

Enterprise Digital Transformation: Inspiring Growth

Annual
Report
2017-18

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Forward-looking Statements:

This Annual report contains 'forward-looking statements', identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' 'endeavours' and so on and are based on our current expectations, assumptions, estimates and projections about the Company, our industry, economic conditions in the markets in which we operate, and certain other matters. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, future operations, margins, market position, profitability, liquidity and capital resources, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised as these statements are subject to known and unknown risks, uncertainties and other factors, which may cause actual results or outcomes to differ materially from those projected in any forward-looking statements. In light of these and other uncertainties, you should not conclude that the results or outcomes referred to in any of the forward-looking statements will be achieved. All forward-looking statements included in this Annual Report are based on information available to us on the date hereof, and we do not undertake to update these forward-looking statements unless required to do so by law. For any further clarification, please contact Mastek Limited.

Enterprise Digital Transformation: Inspiring Growth

The world is in the midst of a digital transformation. With 75% of businesses set to transform to digital by 2020 (as per Gartner's projections), the opportunity matrix is expanding and fast.



It is an inspiring moment for us, at Mastek, as we get ready to take on the new opportunities to expand our business across sectors and regions, with a strong focus on improving lives through mission critical and enterprise digital transformation (DX) solutions.

With over three decades of experience and a comprehensive bouquet of solutions and services, we are well placed to partner businesses in their digital transformation journey.

Our excellent track record of delivery, as manifesting in our 96% delivery success ratio, has empowered us with the capability to drive the growth of our diverse clients.

While our expertise across the value chain - from design to development to deployment - makes us the preferred choice for a growing client base, our dedicated team of quality-focussed experts remains committed to always doing right for our customers.

Further facilitating our progression in expanding world of digital is our performance excellence, that continues to strengthen the trust of our customers, as reflected in the repeat business offers. In the last three years, 98% of our annual revenue has accrued from repeat business.

Together, these strengths are Inspiring Growth @ Mastek. And we shall do so as an organisation that is more agile, more responsive to customer needs and takes them through their DX journey.

A Journey of Inspiration

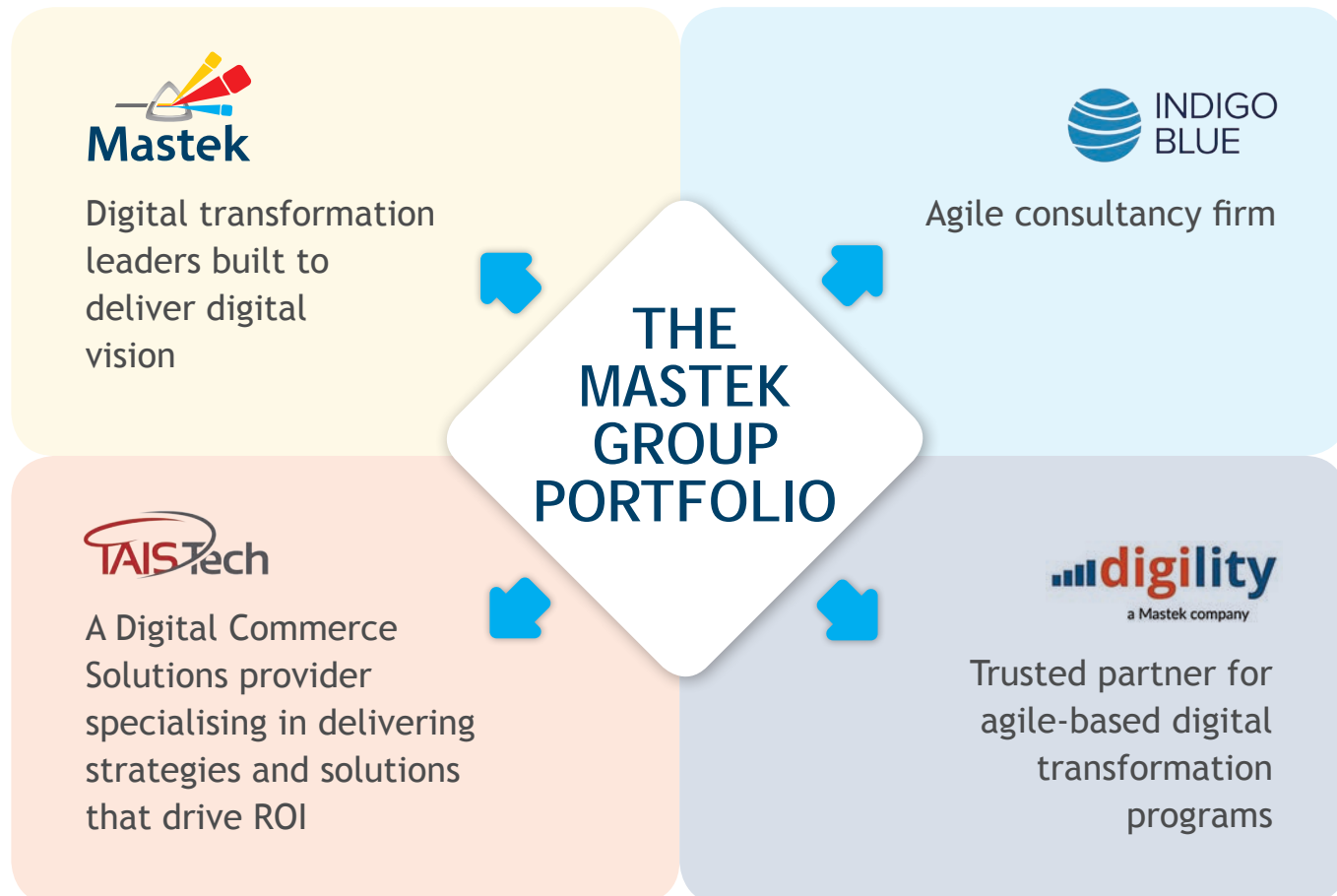
Incorporated in 1982, Mastek is engaged in providing software solutions and integration services. In recent years, we have emerged as a leading provider of Enterprise Digital Transformation services for both public and private enterprises.

