

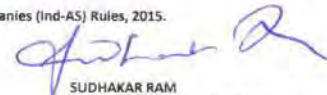
- Other Comprehensive income includes:

(₹ in lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
(i) Items that will not be reclassified subsequently to the statement of profit or loss (net of tax):				
Defined benefit plan actuarial gains/ (losses), net	49	(4)	56	(6)
Change in fair value of equity instrument through OCI, net	8,587	(795)	5,079	8,377
<b>Total</b>	<b>8,636</b>	<b>(799)</b>	<b>5,135</b>	<b>8,371</b>
(ii) Items that will be reclassified subsequently to the statement of profit or loss (net of tax):				
Exchange differences on translation of foreign operations	(1,115)	364	(564)	(505)
Change in fair value of forward contracts designated as cash flow hedges, net	196	(16)	293	786
Change in fair value of financial instruments, net	3	142	48	103
<b>Total</b>	<b>(916)</b>	<b>490</b>	<b>(223)</b>	<b>384</b>
<b>Other comprehensive income/(Loss) net of tax (i+ii)</b>	<b>7,720</b>	<b>(309)</b>	<b>4,912</b>	<b>8,755</b>

- The Company's Wholly Owned Subsidiary- Mastek (UK) Limited entered into an arrangement with its Wholly Owned Subsidiary-Indigo Blue Consulting Limited, U.K. ("IBCL") to merge (transfer of business, assets and liabilities) IBCL into Mastek (UK) Limited with effect from June 30, 2018.
- Exceptional gains / (loss) (net) during the quarter and financial year ended March 31, 2019 include (i) write back of contingent consideration Rs. 2,689 lakhs, towards liability no longer payable as per earn out settlement on acquisition of (Taistech) US business; (ii) Impairment loss on goodwill Rs. 1,792 lakhs recognised on acquisition of Indigoblue Consulting Limited, on account of operational performance; and (iii) provision for restructuring cost Rs. 842 lakhs, recognised towards the restructuring of a portion of its US operations.
- The group has adopted Ind AS 116 'Leases' with effect from April 1, 2019 using the modified retrospective approach, as a result of which comparative information is not required to be restated. The group has discounted lease payments using the incremental borrowing rate as at April 1, 2019 for measuring lease liability. Accordingly, on transition to Ind AS 116, the group recognized 'right-of-use' assets and lease liabilities (adjusted for related prepayments/accruals) amounting to Rs. 1,326 lakhs, by discounting lease payments using the incremental borrowing rate as at April 1, 2019. During the quarter, the group has recognized finance cost on lease amounting to Rs. 22 lakhs and amortization on right-of-use assets amounting to Rs. 137 lakhs, which would have been recognised as rent Rs.150 lakhs, based on the earlier standard.
- These results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Ind-AS) Rules, 2015.
- Previous period's / year's figures have been regrouped or reclassified wherever necessary.

Place : Mumbai, India  
Date : July 22, 2019

  
SUDHAKAR RAM  
Vice Chairman & Managing Director



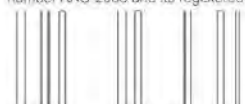
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**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**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 June 2019 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. The Statement is the responsibility of the Company's Management and has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review of the Statement, which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), specified under Section 133 of the Companies Act, 2013, SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India.
2. 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, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Mastek Limited**

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

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3. 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, specified under Section 133 of the Companies Act, 2013, the SEBI Circular(s), 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 Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



**Adi P. Sethna**

Partner

Membership No. 108840

**UDIN No:19108840AAAABB8750**

Place: Mumbai

Date: 22 July 2019



MASTEK LIMITED

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

Statement of Unaudited Standalone Financial Results for the Quarter ended June 30, 2019

(₹ in lakhs)

