



PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS/ BENEFICIAL OWNERS OF THE EQUITY SHARES OF MASTEK LIMITED

Registered Office: 804/805, President House, Opp. C.N. Vidyalyaya, Near Ambawadi Circle, Ahmedabad – 380 006
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OFFER FOR BUYBACK OF EQUITY SHARES FROM OPEN MARKET THROUGH STOCK EXCHANGES

This Public Announcement ("PA") is in compliance with and is made pursuant to the provisions of Regulation 15 (d) read with Regulation 15 (c) of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 as amended thereto ("Buyback Regulations") and contains the disclosures as specified in Schedule II to the Buyback Regulations.

SCHEDULE II - PART A OF BUYBACK REGULATIONS

1 THE BUYBACK

- The Board of Directors of Mastek Limited ("the Company") at its meeting held on January 8, 2014 (the "Board Meeting") and the shareholders of the Company by a special resolution through postal ballot notice dated January 8, 2014 ("Postal Ballot Notice"), the results of which were announced on February 24, 2014, have approved the proposal for buyback of the Company's fully paid up equity shares of Rs. 5/- each (hereinafter referred to as "the Buyback") in accordance with the provisions contained in Article 8A of the Articles of Association of the Company, Sections 77A, 77B(2) of the Companies Act, 1956, Sections 69, 70(1) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act 2013 (to the extent notified) and the provisions contained in the Buyback Regulations subject to other applicable laws, approvals/as may be necessary, from statutory authorities including Securities and Exchange Board of India, Stock Exchanges, Reserve Bank of India, etc., and further subject to such conditions as may be prescribed while granting such approvals/which may be agreed to by the Board of Directors (which term shall include Committee of Directors and hereinafter referred to as "the Board").
- The Buyback is proposed considering the availability of accumulated cash currently invested in treasury operations, the expected future cash flows from business operations and funding requirements of the Company to fund its future plans. The Buyback proposal is being implemented in keeping with the Company's desire to enhance overall shareholders' value. The Buyback would lead to reduction in outstanding number of Equity Shares and may consequently increase earnings per equity share over a period of time. This would in turn lead to improvement in return on net worth and other financial ratios and contribute to maximization of overall shareholders' value.
- The aggregate paid-up equity capital and free reserves of the Company as on March 31, 2013 (the date of the latest audited accounts as on the date of the Board Meeting) were Rs. 36,522.60 lakhs and under the provisions of the Companies Act, 1956, the funds deployed for Buyback shall not exceed 25% of the paid-up capital and free reserves of the Company in a financial year. Accordingly, the maximum amount that can be utilized in the present Buyback is Rs. 9,130.65 lakhs and the aggregate amount to be expended for the present Buyback is Rs. 5,450 lakhs (excluding brokerage and other charges, if any) ("Buyback Size"), which is 14.92% of the paid-up capital and free reserves of the Company as on March 31, 2013 and within the maximum amount as aforesaid. Further, the Company shall utilize minimum of Rs. 2,725 lakhs, which is 50% (fifty per cent) of the Buyback Size ("Minimum Buyback Size").
- The maximum buyback price of Rs. 250/- per equity share ("Maximum Buyback Price") has been arrived at after considering prevailing stock market prices, the net worth of the Company, the impact of the Buyback on the earnings per share of the Company and other relevant considerations. However, in accordance with the Buyback Regulations, Buyback price for the Equity Shares in physical form will be determined as the volume weighted average price of the Equity Shares bought back, other than in the physical form, during the calendar week in which the Equity Shares in physical form are received by the broker (or in case no Equity Shares are bought back in the normal market during that calendar week, then the previous week when the Company last bought back Equity Shares) and the price of Equity Shares tendered in physical form during the first calendar week of the Buyback shall be the volume weighted average market price of the Equity Shares of the company during the preceding calendar week, subject to the volume weighted average price being less than Rs.250/- per equity share.

- The maximum number of equity shares proposed to be bought back are 32,000,000 equity shares ("Maximum Offer Shares") being 12.99% of equity shares of Rs.5/- each outstanding as at March 31, 2013. The minimum number of equity shares to be bought back shall be 9,50,000 equity shares ("Minimum Offer Shares").

- The equity shares of the Company shall be bought through the methodology of "Open Market Purchases through Stock Exchanges". The equity shares of the Company are listed on BSE Limited ("BSE") and The National Stock Exchange of India Limited ("NSE") and the Buyback will be made through BSE and NSE (hereinafter referred to as "Stock Exchanges") only through the order matching mechanism except "all or none" order matching mechanism.

