

SEC/75/2019-20

January 28, 2020

Listing Department BSE Limited 25 th Floor, Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai-400 001 Tel No. 022- 22723121, Fax No. 022- 22721919 SCRIP CODE: 523704	Listing Department The National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Tel No.: 022- 26598100, Fax No. 022-26598120 SYMBOL: MASTEK
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Subject: Outcome of the proceedings of the Board Meeting held today - January 28, 2020 in accordance with 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 – January 28, 2020*, transacted and approved the following items of Business;

a) Financial Results

The Board inter-alia approved and taken on record the Un-Audited Financial Results (Consolidated and Standalone) for the third quarter and nine months ended December 31, 2019. Accordingly, pursuant to the provisions of Regulation 30 and Regulation 33 of the SEBI Listing Regulations, we enclose the following:

1. Un-Audited Financial Results (Consolidated and Standalone) for the third quarter and nine months ended December 31, 2019 prepared 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

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.

b) Appointment of Additional Director (Non-executive and Independent)

In terms of Regulation 30 of the SEBI Listing Regulations, we are pleased to inform you that the Board, vide resolution passed today, has appointed Mr. Rajeev Kumar Grover (DIN: 00058165) as an Additional Director (Non-Executive and Independent) with effect from January 28, 2020, for a period of 5 years, subject to approval of the shareholders.

His brief profile is given hereunder:

Mr. Rajeev Kumar Grover (DIN: 00058165)

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

He has been one of the pioneers of the Business Process Outsourcing industry in India and has led the setup for three organizations in the country. In his last role at Mercer Consulting, he served as the Global Head of Operations wherein he was responsible for driving Operational excellence across multiple lines of business represented by over 9000 employees across 25 countries including shared service centers spread across India, Poland, Portugal, China & Ireland.

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

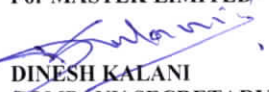
Mr. Grover has also been inducted as a member of the Audit Committee, Nomination and Remuneration Committee and Governance Committee in the Company. This is for information and record.

Further, Mr. Grover does not hold any shares in the Company. Also, he is not related to any director or Key Managerial Personnel of the Company. We also confirm that Mr. Grover is not debarred from holding the office of director pursuant to any SEBI order or any such authority.

The meeting of the Board of Directors of the Company commenced at 11.00 a.m. and concluded at 2.30 p.m.

This is for your information and record.

Thanking you.
Yours Truly

For MASTEK LIMITED

DINESH KALANI
COMPANY SECRETARY
 Encl:AA



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

To the Board of Directors of Mastek Limited

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

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



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Mastek Limited

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

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

For **Walker Chandniok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



Adi P. Sethna

Partner

Membership No. 108440

UDIN No: 20108840AAAAAK4432

Place: Mumbai

Date: 28 January 2020

Enclosure: Annexure 1

List of entities included in the Statement

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Mastek Limited

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

Annexure 1

List of entities included in the Statement

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



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

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

(Rs. in lakhs)

Particulars	Quarter ended			Nine months ended			Year ended
	December 31, 2019 (Unaudited)	September 30, 2019 (Unaudited)	December 31, 2018 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2018 (Unaudited)	March 31, 2019 (Audited)	
1 Income							
(a) Revenue from operations	24,368	24,360	26,500	73,482	76,611	103,321	
(b) Other income	955	912	602	2,380	1,785	2,478	
Total Income	25,323	25,272	27,102	75,862	78,396	105,799	
2 Expenses							
(a) Employee benefits expenses	13,657	13,504	14,929	40,663	43,866	58,717	
(b) Finance costs	80	86	135	248	503	613	
(c) Depreciation and amortisation expenses	582	563	431	1,718	1,303	1,735	
(d) Other expenses	7,348	7,792	8,171	23,104	23,119	31,450	
Total expenses	21,667	21,945	23,666	65,733	68,791	92,515	
3 Profit before exceptional items & tax (1-2)	3,656	3,327	3,436	10,129	9,605	13,284	
4 Exceptional items - (loss) / gain, net (Refer note 5 & 6)	(453)	(199)	-	(652)	-	55	
5 Profit before tax (3 + 4)	3,203	3,128	3,436	9,477	9,605	13,339	
6 Income tax expense / (credit)							
- Current tax	904	979	840	2,640	2,519	3,419	
- Deferred tax	(302)	(315)	(66)	(650)	(374)	(129)	
- Tax relating to prior periods	-	-	10	-	52	(98)	
- Total (net)	602	664	784	1,990	2,197	3,192	
7 Net Profit for the period (5 - 6)	2,601	2,464	2,652	7,487	7,408	10,147	
8 Other Comprehensive (loss) / Income net of tax (Refer note 3)	(385)	(1,885)	(2,828)	5,650	9,064	8,755	
9 Total Comprehensive Income / (Loss) net of tax (7 + 8)	2,216	779	(176)	13,137	16,472	18,902	
10 Paid-up equity share capital (Face value Rs. 5/- per share)	1,206	1,201	1,194	1,206	1,194	1,199	
11 Other Equity						70,441	
12 Earnings per share (of Rs 5/- each) (not annualised) :							
(a) Basic - Rs	10.79	10.26	11.12	31.16	31.14	42.61	
(b) Diluted - Rs	10.22	9.73	10.48	29.47	29.36	40.32	



