



MASCOT SYSTEMS

Powered by knowledge.

Mascot Systems Limited • Annual Report for Shareowners 1999-2000


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mission

To be the world's leading

software solution

company by being a virtual extension of our customer's changing enterprise architecture to reduce the time-to-market and cost of ownership.

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quality

We shall delight our customers through **on-time delivery** of defect-free software.

The best way to win
more new business
- at any price.
malcolm forbes

core values

- ◆ We exist to serve our customers
- ◆ We promote innovation and flexibility
- ◆ We constantly improve
- ◆ We achieve our objectives through teamwork
- ◆ We respect and recognise our employees for their commitment and expertise

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what we are

● Mascot Systems Limited (Mascot), a six and a half -year old company, was incorporated on December 27, 1993 as a private limited company. It started operations as a wholly owned subsidiary of the erstwhile Mastech Corporation, USA (a US \$ 471 million company, now re-christened iGATE Capital Corporation Inc).

● Mascot is an Indian IT services company with unique operating strengths. We provide solutions in the areas of

e-business, Business Intelligence, Custom Solutions, Application Re-engineering and Application Maintenance Outsourcing.

Mascot delivers solutions to its clients across a wide range of industry verticals focusing on finance and banking, retail and distribution, manufacturing, telecommunications and service industries.

● Mascot is a subsidiary of the US based \$471 million iGATE Capital Corporation (NASDAQ: IGTE). iGATE creates, acquires

and builds leading e-Services companies in existing and emerging segments within the market. iGATE companies provide Enterprise Web Integration, Network Consulting, Customer Care and Internet Trading Solutions, Web based Business Process Outsourcing, Web-focused offshore services and e-Vendor management to clients around the world. iGATE Capital has offices in 14 countries with 5,429 employees.

● As a result of the restructuring, Mascot acquired Mastech's global solutions development arms in US, UK, Europe (including Netherlands) and Japan with effect from January 2000. Singapore started operations as a Mascot branch with effect from April 1, 2000. The period from April 1999 to December 1999, therefore, reflects revenues from Indian operations only.

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- Mascot went public in April / May 2000. Equity shares of Rs. 4 were issued at Rs 480 each.
- Mr V. Chandrasekaran, former President, Wipro Systems, is the Managing Director of the Company.
- The other companies in the iGATE group are : Mastech

Malaysia Sdn Bhd, Synerge Holding, Mastech Asia Pacific Pty Ltd, Ejiya Inc, Symphon! Holdings Inc, Mastech Systems GmbH, Germany, Jobcurrey Private Limited, Innovative Resource Group, iGATE Ventures Holding Corporation, Emplifi Inc, Mastech Applications Services Inc, PTI Inc, Mastech Quantum Information Resources Ltd, Ex-tra-net Applications Inc and Red Brigade.



this is what

- Restructured Mascot and integrated it with its global branches.
- Signed an MOU with debis systemhaus, a software powerhouse from Germany and a group company of Deutsche Telekom and Daimler Chrysler for a joint venture.
- Increased focus on web-related applications, the fastest growing segment in the global IT business.

we achieved

2000

• Mascot consolidated its position by securing orders from international majors in the area of web and maintenance services. It has tied up some of the world's largest companies that represent formidable opportunities for sustained growth in the near and long-term. The Company has 25 of the top Fortune 500 Companies as its customers. We are confident that these projects will drive value within the company over the foreseeable future. Some of the other developments :

• Revenues in the first quarter of 2000-01 increased to Rs 648.75 million, a 32.35 per cent increase over the preceding quarter of January-March 2000.

• Profit after tax increased to Rs 64.58 million - a 105.34 per cent increase over the previous quarter.

• Revenue from value-added e-business solutions increased from 24 per cent of the turnover in the previous quarter to 27 per cent in the first quarter of the current financial year.

• The Company commenced operations in Singapore.

The restructuring was initiated with an eye to creating a leadership position within the company's chosen technology spaces.

value

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through restructuring

• Restructuring has given Mascot a technology strength hitherto distributed across the various geographies that now constitute Mascot's overseas operations. It has created size in terms of number of engineers, domain expertise and revenues. The restructuring has also added a large list of prominent and growing global customers to Mascot. It has enabled Mascot acquire existing global relationships that may be leveraged to generate further business. Mascot's established global presence enables the Company to take advantage of the opportunities in the faster growing technology segments in the IT business.

These strengths are expected to be strongly leveraged by a high calibre management team which has at its helm an individual who has been at the forefront of the Indian IT industry. Mascot has emerged as a highly de-risked business model with US revenues accounting for only 58.6 per cent of the total turnover (April-June 2000).

• The Corporation is transnational in its manning : approximately 20 per cent of the Company's overseas members are non-Indian. This selective localisation in the global space helps Mascot ease customer interaction, enhance confidence

and leverage local opportunities better in each region. We see this presence as a stepping stone to a broader relationship, stronger revenues and improved billing rates over the foreseeable future.

• The restructuring came into effect from 1 January 2000. As a result, revenues from global operations are reflected in Mascot's operations for only one quarter in the last financial year. The full impact of the restructured Mascot is expected to reflect attractively in the Company's business and numbers from 2000-01 onwards.

The future starts now...

SmartAPPSSM is a framework of proprietary solutions suite of methodologies, processes, tools

SmartAPPSSM

knowledge.

Intranets for capturing and dissemination of

SmartAPPSSM methodology.

knowledge management process :

undertaken two initiatives to strengthen its of the service delivery to customers. Mascot has development costs and increase the efficiency requirements. This awareness is helping reduce comprehensive insight of the customer's Secondly, the stored knowledge leads to a repository of information for future reference. specific reasons. Firstly, it captures data and builds Knowledge management is important for two

of service in solutions delivery.

The competent management of knowledge distinguishes Mascot from its competitors within the industry. It ensures a high and sustained level

The essential drivers of this framework are the

deliverables for each task.

define roles & responsibilities, activities and

developed on the premise of standard WBS which

technology areas. These practice areas are

are the Practice Areas offered on multiple

At the core of the SmartAPPSSM Framework

for each project.

Outlines the methodology set to choose from

ensuring consistency at every stage of the project.

templates, guidelines, forms and checklists thereby

Defines the process through activities.

The SmartAPPSSM framework

Management.

Breakdown Structure (WBS) for Distributed Delivery

and continuous improvement into the Work

knowledge management, people management,

integrate project management, quality assurance,

implementation of best-of-breed practices that

and products. It is a robust, tool-assisted

