

The Board of Directors
Mastek Limited
804/805 President House,
Opposite C. N. Vidyalaya,
Near Ambawadi Circle,
Ahmedabad 380 006

1. We have reviewed the results of Mastek Limited (the "Company") for the quarter ended September 30, 2014 which are included in the accompanying 'Statement of Standalone Unaudited Results for the Quarter and Six Months Ended September 30, 2014' and the statement of assets and liabilities as on that date (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
(formerly Price Waterhouse, Firm Registration Number 012754N)



Pradip Kanakia
Partner
Membership Number 39985

Mumbai
October 22, 2014

MASTEK LIMITED

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

Near Ambawadi Circle, Ahmedabad-380 006

CIN No. L74140GJ1982PLC005215

Statement of Standalone Unaudited Results for the Quarter and Six Months Ended September 30, 2014

(Rs in Lakhs)

Particulars	Quarter ended			Six months ended			Year ended
	Sept 30, 2014	Jun 30, 2014	Sept 30, 2013	Sept 30, 2014	Sept 30, 2013	Mar 31, 2014	
1	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
Income from operations							
(a) Income from operations	16,581	15,395	13,185	31,976	25,217	54,459	
(b) Other operating income	94	171	66	255	422	584	
Total income from operations (net)	16,675	15,566	13,252	32,241	25,639	55,043	
2							
Expenses							
(a) Employee benefits expense	9,288	9,024	7,810	18,312	15,482	32,525	
(b) Consultancy charges	3,588	3,015	2,581	6,603	5,503	10,587	
(c) Travelling and conveyance expenses	510	546	559	1,056	993	2,097	
(d) Depreciation and amortisation expenses	636	638	632	1,274	1,247	2,565	
(e) Other expenses	1,149	1,307	1,307	2,456	2,252	4,558	
Total expenses	15,171	14,530	12,989	29,701	25,477	52,333	
Profit from operations before other income, finance costs and exceptional items (1 - 2)	1,504	1,036	263	2,540	162	2,710	
4							
Other income	1,200	666	144	1,866	1,424	2,144	
Profit from ordinary activities before finance costs and exceptional items (3 + 4)	2,704	1,702	407	4,406	1,586	4,854	
6							
Finance costs	10	8	6	18	10	27	
7							
Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	2,694	1,694	401	4,388	1,576	4,827	
8							
Exceptional items, net	1	-	-	1	-	1,555	
9							
Profit from ordinary activities before tax (7 + 8)	2,695	1,694	401	4,389	1,576	3,272	
10							
Tax expense							
- Income tax - current	290	625	69	915	248	1,031	
- Income tax - prior periods	-	(609)	(113)	(609)	(433)	(717)	
- Deferred tax charge / (credit)	133	(98)	110	35	256	261	
- Total	423	(82)	66	341	71	575	
11							
Net Profit from ordinary activities after tax (9 - 10)	2,272	1,776	335	4,048	1,505	2,697	
12							
Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-	-	
13							
Net Profit for the period (11 - 12)	2,272	1,776	335	4,048	1,505	2,697	



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Statement of Standalone Unaudited Results for the Quarter and Six Months Ended September 30, 2014

(Rs in Lakhs)

Particulars	Quarter ended			Six months ended		Year ended
	Sept 30, 2014 (Unaudited)	Jun 30, 2014 (Unaudited)	Sept 30, 2013 (Unaudited)	Sept 30, 2014 (Unaudited)	Sept 30, 2013 (Unaudited)	Mar 31, 2014 (Audited)
14 Paid-up equity share capital (Face value Rs. 5/- per share)	1,115	1,111	1,232	1,115	1,232	1,108
15 Reserves excluding Revaluation Reserves as per balance sheet	NA	NA	NA	NA	NA	23,223
16 (i) Earnings per share (before extraordinary items) (of Rs 5/- each) (not annualised) :						
(a) Basic - Rs	10.21	8.02	1.36	18.23	6.11	10.98
(b) Diluted - Rs	9.83	7.77	1.36	17.55	6.09	10.84
16 (ii) Earnings per share (after extraordinary items) (of Rs 5/- each) (not annualised) :						
(a) Basic - Rs	10.21	8.02	1.36	18.23	6.11	10.98
(b) Diluted - Rs	9.83	7.77	1.36	17.55	6.09	10.84



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Select Information for the Quarter and Six Months Ended September 30, 2014