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

(Rs. in lakhs)

Particulars	Quarter ended			Nine months ended		Year ended March 31, 2019
	December 31, 2019 (Unaudited)	September 30, 2019 (Unaudited)	December 31, 2018 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2018 (Unaudited)	
1	Segment Revenue					
UK operations	18,501	17,433	19,899	53,989	55,933	76,361
North America operations	5,630	6,472	6,236	18,408	19,400	25,275
Others	237	455	365	1,085	1,278	1,685
Revenue from operations (net)	24,368	24,360	26,500	73,482	76,611	103,321
2	Segment Results profit before exceptional item, tax and finance cost					
UK operations	3,267	2,704	3,511	8,829	8,948	12,690
North America operations	407	646	(38)	1,554	670	709
Others	(528)	(416)	(44)	(1,174)	(158)	(447)
Total	3,146	2,934	3,429	9,209	9,460	12,952
Less : i. Finance costs	80	86	135	248	503	613
ii. Other un-allocable expenditure net of un-allocable (income)	(390)	(479)	(142)	(1,168)	(648)	(945)
Profit from ordinary activities after finance costs but before exceptional items	3,656	3,327	3,436	10,129	9,605	13,284
Exceptional items - (loss) / gain, net						
UK operations (Refer note 5)	-	-	-	-	-	(1,792)
North America operations (Refer note 5)	-	-	-	-	-	1,847
Others (Refer note 6)	(453)	(199)	-	(652)	-	-
Exceptional (loss) / gain, net	(453)	(199)	-	(652)	-	55
Profit from ordinary activities before tax	3,203	3,128	3,436	9,477	9,605	13,339

Notes on Segment Information :

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

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



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

Near Ambawadi Circle, Ahmedabad-380 006

CIN No. L74140GJ1982PLC005215

Notes to the consolidated financial results:

- 1 The above results were reviewed by the Audit Committee and were thereafter approved by the Board at their respective meetings held on January 28, 2020. The auditors have carried out a limited review of the unaudited consolidated financial results.
- 2 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			Nine months ended		(Rs. in lakhs)
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	Year ended March 31, 2019
Net foreign exchange (gain) / loss	(81)	24	212	77	-	61
Net realised foreign exchange (gain) / loss arising from hedging accounted under Income from Operations	(66)	(124)	28	(280)	(3)	(20)