- The Buyback is proposed to be completed within the maximum period of 6 (six) months from the date of opening of the Buyback offer. The time frame for the Buyback will be determined by the Board of Directors within this validity period, subject to the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the Buyback Regulations.

- The aggregate shareholding of Promoters and Promoter Group and of the Directors of the Promoters, where the Promoter is a Company, the person(s) who are in control of the Company as on the date of Postal Ballot Notice i.e., January 8, 2014 was as below:

Category of Member	No. of Equity Shares Held	% of Existing Equity Share Capital
1. Promoters	1,15,06,660	46.69
2. Promoter Group	-	-
3. Persons Acting in Concert	-	-
Total of Promoters, Promoter Group and Persons Acting in Concert	1,15,06,660	46.69

- None of the promoters, persons in promoter group or persons acting in concert have either purchased or sold any shares during the period of six months preceding January 8, 2014, being the date of Postal Ballot Notice.

- As per Regulation 15 (b) of the Buyback Regulations, the Company shall not buy shares from its promoters and persons in control of the Company.

- The promoters, persons in promoter group and persons acting in concert will neither participate in the Buyback nor deal in the equity shares of the Company on the Stock Exchanges or through off-market transactions, including inter-se transfer of shares among the promoters, as per the provisions of the Buyback Regulations.

- The Company will not Buyback shares from any persons through negotiated deals whether through the stock exchanges or through spot transactions or through any private arrangement.

- No scheme of amalgamation or compromise or arrangement is pending in relation to the Company on the date of this PA.

- In compliance with the Buyback Regulations, the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations such as conversion of warrants, stock options etc.

- The Company confirms that there are no defaults subsisting in the repayment of deposits; redemption of debentures or preference shares; or repayment of term loans to any financial institutions or banks.

- The Board hereby confirms that it has made full inquiry into the affairs and prospects of the Company and that it has formed the opinion:

- That, immediately following the date on which the results of the Postal Ballot were declared, there were no grounds on which the Company could be found unable to pay its debts;
- That, as regards the Company's prospects for the year immediately following the date on which the results of the Postal Ballot were declared, having regard to their intentions with respect to the management of the Company's business during the year and to the amount and character of the financial resources which will in their view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
- That, in forming their opinion for the above purposes, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 1956 (including prospective and contingent liabilities).
- That the debt equity ratio of the Company after the Buyback will be within the limit of 2:1 as prescribed under the Companies Act, 1956.

- The text of the report dated January 8, 2014 received from M/s. Price Waterhouse, the Statutory Auditors of the Company addressed to the Board of the Company is reproduced below:

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

Auditors' Report on Buy Back of Shares pursuant to the requirement of Schedule II to Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998

- This report is issued in accordance with our agreement dated January 3, 2014.
- We have been engaged by Mastek Limited (the "Company") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment in connection with the proposed buy back by the Company of its equity shares in pursuance of Section 77A and 77B (2) of the Companies Act, 1956 of India (the "Act"); Section 70(1) of the Companies Act, 2013 (the "Act 2013") and regulations as specified in the 'Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998' and amendments thereto (the "Regulations") and on the opinions expressed by the Board of Directors of the Company, as required under the Regulations.

Board of Directors Responsibility

- The Board of Directors of the Company is responsible for the following:
 - The amount of capital payment for the buy-back is properly determined; and
 - It has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date of the Board Meeting (the "BM") for buyback.

Auditor's Responsibility

- Pursuant to the requirement of the Regulations, it is our responsibility to obtain reasonable assurance on the following "Reporting Criteria":
 - whether the amount of capital payment for the buy-back is within the permissible limit computed in accordance with the provisions of Section 77A of the Act; and
 - whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date of the BM.
- A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. Within the scope of our work, we performed the following procedures:
 - Examined authorisation for buy back from the Articles of Association of the Company;
 - Examined that the amount of capital payment for the buy-back is within the permissible limit computed in accordance with the provisions of Section 77A of the Act;
 - Examined that the ratio of the debt owned by the Company, if any, is not more than twice the capital and its free reserves after such buy-back;
 - Examined that all the shares for buy-back are fully paid-up;
 - Inquired into the state of affairs of the Company with reference to the audited financial statements of the Company as at and for the nine month period ended March 31, 2013 (the "Audited Financial Statements") which has been prepared by the Management of the Company; and examined budgets and projections prepared by the Management;
 - Examined minutes of the meetings of the Board of Directors;
 - Examined Directors' declarations for the purpose of buy-back and solvency of the Company; and
 - Obtained appropriate representations from the Management of the Company.
- We conducted our examination in accordance with the Guidance Note on Special Purpose Audit Reports and Certificates.
- The financial statements referred to in paragraph 5 (v) above, have been audited by us on which we issued an unmodified audit opinion vide our report dated April 26, 2013. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