Particulars	Quarter ended			Six months ended			Year ended
	Sept 30, 2014	Jun 30, 2014	Sept 30, 2013	Sept 30, 2014	Sept 30, 2013	Mar 31, 2014	
A							
PARTICULARS OF SHAREHOLDING							
1							
Public Shareholding							
- Number of shares	10,789,602	10,720,542	13,131,527	10,789,602	13,131,527	10,654,020	
- Percentage of shareholding	48.39%	48.23%	53.30%	48.39%	53.30%	48.08%	
2							
Promoters and Promoter Group Shareholding							
a) Pledged / Encumbered							
- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NA	NA	NA	NA	NA	NA	
- Percentage of shares (as a % of the total share capital of the company)	NA	NA	NA	NA	NA	NA	
b) Non - encumbered							
- Number of shares	11,506,660	11,506,660	11,506,660	11,506,660	11,506,660	11,506,660	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
- Percentage of shares (as a % of the total share capital of the company)	51.61%	51.77%	46.70%	51.61%	46.70%	51.92%	
B							
INVESTOR COMPLAINTS							
Pending at the beginning of the quarter	-						
Received during the quarter	1						
Disposed of during the quarter	1						
Remaining unresolved at the end of the quarter	-						



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Near Ambawadi Circle, Ahmedabad-380 006

CIN No. L74140GJ1982PLC0052715

Statement of Standalone Unaudited Segmental Information for the Quarter and Six Months Ended September 30, 2014

(Rs in Lakhs)

	Particulars	Quarter ended			Six months ended		Year ended
		Sept 30, 2014	Jun 30, 2014	Sept 30, 2013	Sept 30, 2014	Sept 30, 2013	Mar 31, 2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
	UK operations	10,876	10,057	8,685	20,933	16,260	35,252
	North America operations	4,143	3,960	3,375	8,103	6,691	14,322
	Others	1,656	1,549	1,192	3,205	2,668	5,469
	Income from operations (net)	16,675	15,566	13,252	32,241	25,619	55,043
2	Segment Results profit before tax and interest:						
	UK operations	1,956	2,015	1,949	3,971	3,048	8,007
	North America operations	457	367	202	824	308	817
	Others	407	159	193	566	256	654
	Total	2,820	2,541	2,344	5,361	3,614	9,488
	Less : i. Finance costs	10	8	6	18	10	27
	ii. Other un-allocable expenditure net of un-allocable income	116	839	1,937	955	2,028	4,634
3	Profit before exceptional items and tax	2,694	1,694	401	4,388	1,576	4,827
4	Capital employed						
	UK operations	3,082	2,817	2,903	3,082	2,903	471
	North America operations	17,449	15,067	16,061	17,449	16,061	15,020
	Others	6,262	6,030	1,597	6,262	1,597	4,693
	Unallocable / corporate	12,622	12,627	9,064	12,622	9,064	14,153
	Total	39,415	36,541	29,625	39,415	29,625	34,337



MASTEK LIMITED

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CIN No. L74140GJ1982PLC005215

Statement of Assets and Liabilities

(Rs in Lakhs)

Particulars	As at	
	Sept 30, 2014 (Unaudited)	Mar 31, 2014 (Audited)
A		
EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	1,115	1,108
(b) Reserves and surplus	29,300	33,229
(c) Money received against share warrants	-	-
Sub - total - Shareholders' funds	39,415	34,337
2 Share application money pending allotment	-	-
3 Non-current liabilities		
(a) Long-term borrowings	135	135
(b) Deferred tax liabilities (net)	-	-
(c) Other long-term liabilities	-	-
(d) Long-term provisions	1,100	1,755
Sub - total - Non-current liabilities	1,235	1,890
4 Current liabilities		
(a) Short-term borrowings	-	-
(b) Trade payables	547	279
(c) Other current liabilities	5,460	6,519
(d) Short-term provisions	1,016	1,851
Sub - total - Current liabilities	7,023	8,649
TOTAL - EQUITY AND LIABILITIES	47,673	44,876
B		
ASSETS		
1 Non-current assets		
(a) Fixed assets	7,255	7,815
(b) Non-current investments	15,674	13,655
(c) Deferred tax assets (net)	1,947	1,882
(d) Long-term loans and advances	4,757	6,090
(e) Other non-current assets	-	-
Sub - total - Non-current assets	39,533	29,442
2 Current assets		
(a) Current investments	5,721	8,140
(b) Inventories	-	-
(c) Trade receivables	5,340	3,369
(d) Cash and bank balances	3,195	1,731
(e) Short-term loans and advances	684	677
(f) Other current assets	2,240	1,517
Sub - total - Current assets	17,140	15,434
TOTAL - ASSETS	47,673	44,876