3 Other Comprehensive Income includes:

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

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

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

Place : Mumbai, India
Date : January 28, 2020

S. Sandilva
S. SANDILVA
Chairman



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



Mastek Limited

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

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

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



Adi P. Sethna

Partner

Membership No. 108440

UDIN No: 20108840AAAAAJ9333

Place: Mumbai

Date: 28 January 2020

MASTEK LIMITED

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

Near Ambawadi Circle, Ahmedabad-380 006

CIN No. U74106G1982PLC005215

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

Particulars	Quarter ended			Nine months ended		Year ended March 31, 2019 (Audited)
	December 31, 2019 (Unaudited)	September 30, 2019 (Unaudited)	December 31, 2018 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2018 (Unaudited)	
1 Income						
(a) Revenue from operations	3,660	4,231	4,885	12,307	14,431	18,944
(b) Other income	1,269	1,659	1,293	3,337	2,994	3,459
Total Income	4,929	5,900	6,178	15,644	17,425	22,403
2 Expenses						
(a) Employee benefits expenses	3,081	3,184	3,415	9,233	10,192	13,453
(b) Finance costs	7	14	4	31	18	27
(c) Depreciation and amortisation expenses	281	294	279	871	920	1,208
(d) Other expenses	807	1,092	835	2,992	2,500	3,799
Total expenses	4,176	4,584	4,533	13,127	13,630	18,487
3 Profit before exceptional items & tax (1 - 2)	753	1,316	1,645	2,517	3,795	3,916
4 Exceptional items - (loss) / gain, net (Refer note 5)	(453)	(199)	-	(652)	-	-
5 Profit before tax (3 + 4)	300	1,117	1,645	1,865	3,795	3,916
6 Income tax expense / (credit)						
- Current tax	174	266	347	595	920	998
- Deferred tax	(159)	(95)	36	(270)	(19)	(78)
- Tax relating to prior periods	-	-	(8)	-	34	(55)
- Total (net)	15	171	375	325	935	865
7 Net Profit for the period (5 - 6)	285	946	1,270	1,540	2,860	3,051
8 Other Comprehensive (Loss) / Income net of tax (Refer note 3)	(531)	139	699	(122)	770	872
9 Total Comprehensive (Loss) / Income net of tax (7 + 8)	(246)	1,085	1,969	1,418	3,630	3,923
10 Paid-up equity share capital (Face value Rs. 5/- per share)	1,206	1,201	1,194	1,206	1,194	1,199
11 Other Equity						
12 Earnings per share (for Rs 5/- each) (not annualised) :						
(a) Basic - Rs	1.19	3.94	5.32	6.41	12.02	12.81
(b) Diluted - Rs	1.12	3.73	5.02	6.06	11.33	12.12

(Rs. in Lakhs)



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MASTEK LIMITED

Registered Office : 804/805, President House, Opp.C.N.Vidyalaya
Near Ambawadi Circle, Ahmedabad-380 006
CIN No. L74100G11982PLC005215

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

Particulars	Quarter ended			Nine months ended		Year ended March 31, 2019
	December 31, 2019 (Unaudited)	September 30, 2019 (Unaudited)	December 31, 2018 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2018 (Unaudited)	
1	Segment Revenue					
UK operations	3,285	3,647	4,178	10,809	12,070	15,994
North America operations	138	129	342	413	1,083	1,265
Others	237	455	365	1,085	1,278	1,685
Revenue from operations (net)	3,660	4,231	4,885	12,307	14,431	18,944
2	Segment Results profit before exceptional item, tax and finance cost					
UK operations	376	517	688	1,556	1,860	2,527
North America operations	18	17	42	56	124	149
Others	(528)	(416)	(44)	(1,174)	(158)	(447)
Total	(134)	118	686	438	1,826	2,229
Less : i. Finance costs	7	14	4	31	18	27
ii. Other un-allocable expenditure net of un-allocable (income)	(894)	(1,212)	(963)	(2,110)	(1,987)	(1,714)
Profit from ordinary activities after finance costs but before exceptional items	753	1,316	1,645	2,517	3,795	3,916
Exceptional items - (loss) / gain, net (refer note 5) (Others)	(453)	(199)	-	(652)	-	-
Profit from ordinary activities before tax	300	1,117	1,645	1,865	3,795	3,916

Notes on Segment Information :

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on analysis of various performance indicators by geographical region of the customers, Property, Plant and Equipment used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the Property, Plant and Equipment and the support services are used interchangeably between segments. Accordingly disclosure relating to total segment assets and liabilities are not practicable.



