

Mastek

UK to drive growth

Mastek is positioning itself for its next phase of growth with a clear focus on its regional strength, particularly in the UK government (SGS and NHS), while simultaneously rebuilding its US and AMEA businesses. The company maintains a highly optimistic outlook for the UK-Europe region (~64% of revenue), targeting mid-teen growth, driven by strong momentum in digital healthcare initiatives, supported by the UK government's ~£10bn commitment (~£2bn digital spends). Healthcare has emerged as Mastek's fastest-growing segment, further strengthened by its strong track record with the UK government contracts. Additionally, Mastek is aggressively pursuing new opportunities in Secured Government Services (SGS) and expanding presence in departments such as the Home Office, HMRC, and Ministry of Defence. In the US, the company is undergoing a significant restructuring with a new go-to-market leader hired recently. The US recovery will be supported by AI and data engineering investments. Margin recovery remains a key focus, with Mastek aiming to scale EBITDA margin back to 17% over the next two years, aided by pyramid optimization, revenue per employee improvements, and restructuring benefits. We maintain our current estimates and expect the company to deliver a 12% revenue and 14% EPS CAGR over FY25-28E. We maintain BUY with a target price of INR 3,240, based on 20x Sep 27E EPS. The stock is trading at a P/E of 19x and 16x FY26/27E EPS.

- **Firing on all cylinders in the UK region:** The positive outlook for the UK and Europe is driven by the strong growth momentum in both the UK government and the UK private sector (BFSI). The UK geography is segmented into Secured Government Services (SGS), Healthcare, Commercial Sector, and the Oracle service line for local government and higher education. The SGS segment is aggressively bidding for new contracts, expecting a next wave of large deals in key government departments like the Home Office and Ministry of Defence, aspiring to secure new programs beyond Mastek's incumbent areas. Healthcare is the fastest-growing segment, particularly involving the NHS, benefiting from the UK government's commitment of ~£2bn for digital healthcare initiatives. Successes in the UK commercial sector include modernizing the Bank of England's data platform using Databricks and expanding a project with the Port of Dover from Oracle services to include AI and broader consulting. Overall, we expect the UK geography (UK government + NHS) to clock ~15% revenue CAGR with 20-21% margins.
- **Middle East—getting back on track:** In the Middle East, Mastek's strategy centres on maintaining operational discipline and prioritizing profitable business engagements over volume. The Middle East will be a strategic market for integrated digital healthcare solutions particularly those combining Cerner healthcare and Oracle Fusion capabilities. Mastek will focus on selective, high-value engagements and strengthening partnerships. It seeks to rebuild and optimize its Middle East operations, ensuring healthy margins and growth.
- **Restructuring in the US:** In the US region, Mastek is undergoing restructuring with the hiring of a new leader, Mr. Sourabh Mukherjee (ex-cognizant and Wipro, Lifesciences, and healthcare experience). The US market will be divided into two distinct parts. The first targets the Fortune 500 accounts (~20-25 customers) where Mastek is implementing an AI-led go-to-market and service line strategy, aiming to secure larger pieces of business associated with AI-led efficiency engineering services work.

BUY

CMP (as on 29 Aug 2025)	INR 2,427
Target Price	INR 3,240
NIFTY	24,427

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 3,100	INR 3,240
	FY26E	FY27E
EPS %	0.6	1.1

KEY STOCK DATA

Bloomberg code	MAST IN
No. of Shares (mn)	31
MCap (INR bn) / (\$ mn)	75/851
6m avg traded value (INR mn)	708
52 Week high / low	INR 3,375/1,883

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	5.1	9.0	(17.4)
Relative (%)	7.3	(0.1)	(14.5)

SHAREHOLDING PATTERN (%)

	Mar-25	Jun-25
Promoters	35.97	35.95
FIs & Local MFs	9.85	10.52
FPIs	10.01	11.04
Public & Others	44.17	42.49
Pledged Shares	0.00	0.00

Source: BSE

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The second segment focuses on mid-tier accounts (revenue of USD \leq 1bn), identified as a "sweet spot" where Mastek aims for a much higher win-ratio and greater expansion potential, currently serving 40-50 customers with managed services, Oracle, Salesforce, and IP-led services, consistently winning 10 new logos every quarter. AI-led consulting services are notably aiding deal wins in the US, alongside active hunting for new Oracle-based and Salesforce accounts, with healthcare being the sweet spot within the Oracle portfolio. Despite some headwinds on the healthcare-payer side and retail verticals due to reduced discretionary spending in top accounts, the US region is expected to be stable with no further downside. We expect the US growth to be muted in the near term and margins will recover gradually with growth and renewed focus.