Opinion

- As a result of our performance of aforementioned procedures, we report that:
 - The amount of capital payment of Rs. 5,450 Lakhs for the shares in question, as stated in the accompanying certified extract of the minutes of the Board of Directors' meeting held on January 8, 2014, which we have identified for identification, is within the permissible capital payment of Rs. 9,130.65 Lakhs, calculated based on the Audited Financial Statements, which, in our opinion, is properly determined; and
 - The Board of Directors in their meeting held on January 8, 2014 has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date of the BM for buyback – the BM has since been convened for January 8, 2014.

Restrictions on Use

- Our work was performed solely to assist you in meeting your responsibilities with reference to the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
- This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable the Board of Directors of the Company to include in (a) Explanatory statement

to be included in the postal ballot notice to be circulated to the shareholders and (b) the Public Announcement to be made to the shareholders of the Company, both of which will be filed with (a) Securities and Exchange Board of India, (b) the BSE Limited, (c) the National Stock Exchange of India Limited, (d) the Registrar of Companies as required by the Regulations, (e) the National Securities Depository Limited and the Central Depository Services (India) Limited for the purpose of edification of equity shares; (f) the merchant bankers for the purpose of buyback (g) Reserve Bank of India (along with documents to be filled for obtaining necessary clearance for buy back from Non Resident Indian) and with (h) other regulatory agency with our prior approval and should not be used for any other purpose. Price Waterhouse does not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report, explanatory statement to be included in the postal ballot notice or Public Announcement which includes our report, is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants
Sd/-
Pradip Kanakia
Partner
Membership Number: 39985

Place : Mumbai
Date : January 8, 2014

DISCLOSURES IN ACCORDANCE WITH PART 'B' OF SCHEDULE II OF BUYBACK REGULATIONS

1. AUTHORITY FOR THE BUY BACK

- The Company is authorized by Article 8A of Articles of Association of the Company and Sections 77A, 77B(2) of the Companies Act, 1956, Sections 69, 70(1) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act 2013 (to the extent notified). This Buyback has been duly authorized by:
 - a resolution passed by the Board of Directors of the Company at its meeting held on January 8, 2014.
 - a special resolution passed by the shareholders of the Company through Postal Ballot Notice, the results of which were announced on February 24, 2014.

2. MAXIMUM AND MINIMUM NUMBER OF SHARES TO BUYBACK, SOURCES OF FUNDS AND COST OF FINANCING THE BUYBACK

- The maximum and minimum number of equity shares to be bought back, as approved by shareholders are 32,00,000 and 9,50,000 respectively. However, at the maximum price of Rs. 250/- per equity share and maximum buy back size of Rs. 5,450 lakhs, the maximum number of equity shares that can be bought back are approximately 21,80,000. The actual number of shares to be bought back would therefore vary depending on the average market price of the shares and the amount deployed in the Buyback.
- The Buyback will be funded out of the Company's current surplus and/or cash balances and/or internal accruals.
- The Company has substantial accumulated free reserves and the funds required for the Buyback will be drawn out of such free reserves. The cost of financing the Buyback would therefore be only a notional loss of income that the funds used for Buyback would have earned had they been deployed in the ordinary course of the Company's business.

3. PROPOSED TIME TABLE

Activity	Date
Board Meeting approving the Buyback	January 8, 2014
Completion of dispatch of Postal Ballot Notice	January 20, 2014
Declaration of Postal Ballot Results	February 24, 2014
Date of opening the Buyback	March 6, 2014
Acceptance of Shares	Within 15 days of the relevant payout dates of the Stock Exchanges.
Extinguishment of Shares	In case the Equity Shares bought back are in dematerialized form the same will be extinguished in the manner specified in the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended and the bye laws framed thereunder. In case the Equity Shares bought back are in physical form, the Company shall extinguish and physically destroy the share certificates bought back during the month, or on or before the 15th day of the succeeding month. Provided that, the Company shall ensure that all the Equity Shares bought back are extinguished within 7 days of the last date of completion of the Buyback Offer.
Last Date for the Buyback	Earlier of: (a) September 5, 2014; or (b) when the Company completes the Buyback Offer by deploying the amount equivalent to the Buyback Size; or (c) when the Company completes the Buyback Offer to the extent of buying back Equity Shares equal to the Maximum Offer Shares provided that the Company has deployed an amount equivalent to the Minimum Buyback Size; or (d) at such earlier date as may be determined by the Board, after giving notice of such earlier closure, subject to the Company having deployed an amount equivalent to the Minimum Buyback Size (even if the Maximum Buy-Back Size has not been reached or the Maximum Buyback Shares have not been bought back).

4. PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

- The Buyback is open to all Shareholders / Beneficial Owners of the fully paid-up equity shares of the Company, both registered and unregistered, holding equity shares either in physical and/or electronic form, except the promoters, persons in promoter group and persons acting in concert.
- The Company shall not buyback the locked-in equity shares or non-transferable equity shares during the pendency of the lock-in or until they become transferable.
- The Buyback Regulations permit the Company to effect the Buyback from the Open Market only through the Stock Exchanges having nationwide electronic trading facility. Accordingly, the Company proposes to Buyback shares through BSE and NSE.
- The Company has appointed **Kary Stock Broking Limited ("Appointed Broker")**, Kary House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad-500 034 as the broker through whom the purchases and settlement on account of the Buyback shall be made.
- The Buyback of Shares will be made only through the order matching mechanism except "all or none" order matching system.
- The Company may, from the date of opening of Buyback, place "buy" orders on BSE and / or NSE at least once in every week through the Appointed Broker, in such quantity and at such prices, not exceeding Rs.250 per share, as it may deem fit, depending upon the prevailing quotations of the shares on the Stock Exchanges. When the Company has placed an order for Buyback of shares, the identity of the Company as purchaser would be displayed on the screen of the market participants of the Stock Exchanges.
- The shares of the Company are traded in the compulsory demat mode under the trading code **523704 at BSE and MASTEK at NSE. The ISIN of the Company is INE759A01021.**
- The Equity Shares bought back by the Company may not be at a uniform price. Orders will be placed by the Company at least once in a week in such quantity and at such prices, as it may deem fit, depending upon the prevailing quotations of equity shares on the Stock Exchanges so long as the market price is lower than the Maximum Buyback Price. Such orders will be placed both in normal and physical segments. The Company shall intimate the Stock Exchanges as well as upload the information regarding the shares bought back on its website on a daily basis, as prescribed by the Buyback Regulations.
- Procedure for Buyback of Demat Shares:** Beneficial owners, who desire to sell their shares under the Buyback, would have to do so through a stock broker, who is a member of BSE and / or NSE by indicating to their broker the details of shares they intend to sell and price thereof. The trade would be executed at the price at which the order matches and that price would be the price for that seller. Execution of the order, issuance of contract note, delivery of stock to the broker and receipt of payment from the broker would be carried out in accordance with the requirements of Stock Exchanges.

- Procedure for Buyback of Physical Shares:** The Company shall approach the Stock Exchange(s) for permission to use a separate window for Buyback of Equity Shares in physical form ("Physical Shares") in terms of Regulation 15A of the Buyback Regulations (the "Physical Shares Buyback Window"). Upon the receipt of the permission from the Stock Exchange(s) to use their Physical Share Buyback Window, the Company shall Buyback the Physical Shares from the shareholders. The procedure for Buyback of Physical Shares in the Physical Shares Buyback Window shall be subject to the requirements provided by the Stock Exchange(s) and any directions in this regard. As per Regulation 15A of the Buyback Regulations:

- 4.10.1 A separate window shall be created by the Stock Exchange, which shall remain open during the Buyback period, for buy-back of Physical Shares.
- 4.10.2 The Company shall buy-back Physical Shares from eligible shareholders through the Physical Shares Buyback Window, only after verification of the identity proof and address proof by the broker.
- 4.10.3 The price at which the Physical Shares are bought back shall be the volume weighted average price of the Equity Shares bought-back, other than Physical Shares, during the calendar week in which such Physical Shares were received by the broker.
- 4.10.4 In case no Equity Shares were bought back in the normal market during the calendar week, the preceding week when the Company last bought back the Equity Shares may be considered.
- 4.10.5 Provided that the price of Physical Shares tendered during the first calendar week of the Buyback shall be the volume weighted average market price of the Equity Shares of the Company during the preceding calendar week.