	Particulars	Quarter ended			Year ended
		June 30,	March 31,	June 30,	March 31,
		2019	2019	2018	2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income				
	(a) Revenue from operations	4,416	4,514	4,738	18,944
	(b) Other income	399	465	908	3,459
	Total Income	4,815	4,979	5,646	22,403
2	Expenses				
	(a) Employee benefits expenses	2,968	3,261	3,261	13,453
	(b) Finance costs	10	9	8	27
	(c) Depreciation and amortisation expenses	296	288	290	1,208
	(d) Other expenses	1,093	1,299	961	3,799
	Total expenses	4,367	4,857	4,520	18,487
3	Profit before tax ( 1 - 2 )	448	122	1,126	3,916
4	Tax expense / (credit)				
	- Income tax - current	155	78	274	998
	- Deferred tax	(16)	(60)	(24)	(78)
	- Income tax - prior periods	-	(89)	-	(55)
	- Total (net)	139	(71)	250	865
5	Net Profit for the period ( 3 - 4 )	309	193	876	3,051
6	Other Comprehensive Income net of tax (Refer note 3)	270	101	390	872
7	Total Comprehensive Income net of tax (5 + 6)	579	294	1,266	3,923
8	Paid-up equity share capital ( Face value Rs. 5/- per share )	1,199	1,199	1,186	1,199
9	Other Equity				24,795
10	Earnings per share (of Rs 5/- each) (not annualised) :				
	(a) Basic - Rs	1.29	0.80	3.69	12.81
	(b) Diluted - Rs	1.22	0.76	3.46	12.12



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Statement of Unaudited Standalone Segmental Information for the Quarter ended June 30, 2019

(₹ in lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Segment Revenue				
UK operations	3,877	3,925	3,876	15,994
North America operations	146	183	366	1,265
Others	393	406	496	1,685
Revenue from operations (net)	4,416	4,514	4,738	18,944
2 Segment Results profit before tax and finance cost				
UK operations	663	667	625	2,527
North America operations	21	25	39	149
Others	(230)	(289)	(98)	(447)
3 Total	454	403	566	2,229
Less : i. Finance costs	10	9	8	27
ii. Other un-allocable expenditure net of un-allocable (income)	(4)	272	(568)	(1,714)
Profit from ordinary activities before tax	448	122	1,126	3,916

Notes on Segment Information :

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

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



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CIN No. L74140GJ1982PLC005215

Notes to the standalone financial results:

- The above results were reviewed by the Audit Committee and were thereafter approved by the Board at its meeting held on July 22, 2019. The auditors have carried out a limited review of the unaudited standalone financial results.
- The company has accounted net foreign exchange gain under "Other income" and net foreign exchange loss under "Other Expenses". Further, '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 company's results in each of the periods presented:

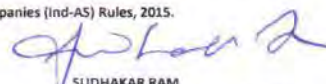
Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
Net foreign exchange loss / (gain)	116	(60)	24	(19)
Net realised foreign exchange (gain) / loss arising from hedging accounted under Income from Operations	(90)	(17)	(63)	(20)

3 Other Comprehensive Income Includes:

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
(i) Items that will not be reclassified subsequently to the statement of profit or loss (net of tax):				
Defined benefit plan actuarial gains/ (losses), net	58	(14)	49	(6)
Total	58	(14)	49	(6)
(ii) Items that will be reclassified subsequently to the statement of profit or loss (net of tax):				
Change in fair value of forward contracts designated as cash flow hedges, net	209	(27)	293	774
Change in fair value of financial instruments, net	3	142	48	104
Total	212	115	341	878
Other comprehensive income net of tax (i+ii)	270	101	390	872

- The Company's Wholly Owned Subsidiary- Mastek (UK) Limited entered into an arrangement with its Wholly Owned Subsidiary-Indigo Blue Consulting Limited, U.K. ("IBCL") to merge (transfer of business, assets and liabilities) IBCL into Mastek (UK) Limited with effect from June 30, 2018.
- The company has adopted Ind AS 116 'Leases' with effect from April 1, 2019 using the modified retrospective approach, as a result of which comparative information is not required to be restated. The company has discounted lease payments using the incremental borrowing rate as at April 1, 2019 for measuring lease liability. Accordingly, on transition to Ind AS 116, the company recognized 'right-of-use' assets and lease liabilities (adjusted for related prepayments/accruals) amounting to Rs. 143 lakhs, by discounting lease payments using the incremental borrowing rate as at April 1, 2019. During the quarter, the company has recognized finance cost on lease amounting to Rs. 3 lakhs and amortization on right-of-use assets amounting to Rs. 8 lakhs, which would have been recognised as rent Rs.10 lakhs, based on the earlier standard.
- These results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Ind-AS) Rules, 2015.
- Previous period's / year's figures have been regrouped or reclassified wherever necessary.

Place : Mumbai, India  
Date : July 22, 2019

  
SUDHAKAR RAM  
Vice Chairman & Managing Director



MKA