Notes :

- The above results were reviewed by the Audit Committee on October 22, 2014 and were thereafter approved by the Board at its meeting held on October 22, 2014.
- The Company has accounted net foreign exchange gain under "Other Income" and net foreign exchange loss under "Other Expenses" in accordance with the Guidance Note on Revised Schedule VI to the Companies Act, 1956 issued by ICAI. Further, "Income 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:

	Quarter ended			Six months ended		Year ended
	Sept 30, 2014 (Unaudited)	Jun 30, 2014 (Unaudited)	Sept 30, 2013 (Unaudited)	Sept 30, 2014 (Unaudited)	Sept 30, 2013 (Unaudited)	Mar 31, 2014 (Audited)
Net foreign exchange loss / (gain)	(10)	6	473	(4)	92	66
Net realised foreign exchange loss / (gain) arising from hedging accounted under Income from Operations	(224)	265	546	61	522	1847

- Mastek Limited ("Mastek") has purchased 24,765,750 equity shares (representing 13.5% of share capital) of MajescoMastek, USA ("Majesco"), a subsidiary, from Mastek (UK) Limited, a wholly owned subsidiary for a total consideration of Rs. 3,025 Lakhs. After the purchase, Mastek now holds 89.5% of the share capital of Majesco and the balance 16.5% is held by Mastek (UK) Limited.

4. Proposed Restructuring of the Group

a) Pursuant to the Scheme of Arrangement (the "Scheme") under Section 394 of the Companies Act 1956, the Board of Directors of Mastek Limited (the "Company" or "Mastek"), in its meeting held on September 15 2014, approved the demerger of the Insurance Products and Services business of the Company, into a new company, Minefields Computers Private Limited, to be renamed as Majesco Limited ("Majesco"), to be followed by transfer of the offshore insurance operations business in India by Majesco Software and Solutions India Private Limited (a wholly owned subsidiary of MajescoMastek Insurance Software and Solutions Inc., USA). The Appointed date of the Scheme will be April 1, 2014 or any other date as decided by the Board of Directors and the appointed date for the offshore insurance operations business transfer will be November 1, 2014 or any other date as decided by the Board of Directors. On approval of the Scheme by the Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat, Mastek shareholders will get one equity share of Majesco for every share held in Mastek, over and above their existing Mastek shares. Majesco is proposed to be listed on the BSE and NSE, being exchanges where Mastek is currently listed. Under the proposed restructuring, Mastek will continue with the Solutions business.

b) Pursuant to the above proposed restructuring of the Group the following changes to shareholding within the Group have been effected during the quarter or are in the process of being effected:

i) Mastek has purchased 100% equity share capital of Minefields Computers Private Limited, the proposed holding company of the Insurance Products and Service business at a total consideration of Rs. 1 L.

ii) Mastek sold its long term investment in its wholly owned subsidiary MajescoMastek Canada Limited ("MM Canada") to MANUS another wholly owned subsidiary for Rs. 439 Lakhs. This sale resulted in a gain of Rs. 439 Lakhs, as the carrying value of MM Canada in the books of Mastek was reduced to nil, considering the provision for other than temporary decline in value of Rs. 1,556 Lakhs made in earlier periods. The Gain has been included under the heading "exceptional items" in the statement of results for the quarter.

iii) Mastek has entered into an agreement dated September 18, 2014 with MMUS, a wholly owned subsidiary, for sale of its entire investment of RM 11.26 million in Mastek MSC Sdn. Bhd. Malaysia, another wholly owned subsidiary, for a total consideration of RM 11.35 million. The sale will be consummated on receipt of necessary approvals from the High Court of Malaysia.

5. Exceptional items, net during the quarter comprise:

- Gain on sale of Long term investment in MajescoMastek Canada Limited of Rs. 439 Lakhs (Refer Note 4 b) ii) above)
- Employee severance cost of Rs. 283 Lakhs and professional fees of Rs. 175 Lakhs arising from the ongoing restructuring / demerger described in Note 4 above.

6. For the quarter ended September 30, 2014, Other Income mainly includes Rs. 821 Lakhs, being dividend received from Mastek (UK) Limited, a wholly owned subsidiary of the Company.

7. In accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges, the Statutory Auditors have performed a limited review of the Company's standalone financial results for the quarter ended September 30, 2014.

8. Previous period's figures have been regrouped/reclassified wherever necessary.

Place : Mumbai, India
Date : October 22, 2014



Sudhakar Ravi
SUDHAKAR RAVI
Managing Director and Group CEO