- Multiple initiatives to aid margin recovery:** Overall, Mastek's focus areas revolve around pervasive AI integration—from driving large efficiency engineering services in the US to enabling "agentic AI" POC engagements across Salesforce, Oracle, and other business processes. Oracle remains a dominant force, with active participation in Oracle database and cloud migration, expecting increased adoption of AI within cloud migration including Oracle infrastructure migration. Salesforce expansion is also a key growth area across regions. The company expects revenue per employee to increase, and FY26E is projected to be stable compared to FY25. Regarding margins and delivery model targets, while UK growth has come at a lower gross margin and there's pressure from wage hikes, Mastek has taken actions to balance performance. The company aims to drive overall margins back to the 17% level through growth in the US and optimization of UK delivery, anticipating a slower recovery but aided by pyramid optimization in long-term contracts. A one-off issue in Q4 impacted UK margins which are now back to ~19% in Q1. The targeted operating margin range for UK geography is ~20%, low double digit margin for the US region and high single digit margin for the ME region.

Financial Summary (Consolidated)

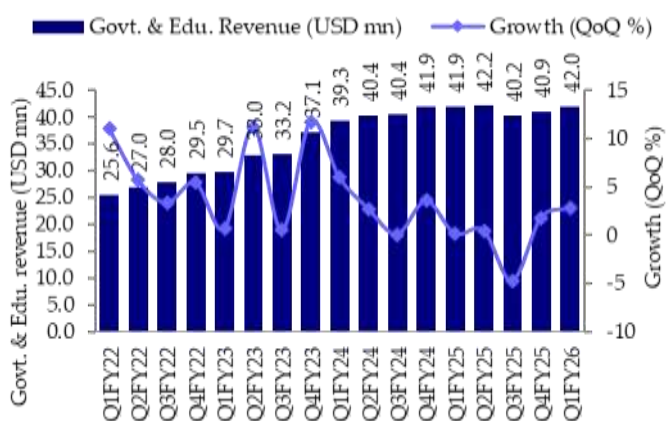
YE March (INR bn)	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenues (USD mn)	293	318	368	408	453	511	578
Net Sales	21.84	25.63	30.55	34.55	38.89	44.46	50.28
EBIT	4.20	3.88	4.19	4.71	5.48	6.47	7.40
APAT	2.95	2.68	3.06	3.68	4.01	4.78	5.47
Diluted EPS (INR)	96.6	86.6	96.2	116.4	126.8	151.1	172.9
P/E (x)	25.1	28.0	25.2	20.8	19.1	16.1	14.0
EV / EBITDA (x)	14.8	16.7	15.1	13.9	11.5	9.4	7.9
RoE (%)	30.6	19.4	16.1	16.2	15.3	16.0	16.1