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MASTEK LIMITED

Registered Office : 804/805, President House, Opp.C.N.Vidyalaya
Near Ambawadi Circle, Ahmedabad-380 006
CIN No. L7140XG1982PLCO05215

Notes to the standalone financial results:

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

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

3 Other Comprehensive Income includes:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	
(i) Items that will not be reclassified subsequently to the statement of profit or loss (net of tax):						
Defined benefit plan actuarial gains/ (losses), net	27	(55)	(30)	30	7	(6)
Total	27	(55)	(30)	30	7	(6)
(ii) Items that will be reclassified subsequently to the statement of profit or loss (net of tax):						
Change in fair value of forward contracts designated as cash flow hedges, net	(542)	54	888	(279)	802	774
Change in fair value of financial instruments, net	(16)	140	(159)	127	(39)	104
Total	(558)	194	729	(152)	763	878
Other comprehensive (loss) / income net of tax (i+ii)	(531)	139	699	(122)	770	872

Rs. in lakhs

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

Place : Mumbai, India
Date : January 28, 2020



S. SANDIYA
Chairman





Press Release | Q3'FY20



Q3FY20 Total Income at Rs 253.2 crore

- Added 9 new clients during the quarter
- Op. EBITDA at 13.8% in Q3FY20 vs 12.6% in Q2FY20

Mumbai, India – 28th January, 2020: Mastek, a global IT player and a trusted partner in complex digital & agile transformation programs in the Government and Global Enterprises worldwide, announced today its financial results for the **third quarter and nine months of FY20.**

Review of financial performance for the quarter ended 31st December, 2019

On a quarter-on-quarter basis:

- Total income was Rs 253.2 crore during the quarter under review as compared to Rs 252.7 crore during the previous quarter, flat on Q-o-Q basis.
- The operating income was Rs 243.7 crore during the quarter under review as compared to Rs 243.6 crore during the previous quarter, flat Q-o-Q in rupee terms and a decrease of (4.1%) in constant currency terms. (Exchange rate Rs/£: 91.7 in Q3FY20 vs 86.8 in Q2FY20).
- The Company reported an operating EBITDA of Rs 33.6 crore (13.8% of op. income) in Q3FY20 as compared Rs 30.6 crore (12.6% of op. income) in Q2FY20, a growth of 9.8% on Q-o-Q basis.
- The Company reported total EBITDA of Rs 43.2 crore (17.1% of total income) in Q3FY20 as compared to Rs 39.8 crore (15.7% of total income) in Q2FY20, a growth of 8.6% on Q-o-Q basis.
- Net profit stood at Rs 26.0 crore in Q3FY20 as compared to Rs 24.6 crore in Q2FY20, a growth of 5.6% on Q-o-Q basis.

On year-on-year basis:

- Total income was Rs 253.2 crore during the quarter under review as compared to Rs 271.0 crore during the corresponding quarter of previous year, a decrease of (6.6%) in rupee terms.
- The operating income was Rs 243.7 crore during the quarter under review as compared to Rs 265.0 crore during the corresponding quarter of previous year, a decrease of (8.0%) in rupee terms and (7.4%) in constant currency terms.
- The company reported an operating EBITDA of Rs 33.6 crore (13.8% of op. income) in Q3FY20 as compared to Rs 34.0 crore (12.8% of op. income) in Q3FY19, a decrease of (1.1%) on Y-o-Y basis.



- The company reported total EBITDA of Rs 43.2 crore (17.1% of total income) in Q3FY20 as compared to Rs 40.0 crore (14.8% of total income) in Q3FY19, a growth of 7.9% on Y-o-Y basis.
- Net profit stood at Rs 26.0 crore in Q3FY20 as compared to Rs 26.5 crore during the corresponding quarter of previous year, a decrease of (1.9%) on Y-o-Y basis.

Review of financial performance for the nine months ended 31st December, 2019

- Total income was Rs 758.6 crore during the nine month period under review as compared to Rs 784.0 crore during the corresponding period of previous year, a decrease of (3.2%) on Y-o-Y basis.
- The operating income was Rs 734.8 crore during the nine month period under review as compared to Rs 766.1 crore during the corresponding period of previous year, reflecting a decrease of (4.1%) in rupee terms and (2.7%) in constant currency terms.
- The company reported an operating EBITDA of Rs 97.2 crore (13.2% of op. income) during the nine month period under review as compared to Rs 96.3 crore (12.6% of op. income) during the corresponding period of previous year, a growth of 0.9% on Y-o-Y basis.
- The company reported total EBITDA of Rs 121.0 crore (15.9% of total income) during the nine month period under review as compared to Rs 114.1 crore (14.6% of total income) during the corresponding period of previous year, a growth of 6.0% on Y-o-Y basis.
- Net profit stood at Rs 74.9 crore during the nine month period under review as compared to Rs 74.1 crore during the corresponding period of previous year, a growth of 1.1% on Y-o-Y basis.