Registered shareholders of the Company holding Physical Shares and proposing to participate in the Buyback will be required to submit the complete set of documents for verification procedures to be carried out including the (i) original share certificate(s), (ii) valid share transfer form(s) duly filled, stamped and signed by the transferors (i.e. by all registered shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iii) self-attested copy of the shareholder's PAN Card. In addition, the shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card, Passport or Driving License, (iv) any other relevant documents (but not limited to) power of attorney, corporate authorization (including board resolution/ specimen signature), notarised copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable.

Registered shareholders of the Company holding Physical Shares should note that Physical Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions in this regard. Please note that only such Physical Shares as are issued by and under the name of the Company will be accepted by the Company for the Buyback, subject to verification and other requirements. Physical share certificates issued by and under any other company's name, shall not be eligible to be bought back by the Company through the Buyback and shall not be accepted. Shareholders holding such physical share certificates should first get such certificates converted into the share certificates of the Company for which they can separately correspond with the Registrar to the Company.

- 4.11 Subject to the Company purchasing Equity Shares for an amount equivalent to the Minimum Buyback Size, nothing contained herein shall create any obligation on the part of the Company or the Board to Buyback any Equity Shares or confer any right on the part of any Shareholder to have any Equity Shares bought back, even if the Buyback Size has not been reached and / or imparts any power to the Company or the Board to terminate any process in relation to the Buyback, to the extent permissible by law. If the Company is not able to complete the Buyback equivalent to the Minimum Buyback Size, the amount held in the Escrow Account up to a maximum of 2.5% (Two and Half percent) of the Buyback Size, shall be liable to be forfeited and deposited in the Investor Protection and Education Fund of SEBI or as directed by SEBI in accordance with the Buyback Regulations.

5. METHOD OF SETTLEMENT

- Settlement of Demat Shares:** The Company will pay consideration for the Buyback to the Appointed Broker on or before every pay-in date for each settlement, as applicable to the respective Stock Exchanges where the transaction is executed. The Company has opened a depository account styled "MASTEK LIMITED BUYBACK OFFER" with Kary Stock Broking Limited ("Buyback Demat Account"). Demat Shares bought back by the Company will be transferred into the Buyback Demat Account by the Appointed Broker, on receipt of such Demat Shares and after completion of the clearing and settlement obligations of the Stock Exchanges. Beneficial owners holding Demat Shares would be required to transfer their number of such Demat Shares sold to the Company pursuant to the Buyback Offer, in favour of their stock broker through whom the trade was executed, by tendering the delivery instruction slip to their respective depository participant ("DP") for debiting their beneficiary account maintained with the DP and crediting the same to the broker's pool account as per procedure applicable to normal secondary market transactions.
- Settlement of Physical Shares:** The shareholders holding Equity Shares in physical form would present the share certificate(s) along with valid transfer deed(s) and other documents to their respective brokers through whom the trade was executed.
- Extinguishment of Demat Shares:** The Demat Shares bought back by the Company shall be extinguished and destroyed in the manner specified in the Securities and Exchange Board of India (Depository and Participants) Regulations, 1996, as amended and its bye-laws, in the manner specified in the Buyback Regulations and the Companies Act, 1956. The Equity Shares lying in credit in the Buyback Demat Account will be extinguished within

15 (fifteen) days of acceptance of the Demat Shares provided that the Company undertakes to ensure that all Demat Shares bought back by the Company are extinguished within 7 (seven) days from the last date of completion of the Buyback Offer.

4. **Extinguishment of Physical Shares:** Physical Shares bought back by the Company during a month shall be extinguished and physically destroyed by the Company in the presence of Kary Investor Services Limited ("Manager") and the statutory auditor of the Company on or before the 15th (fifteenth) day of the succeeding month provided that the Company undertakes to ensure that all Physical Shares bought back are extinguished within 7 (seven) days from the last date of completion of the Buyback Offer, in compliance with the Buyback Regulations.

5. The details of equity shares extinguished shall be notified to Securities and Exchange Board of India and the Stock Exchanges in accordance with the Buyback Regulations.