Source: Company, HSIE Research

UK geography on a strong footing

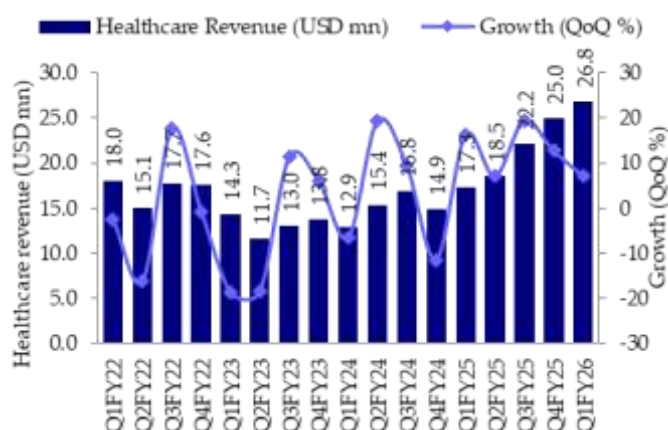
- Mastek's UK business is organized into four key segments—Health, Secure Government Services (SGS), Enterprise Business, and Oracle Business—enabling precise market targeting and sector-specific expertise.
- The health segment, focused exclusively on the NHS, is Mastek's primary growth engine, underpinned by significant government funding and transformative healthcare policy shifts. Investment in areas like prevention, data integration, and digital transformation has resulted in exceptional growth, with visible pipeline opportunities and the potential to secure multi-year engagements.
- SGS has evolved from subcontracting to direct partnerships with government departments, resulting in several long-standing contracts in immigration, customs, identity management, and defence, built on deep policy understanding and operational alignment. Despite budgetary headwinds, SGS displays resilience and growth potential due to the consolidation trends among government suppliers and an increased focus on digitization and AI for cost-efficiency.
- The Enterprise Business, spanning BFSI, retail, fintech, edtech, and energy, has transitioned from steady performance to contributing materially to growth, driven by targeted wins among quasi-government entities and momentum in AI-led legacy modernization—demonstrated by expedited and cost-reduced transformation programs. The Oracle segment, serving both UK and Europe with back-office modernization projects, faces stagnation but remains stable, with efforts focused on retaining business levels despite market softness.
- Overall, the UK public sector software IT services market presents substantial headroom for Mastek, as the company leverages its robust 32-year heritage in public sector execution, broad client base, and reputation for delivering scalable, high-ROI solutions. With three out of four segments showing healthy momentum, Mastek is positioned for strong, diversified growth, supported by government-led initiatives, digital transformation drives, and strategic sector focus.