The past 35 years have seen the Company work closely with marquee global clients in their transformation journeys. Our insightful and empowering solutions have impacted the lives of millions across the world, in diverse sectors ranging from retail, financial services and

healthcare to public-sector businesses across the UK, US and India.

We spearhead our global operations from our principal offshore delivery facility based in Mumbai, India. Staying at the forefront of technology, we have made significant investments in creating intellectual property which, along with proven methodologies and processes, as well as well-entrenched onsite and offsite deliveries, helps in generating greater value for our customers.

Steering our journey of success is our ability to solve problems, deliver and innovate for our clients, who look to us for outcome-focussed solutions.



Our Certifications

- The first and only Indian company accredited with JSP440 for the UK Ministry of Defence
- ISO 20000:2011 ITIL certified

Our Offices



- India (six centres including the headquarters in Mumbai)



- U.K. (three centres)



- U.S. (two centres)





Our Service Offerings

We offer comprehensive services covering the full range of software development process - from an initial agile consulting exercise, to application development, testing and ongoing support as well as maintenance. Our offerings are aligned with our goal of being recognised as a leader in delivering digital transformation services by helping customers understand their challenges, creating a roadmap, and delivering state-of-the-art transformational programs projected towards business outcomes.

- **Agile Consulting** - Enabling our clients to deliver digital change
- **Business Intelligence and Analytics** - Offering pragmatic analytics for business priorities
- **Application Development** - Delivering robust, scalable and secure applications
- **Application Support & Maintenance** - Bridging the business and IT gap
- **Assurance & Testing** - Extending iterative, agile testing approach scaled to business needs
- **Digital Commerce** - Providing Omni channel e-commerce innovation

Mastek in Numbers

36 years

Experience in delivering mission-critical enterprise applications

c. 46%

Y-o-Y revenue growth in FY 2017-18

96%

Program delivery rate v/s industry standard of 81%

6.5 million

Secure healthcare transactions processed daily

>22k

School administrative systems

#1

Supplier of agile development services to UK Government on G-Cloud

5+ years

Average customer relationship

83%

Mastekeers hold an engineering degree

91%

Customer advocacy rate

2000+

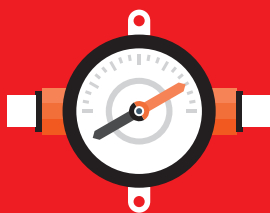
Team strength

80%

Customer retention rate

Vision 2020

To make Mastek
a global leader in
Enterprise Digital
Transformation



Core Values

Our people, referred to as Mastekers, are at the core of our inspirational growth agenda and conduct themselves by a set of defined ethical values. These values, called PACTS (Passionate, Accountable, Collaborative, Transparent and Sustainable), are imbued across the organisation, and ensure that no member of the team indulges in outrageous or discriminatory behaviour towards anyone within the organisation.