6. BRIEF INFORMATION ABOUT THE COMPANY

- 6.1 The Company was incorporated under the Companies Act, 1956 on May 14, 1982 as a private limited company in the name and style of "Management and Software Technologies Private Limited". The name was changed to "Mastek Private Limited" on the March 16, 1992.
- 6.2 Mastek Private Limited was converted into a public limited company on August 18, 1992. The Company made an initial public offering of its equity shares on December 14, 1992. At present, the equity shares of the Company are listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").
- 6.3 Mastek Limited's promoters are Mr. Ashank Desai; Mr. Ketan Mehta; Mr. Radhakrishnan Sundar and Mr. Sudhakar Ram.
- 6.4 The Company is one of the global IT players providing enterprise solutions to businesses and governments worldwide. The Company primarily serves government clients and clients in insurance and financial services sector. It is in the business of building strategic applications for customers that enable them to implement their business innovations, compete more effectively and operate more efficiently.
- 6.5 Mastek has seven development centers out of which five are located in and around Mumbai, India and one each in Pune and Chennai, India.
- 6.6 The Company caters to both the International and Domestic market. It exports its Solutions and services to countries like United Kingdom, United States of America, Canada, Singapore, Malaysia and Thailand.
- 6.7 The Company has eight Subsidiaries namely - Mastek (UK) Ltd, UK; Majesco Mastek, USA; Majesco Mastek Canada Ltd., Canada; Mastek Asia Pacific Pte. Ltd, Singapore; Mastek MSC SDN BHD, Malaysia; Mastek MSC (Thailand) Co Ltd, Thailand; Vector Insurance Services LLC, USA and MajescoMastek Insurance Software & Solutions Inc, USA.

7. BRIEF FINANCIAL INFORMATION OF THE COMPANY (ON STANDALONE BASIS)

- 7.1 Brief audited financial information of the Company for the financial years ended June 30, 2011 and 2012, nine months period ending March 31, 2013 and for the nine months period ending December 31, 2013 (subjected to limited review by statutory auditors) are detailed below:

Particulars	(Rs. in Lakhs except key ratios)			
	Subjected to Limited Review	Audited		
		Period Ending (9 months)	31.03.2013 (9 months)	30.06.2012 (12 months)
Revenue	40,030.28	40,101.76	45,088.44	36,432.74
Other Income	1,582.16	2,999.47	1,257.06	4,890.30
Total Income	41,612.44	43,101.23	46,345.50	41,323.04
Expenditure	36,778.53	38,056.56	44,288.57	39,157.99
Profit before Interest, Depreciation and Tax	4,833.91	5,044.67	2,056.93	2,165.05
Depreciation and amortization expenses	1,905.34	1,779.66	2,645.50	2,713.09
Interest and Finance Charges	22.43	15.39	12.52	9.31
Profit before Tax and Exceptional Items	2,906.14	3,249.62	(601.09)	(557.35)
Exceptional items	-	-	-	-
Profit / (Loss) after Exceptional items before tax	2,906.14	3,249.62	(601.09)	(557.35)
Tax Expense (Current + Deferred Tax)	900.93	307.72	227.26	608.66
Income tax refund / write back for earlier years	(487.19)	(77.07)	(271.07)	(1,032.57)
Profit / (Loss) after Tax	2,492.49	3,018.97	(557.28)	(133.44)
Equity Share Capital	1,232.23	1,231.91	1,351.31	1,347.56
Reserves and Surplus #	37,478.75	35,290.69	36,727.90	34,985.75
Net Worth	38,710.98	36,522.60	38,079.21	36,333.31
Total Debt *	168.54	160.58	59.61	52.55
Equity Dividend (%)	35.00*	60.00	-	-
Basic Earnings per share	10.12	11.49	(2.06)	(0.50)
Diluted Earnings per share	10.07	11.42	(2.06)	(0.50)
Book Value per share	157.06	148.24	140.90	134.81
Return on Net Worth (%)	6.44	8.27	(1.46)	(0.37)
Debt Equity Ratio	Negligible	Negligible	Negligible	Negligible
Key Ratios have been calculated as follows:				
Basic Earnings per share	Profit/(Loss) after tax / Weighted average no. of equity shares before dilution of Stock options/Warrants			
Diluted Earnings per share	Profit/(Loss) after tax / Weighted average no. of equity shares after dilution of Stock options/Warrants			
Book Value per share	Net Worth / number of equity shares issued and outstanding			
Return on Net Worth	Profit/(Loss) after tax / Net Worth			
Debt Equity Ratio	Total Debt / (Equity Share Capital + Free Reserves)			



Contd...

9.3 There has been no change in the equity capital of the Company including by way of bonus issue, rights issue or consolidation of equity shares other than by way of Buyback of equity shares of the Company and allotment of equity shares on exercise of Stock Options under various Employee Stock Option Plans of the Company, for the period disclosed under clause 9.2 above.