Exhibit 2: UK Government revenue trend



Source: Company, HSIE Research

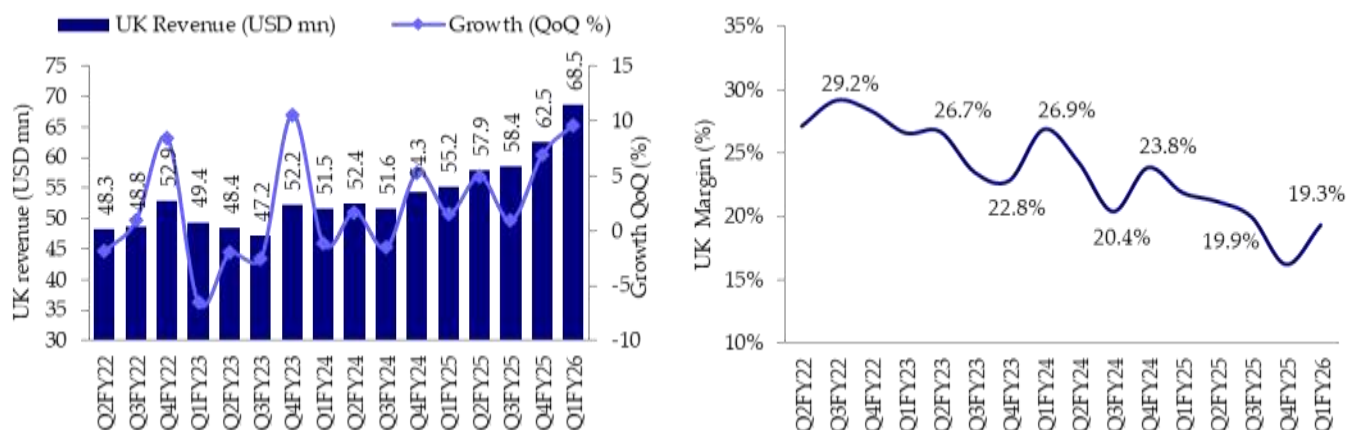
Exhibit 3: Healthcare revenue trend



Source: Company, HSIE Research

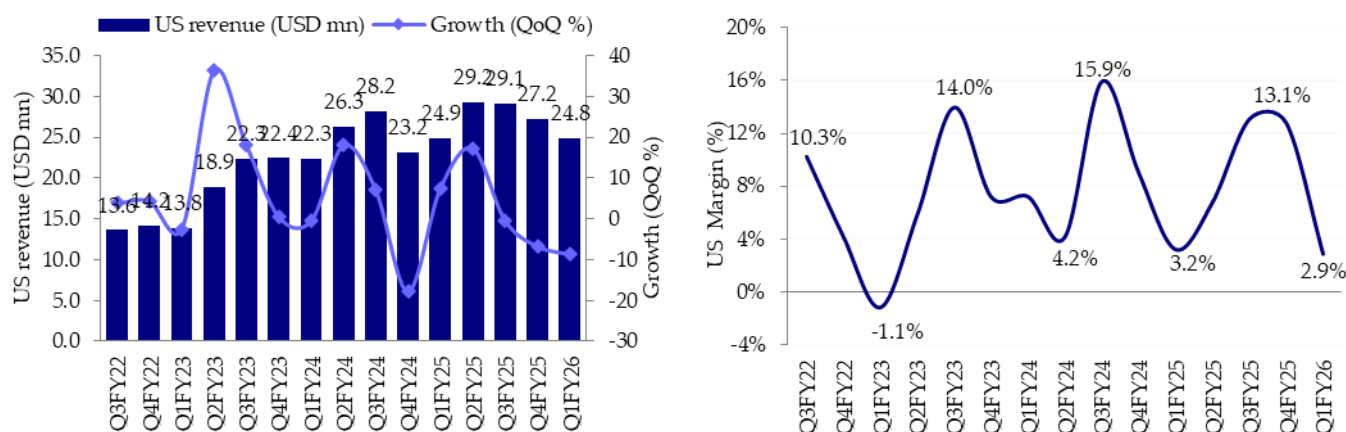
Mastek: Company Update

Exhibit 4: UK revenue and margin performance



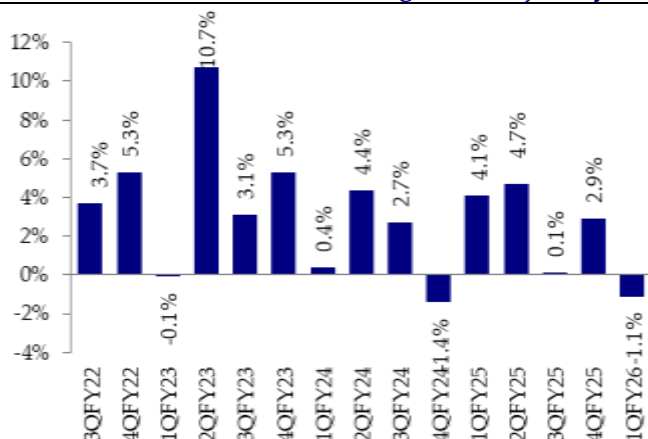
Source: Company, HSIE Research

Exhibit 5: US revenue and margin performance



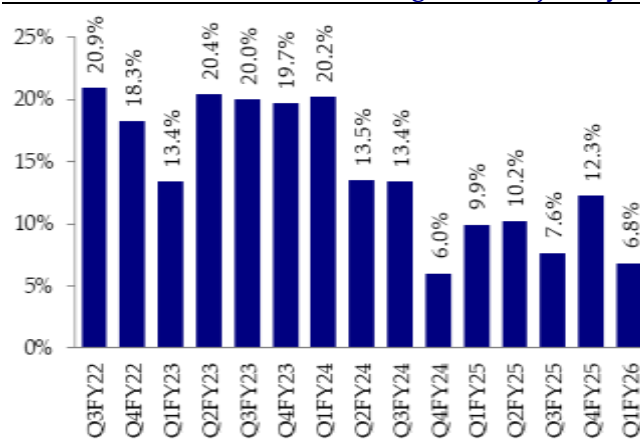
Source: Company, HSIE Research

Exhibit 6: USD revenue QoQ CC growth trajectory



Source: Company, HSIE Research