Operating highlights

- **New accounts billed during the quarter:** The Company added 9 new clients in Q3FY20 and 29 clients in 9MFY20. Total client count as of 31st December, 2019 was 143 (LTM) as compared to 144 (LTM) in Q2FY20.
- **12 month Order Backlog:** Mastek's 12 month order backlog was Rs 471.0 crore (₹ 50.0 m) as on 31st December, 2019 as compared to Rs 626.5 crore (₹ 71.8 m) in Q2FY20, a decrease of (24.8%) Q-o-Q in rupee terms and (28.9%) in constant currency terms.
- **Employees:** As on 31st December, 2019, the company had a total of 1,880 employees, of which 1,155 employees were based offshore in India while the rest were at various onsite locations. Employee count at the end of 30th September, 2019 was 1,937.



- **Cash Balance:** The total cash, cash equivalents and fair value of Mutual Funds stood at Rs 435.6 crore as on 31st December, 2019 as compared to Rs 265.5 crore as at the end of 30th September, 2019.

Commenting on the results, Mr. John Owen, Group CEO, Mastek, said: "I am pleased that we have delivered a flat quarter on quarter performance in INR terms despite the continued macro challenges in our core market of the UK and overall our ability to maintain our quality of earnings gives me confidence that as we return to grow in Q4 we will be able to continue to expand our margins. Demand from UK government continues to remain strong and our UK market reported a modest growth of 1.4%, however we our US business continues to struggle to break-out from its core customer and capability which we expect to deliver improved performance in Q4 The key fundamentals for Mastek remain positive as we enter the final stage of our existing Vision 2020 strategy. Vision 2020 provided the much needed focus and discipline to grow our business and provide better financial performance and transparency to our investors. We are seeing significant traction in agile and digital transformation solutions and are confident that Mastek is well positioned strategically in its core markets to capitalize on these future growth opportunities and return our previous growth trajectory. I take this opportunity to thank the loyal support and trust of our customers and the dedicated and committed team at Mastek who serve them with exceptional pride and honour."

Mr. Abhishek Singh, Group CFO, Mastek, said: "Revenue was flat sequentially due to seasonal weakness and furloughs in UK/US business. Our profitability at the EBITDA and PAT levels have continued to grow aided by disciplined and balanced approach of managing our cost structure. UK elections resulted in deferment of bid adjudications thereby reduction in order backlog. We have now successfully monetised 60% of our legacy shareholding in Majesco through 2 tranches of sales. This programme has generated approx. \$24m of net cash to Mastek. Our strong client relationships and strong demand in UK government business gives us confidence of returning back to our growth trajectory going forward."

About Mastek

Mastek is a publicly held (NSE: MASTEK; BSE: 523704) leading IT player with global operations providing enterprise solutions to government, retail and financial services organizations worldwide. With its principal offshore delivery facility based at Mumbai, India, Mastek operates in the UK and Asia Pacific regions. Incorporated in 1982, Mastek has been at the forefront of technology and has made significant investments in creating intellectual property, which along with proven methodologies and processes, increase IT value generation to its customers through onsite and offshore deliveries. For more information and past results & conference call transcripts, please visit our web site www.mastek.com (and/or the Investors section at <http://www.mastek.com/investors.html>). 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, 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.

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. Mastek Ltd. undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.



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Investor Presentation

Perforated Metal Overview: Q3 FY'20

28th January 2020

Presented by:

John Owen | Group CEO

Abhishek Singh | Group CFO



Disclaimer

This presentation contains certain forward-looking statements concerning our future growth prospects which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. These risks and uncertainties include, but not limited to factors such 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. Mastek Ltd. undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.