9.4 The Buyback Price represents a premium of approximately 24.04% and 23.55% over the closing price of BSE and NSE on January 09, 2014 i.e., Rs. 201.55 and Rs. 202.35 respectively, the trading day immediately after the date of the Board Meeting approving the Buyback i.e., January 08, 2014, and it represents a premium of 14.92% and 14.81% over the closing price of BSE and NSE i.e. Rs. 217.55 and Rs. 217.75 respectively, on trading day, as on the date of the declaration of Postal Ballot results, February 24, 2014. (Source: www.bseindia.com and www.nseindia.com)

10. PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

10.1 The share capital of the Company as on the date of this PA is as follows:

	(Rs. in lakhs)
Authorised Capital:	
• 4,00,00,000 Equity Shares of Rs.5/- each	2,000.00
• 20,00,000 Preference Shares of Rs.100/- each	2,000.00
Total	4,000.00
Issued, Subscribed and Paid-up Capital: (24,644,687 Equity Shares of Rs.5/- each fully paid-up)	1,232.23

10.2 As on the date of this PA, there are no partly paid up equity shares of the Company. The Company does not have any convertible debentures or preference shares or any other convertible instruments outstanding. However, pursuant to the four Employees Stock Option Schemes ("ESOS") of the Company viz. ESOS Plan III, ESOS Plan IV, ESOS Plan V and ESOS Plan VI, 22,97,354 stock options were outstanding as on March 31, 2013. During the period 1st April, 2013 to 25th February, 2014, 10,03,750 stock options were granted, 9,97,000 stock options have vested (yet to be exercised), Nil stock options have lapsed and 6,500 stock options have been exercised. As on February 25, 2014, 2,83,354 stock options are outstanding.

10.3 The shareholding pattern of the Company as on February 21, 2014 is as follows:

Particulars	No. of shares held	% of existing equity capital	No. of shares post Buyback *	% holding post Buyback *
Promoters and/or persons who are in control and/or acting in concert (Promoter Group)	1,15,06,660	46.69	1,15,06,660	53.66
Foreign Investors (including Non Resident Indians / FIs)	40,97,340	16.63	99,38,027	46.34
Financial Institutions / Banks Mutual Funds / Institutions / Central Government & State Government & Insurance Companies.	16,05,812	6.51		
Others (Public, Bodies Corporate, Employees, etc.,)	74,34,875	30.17		
TOTAL	2,46,44,687	100.00	2,14,44,687	100.00

* On the assumption of Buyback of 32,00,000 equity shares. The shareholding, post Buyback, may differ depending upon the actual number of shares bought back.

10.4 The aggregate shareholding of the promoters, members of the promoter group, directors of the Promoters, if any,

persons acting in concert and of the persons who are in control of the Company as on February 25, 2014 is 1,15,06,660 equity shares constituting 46.69% of the Paid-up Share Capital of the Company.

10.5 None of the promoters, members of the promoter group, directors of the promoters, if any and persons acting in concert, have purchased or sold any shares during the period of twelve months preceding the date of this PA.

10.6 In terms of Regulation 19 (1) (b) of the Buyback Regulations, the Company shall not issue any equity shares or other specified securities including by way of bonus or convert any outstanding warrants or outstanding instruments or stock options into equity shares or other specified securities, from the commencement of Buyback till the date of closure of the Buyback.

10.7 In compliance with the Buyback Regulations, the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations such as conversion of warrants, stock options etc.

10.8 The Company shall not withdraw the Buyback Offer after this PA has been made.

10.9 There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 1956, involving the Company as on the date of this PA.

10.10 The promoters, members of the promoter group, directors of the promoters, if any and persons acting in concert shall not deal in the shares of the Company on the Stock Exchanges or through off-market transactions, including inter-se transfer of shares among the promoters, as per the provisions of the Buyback Regulations.

10.11 Unless otherwise determined by the Board, the Buyback Offer will be completed within a maximum period of 6 (six) months from the date of opening of the Buyback Offer.

11. MANAGEMENT DISCUSSIONS AND ANALYSIS ON THE LIKELY IMPACT OF BUYBACK ON THE COMPANY

11.1 The Buyback is not likely to cause any material impact on the earnings of the Company and shall be only a notional loss of income that the funds used for Buyback would have earned had they been deployed in the ordinary course of the Company's business.

11.2 The Buyback is being implemented in keeping with the Company's desire to enhance overall shareholders' value. The Buyback would lead to reduction in outstanding number of equity shares and may consequently increase earnings per equity share over a period of time. This would in turn lead to improvement in return on net worth and other financial ratios and contribute to maximization of overall shareholders' value.