This value system, which all Mastekers are required to uphold at all times, is rooted in respect for our heritage. More importantly, however, it serves as the framework for the behaviour of current and future generations of Mastekers, enabling quicker and better integration of new Mastekers into our family.

Passionate - We are fired-up about finding novel ways to exceed our customers' expectations.

Accountable - Mastek 4.0 (our people transformation programme) empowers us to excel and accept individual ownership.

Collaborative - Mutual respect and teamwork enrich our business outcomes with unique perspectives and experiences.

Transparent - Open and honest behaviour is core to earning trust and delivering exceptional results for our stakeholders.

Sustainable - We increase our social dividend, investing as much in our communities as in business improvements.

Inspiring Growth Leveraging Unique Strengths


A deeply-ingrained set of unique strengths propels our journey, as we move proactively towards capturing the digital transformational opportunities around the world. Leveraging these core strengths, we are continuously sharpening our competitive edge to translate it into a compelling advantage for our clients.

Agility - We deploy an incremental agile approach for all projects. By breaking each project into short small tasks, we get the flexibility to review the project at every step, as it evolves. With robust test assurance, quality controls and governance at every stage, we are able to ensure real-time responses to project requirements. This enables us to maintain project quality and timelines.

People excellence - We are proud to be driven by the very talented people in the industry. Recruited from the best universities after a rigorous assessment process, the Mastek team is proficient in meeting project expectations. Our focussed investments in our people help nurture their talent, with regular training programmes to upgrade their skills and capabilities. Our learning and development programmes are aimed at helping our people evolve as competent professionals, equipped with the necessary competencies to keep pace with the transforming market needs and trends.

State-of-the-art back-end - We embrace and employ futuristic technologies for successful digital transformation. Keeping a watch on trends in Blockchain and Internet of Things, we have made investment in these technologies to build our capabilities and serve our customers. Several advanced cloud platforms and micro-service architecture are also used to facilitate successful digital transformation.

Strong client relationship - Our innate ability to understand the challenges of our customers, across sectors, enables us to craft insightful and impactful solutions. We command an outstanding program delivery rate of 96% versus an industry standard of 81%. Our average customer relationship length is five years, and continues to grow. The final validation of our lasting customer relationships and enduring trust is the fact that 98% of our annual revenue is from repeat business.



“The professionalism and dedication of Mastekers to go the extra mile is what differentiates them from other organisations.”

*Nick Cooper, Head of Projects, Morrisons,
(U.K.'s leading supermarket chain)*

“Mastek adds value to our business. They are a key IT partner, now and in the longer term.”

Simon Carter, IT Director, Together, U.K.

Inspiring Growth Working with Diverse Enterprises

With our ability to recover troubled/stalled DX projects, modernise legacy environments and create new digital interfaces, we have built long-standing relationships with marquee clients across sectors.

Government	Retail	Financial Services
Home Office	Morrisons Supermarket	International Personal Finance
NHS Digital	BrandsMart USA	Together Financial Services
British Army Information Application Services	rue21	Yorkshire Building Society

Inspired to Foster Alliances with Leading Partners

Microsoft
IBM
Oracle
Logi Analytics
Red Hat
Liferay
MapR
Creative Virtual
Talend
Denodo



Managing Director's Message



“We are steadily enhancing our clientele in sectors such as financial services, retail, amongst others and revenue is being generated from multiple service offerings. To help drive future diversification, we have established a new-business sales function in the UK, focussed on driving growth across new sectors.”

Dear Shareholders,

It is my privilege to present to you the Annual Report of Mastek for the year ended 31 March, 2018. We achieved robust growth in revenue, operating profit and earnings per share, and continue to generate consistent and sustainable value for our shareholders. More importantly, we are successfully executing against the roadmap outlined under our three year plan to become a global leader in enterprise digital transformation.

Businesses across the globe recognise the imperative to leverage new and emerging technologies to drive efficiencies. While in many cases existing legacy business systems are being modernised, yet in other cases,

new disruptive business models are being embraced to achieve the desired outcomes. In fact, it would be fair to say that almost every corporate company is pursuing digital transformation at some level. As per a recent global study, large organisations are annually spending around USD 400 billion on digital and analytic business transformations. However, according to Forbes, more than 84% of digital transformation projects fail to meet expectations. As businesses struggle to implement digital transformation, at Mastek, with our proven capabilities in delivering large and complex enterprise-wide transformation projects, we are well-placed to successfully partner businesses from end-to-end in their transformational journeys.