Agenda

- Financial performance
- Operational performance
- Questions & answers





Financial performance

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Financial Performance Q3 FY'20

Comparison: Quarter-on-Quarter

Revenue:

- Total income of Rs 253.2 crore vs Rs 252.7 crore, flat Q-o-Q basis
- Operating income of Rs 243.7 crore vs Rs 243.6 crore, flat Q-o-Q in rupee terms
- Constant Currency revenue decrease of (4.1%) on Q-o-Q basis

Profit:

- Operating EBITDA of Rs 33.6 crore (13.8% of op. income) vs Rs 30.6 crore (12.6% of op. income)
- Total EBITDA of Rs 43.2 crore (17.1% of total income) vs Rs 39.8 crore (15.7% of total income)
- Net Profit stood at Rs 26.0 crore vs Rs 24.6 crore in Q2FY20, up 5.6% on Q-o-Q basis
- Net Profit Margin of 10.3% vs 9.7% in Q2FY20

Cash & Cash Equivalent:

- Cash & Investments stood at Rs 435.6 crore vs Rs 265.5 crore as on 30th Sept'19
 - o Organic Cash grew from Rs 265.5 crore to Rs 322.6 crore after paying TAlSTech earnout and dividend
 - o Rs 113 crore received from sale of 2 Mn shares of Majesco USA

Order Backlog:

- 12M Backlog was Rs 471.0 crore (£ 50.0m) as on 31st Dec'19 as compared to Rs 626.5 crore (£ 71.8 mn) in Q2FY20; a decrease of (24.8%) Q-o-Q and (28.9%) in constant currency terms.



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Financial Performance Q3 FY'20

Comparison: Year-on-Year

- **Revenue:**
 - Total income of Rs 253.2 crore vs Rs 271.0 crore, a decrease of (6.6%) Y-o-Y
 - Operating income of Rs 243.7 crore vs Rs 265.0 crore, a decrease of (8.0%) Y-o-Y in rupee terms
 - Constant currency revenue decrease of (7.4%) on Y-o-Y basis
- **Profit:**
 - Operating EBITDA of Rs 33.6 crore (13.8% of op. income) vs Rs 34.0 crore (12.8% of op. income)
 - Total EBITDA of Rs 43.2 crore (17.1% of total income) vs Rs 40.0 crore (14.8% of total income)
 - Net Profit stood at Rs 26.0 crore vs Rs 26.5 crore in Q3FY19, a decrease of (1.9%) on Y-o-Y basis
 - Net Profit Margin of 10.3% in Q3FY20 vs 9.8% in Q3FY19
- **Cash & Cash Equivalent:**
 - Total cash, cash equivalents and fair value of Mutual Funds stood at Rs 435.6 crore as on 31st Dec'19 as compared to Rs 207.3 crore at the end of 31st Dec'18
- **Order Backlog:**
 - 12M Backlog was Rs 471.0 crore (£ 50.0 m) as on 31st Dec'19 as compared to Rs 517.3 crore (£ 58.1 m) in Q3FY19, a decrease of (8.9%) in rupee terms

Financial Performance 9M FY'20

Comparison: Year-on-Year

- **Revenue:**
 - Total income of Rs 758.6 crore vs Rs 784.0 crore, a decrease of (3.2%) Y-o-Y basis
 - Operating income of Rs 734.8 crore vs Rs 766.1 crore, a decrease of (4.1%) Y-o-Y in rupee terms
 - Constant currency revenue decrease of (2.7%) Y-o-Y basis
- **Profit:**
 - Operating EBITDA of Rs 97.2 crore (13.2% of op. income) vs Rs 96.3 crore (12.6% of op. income)
 - Total EBITDA of Rs 121.0 crore (15.9% of total income) vs Rs 114.1 crore (14.6% of total income)
 - Net Profit stood at Rs 74.9 crore in 9M FY20 vs Rs 74.1 crore in 9M FY19, up 1.1% Y-o-Y basis
 - Net Profit Margin of 9.9% in 9M FY20 vs 9.4% in 9M FY19