11.3 The promoters, persons in promoter group and persons acting in concert cannot offer shares held by them in the Buyback. Consequent to the Buyback and depending upon the response to the Buyback, the holding of the promoters would increase from the pre Buyback holding of 46.69% to 53.66% (assuming that 32,00,000 Shares are bought back in the Buyback). The existing promoters are already in control over the Company and an increase in shareholding/ voting rights pursuant to the Buyback will not result in any change in control or management structure of the Company. The Promoters, Promoter Group and Persons Acting in Concert did not participate in the Board Meeting held on January 8, 2014 and the Postal Ballot Resolution, the results of which were declared on February 24, 2014, approving the Buyback of shares. As such the Special Resolution has been passed in compliance with Regulation 10 (4) (c) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations"). Thus any consequential increase in their shareholding / voting rights will be exempt in terms of Regulation 10(4)(c) of the Takeover Regulations, subject to compliance of the provisions of the Takeover Regulations.

11.4 Consequent to the Buyback and based on the number of shares bought back, the Company's shareholding pattern would undergo a change.

11.5 As required under the Companies Act, 1956 the ratio of the debt owed by the Company would not be more than twice the share capital and free reserves, post Buyback.

12. STATUTORY APPROVALS

12.1 Pursuant to Sections 77A, 77B(2) of the Companies Act, 1956, Sections 69, 70(1) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act 2013 (to the extent notified) and

the Buyback Regulations, the present Buyback of equity shares of the Company from Open Market through the Stock Exchange Mechanism has been duly authorized by a resolution passed by the Board at its meeting held on January 8, 2014 and by a special resolution passed by the shareholders of the Company through Postal Ballot Notice, the results of which were announced on February 24, 2014.

12.2 No other statutory approvals are required to be obtained for the Buyback. If required, the Company shall obtain such approvals as may be required from time to time including from Reserve Bank of India under Foreign Exchange Management Act, 1999 and the rules / regulations framed there under, if required for the Buyback of equity shares from Non Resident shareholders and / or shareholders of foreign nationality (including OCB's), if any.

12.3 The Buyback of equity shares from Non-resident Indians, Overseas Corporate Bodies, Foreign Institutional Investors and members of Foreign Nationality, if any, shall be subject to such approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there-under.

13. COLLECTION AND BIDDING CENTRES – Not Applicable

14. COMPLIANCE OFFICER

Mr. Bhagwant Bhargawe, Company Secretary, **Mastek Limited, Corporate Office:** Unit 107, SDF - IV, SEEPZ, Andheri (East), Mumbai – 400 096. **Tel.:** 91 22 6695 2222; **Fax:** 91 22 6695 1331; **Email:** Bhagwant.Bhargawe@mastek.com. **Website:** www.mastek.com.

15. INVESTOR SERVICE CENTRE

15.1 In case of any queries, the shareholders / beneficial owners of shares of the Company may contact the Registrar & Share Transfer Agent of the Company, on all working days (except Saturdays, Sundays and Public Holidays) between 10 AM and 5 PM, at the following address:-

Sharepro Services (India) Private Limited, Samhita Warehousing Complex, 13AB, Gala No. 52, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Andheri (East), Mumbai 400 072, India, **Tel.:** 91 22 6191 5400 / 6191 5402; **Fax:** 91 22 6191 5444. **Contact Person:** Mr. Prakash Khare/Mr. Anand Mooliya. **Email:** offer@shareproservices.com

16. MANAGER TO THE BUYBACK

KARVY INVESTMENT BANKING	KARVY INVESTOR SERVICES LIMITED "Karvy House", 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034, India. Tel.: 91 40 2342 8774/ 2331 2454 Fax : 91 40 2337 4714/ 2331 1968 Contact Person: Mr. Ankit Bhatia Email: cmg@karvy.com Investor Grievance Email id: igmbd@karvy.com
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17. DIRECTORS' RESPONSIBILITY

As per Regulation 19(1)(a) of the Buyback Regulations, the Directors of the Company accept the responsibility for the information contained in this Public Announcement or any other advertisement, circular, brochure, publicity material which may be issued and confirm that the information in such documents contain true, factual and material information and does not contain any misleading information.

**For and on behalf of Board of Directors of
Mastek Limited**

Sd/-
Sudhakar Ram
Managing Director & Group CEO

Sd/-
Radhakrishnan Sundar
Executive Director

Sd/-
Bhagwant Bhargawe
Company Secretary

Place : Mumbai
Date : February 25, 2014

Size: 13x33 sq. cm