Financial Summary Q3 FY'20

Key Performance Metrics

Particulars	Metrics	Q3FY20	Q2FY20	QoQ Growth	Q3FY19	YoY Growth	9MFY20	9MFY19	YoY Growth
Revenue (INR Cr)	Total Income from operations	243.7	243.6	0.0%	265.0	-8.0%	734.8	766.1	-4.1%
	Other Income	9.5	9.1	4.7%	6.0	58.5%	23.8	17.8	33.3%
	Total Income	253.2	252.7	0.2%	271.0	-6.6%	758.6	784.0	-3.2%
	Op. EBITDA	33.6	30.6	9.8%	34.0	-1.1%	97.2	96.3	0.9%
Margins (INR Cr)	EBITDA	43.2	39.8	8.6%	40.0	7.9%	121.0	114.1	6.0%
	PBT	32.0	31.3	2.4%	34.4	-6.8%	94.8	96.0	-1.3%
	PAT	26.0	24.6	5.6%	26.5	-1.9%	74.9	74.1	1.1%
	Op. EBITDA	13.8%	12.6%		12.8%		13.2%	12.6%	
Margin (%)	EBITDA	17.1%	15.7%		14.8%		15.9%	14.6%	
	PBT	12.6%	12.4%		12.7%		12.5%	12.3%	
	PAT	10.3%	9.7%		9.8%		9.9%	9.4%	
	Basic	10.8	10.3		11.1		31.2	31.1	
EPS (INR)	Diluted	10.2	9.7		10.5		29.5	29.4	





Operational performance

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Operating Metrics Q3 FY'20

Strengthening our business

- **Client Base:**
 - Added 9 new logos
 - Total active client 143 (LTM)
 - Top 5 Client revenue 43.3%
 - Top 10 Client revenue 63.4%
- **Employee Base:**
 - Total Employee 1,880 (offshore: 1,155; onsite: 725) as on 31st Dec'19 as against 1,937 (offshore: 1,171; onsite: 766) as on 30th Sept'19
 - Diversity: Women employees: 28.5% as on 31st Dec'19 as against 27.8% as on 30th Sept'19
 - LTM attrition: 24.9% for Q3FY20 as against 24.1% for Q2FY20
- DSO stood at 71 days as on 31st Dec'19 as against 78 days as on 30th Sept'19
- FX Hedges for next 12 months GBP 8.2 mn @ Rs 96.1/-



Revenue Analysis Q3 FY'20

Balancing our portfolio

Revenue by Market Region



Revenue by Industry Segment



Revenue by Contract Type

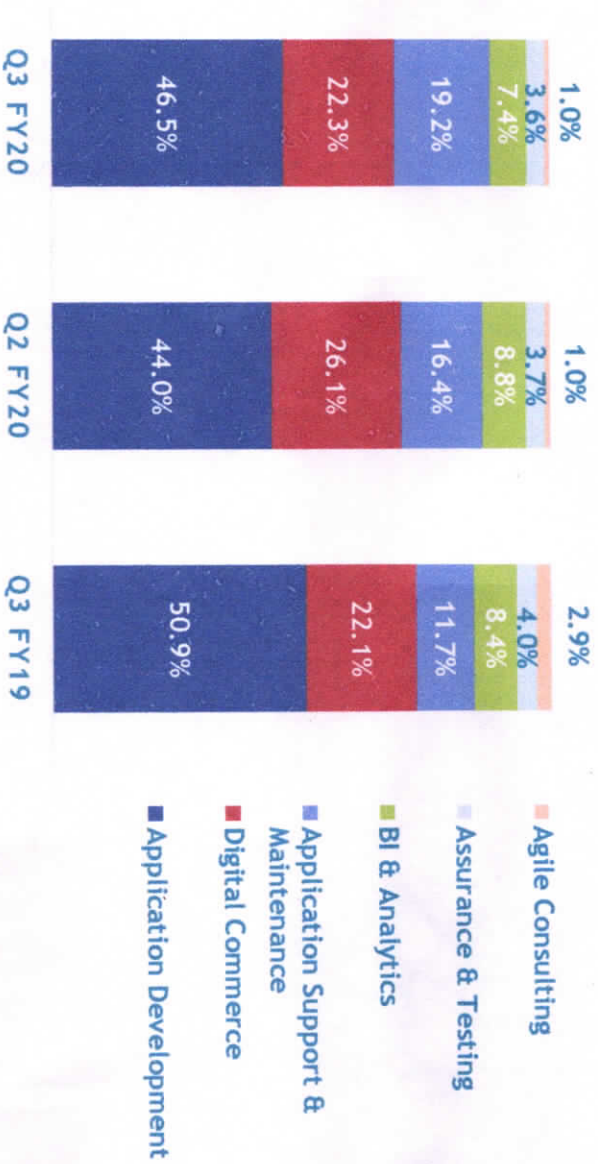


■ Time & Material ■ Fixed Price
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Revenue Analysis Q3 FY'20

Revenue by Service line





Question & answers

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Thank you

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