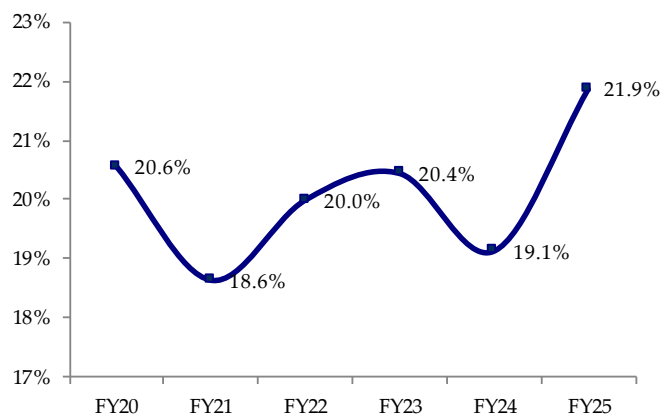
Exhibit 7: USD revenue YoY CC growth trajectory



Source: Company, HSIE Research

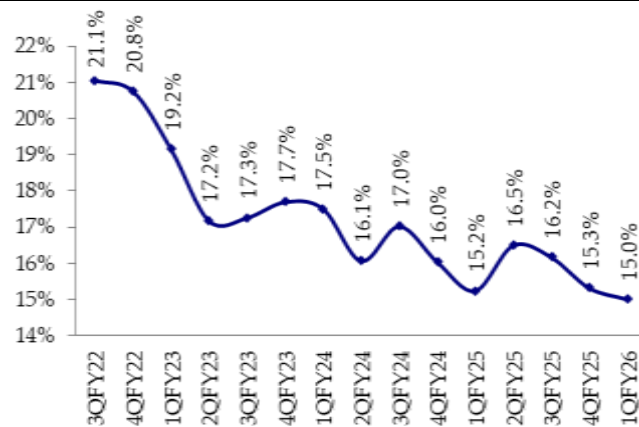
Mastek: Company Update

Exhibit 8: Subcontracting expense trend



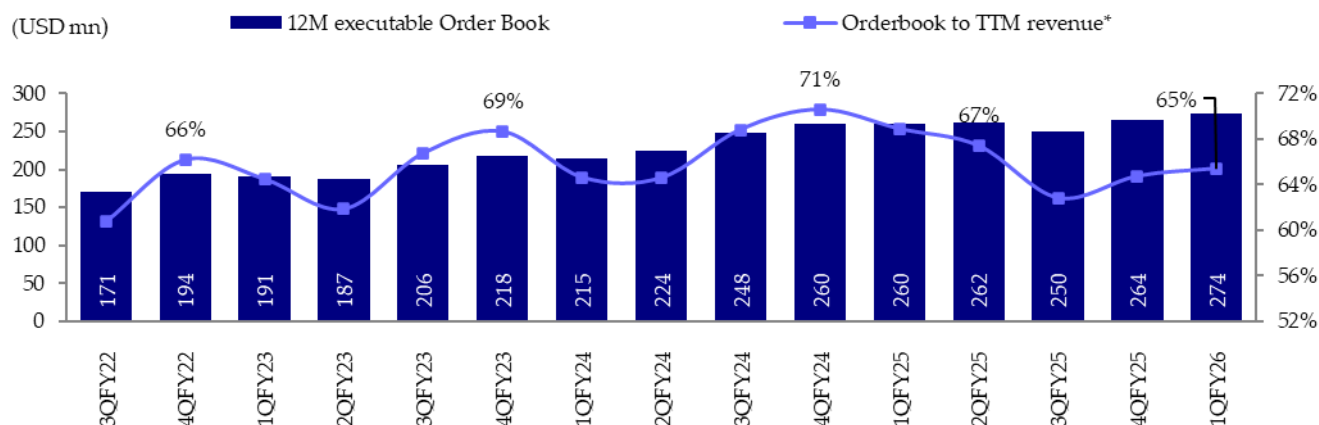
Source: Company, HSIE Research

Exhibit 9: EBIT Margin trajectory



Source: Company, HSIE Research

Exhibit 10: 12 months executable orderbook provides 65% visibility, improvement over the last three quarters



Source: Company, HSIE Research

Exhibit 11: YoY growth trends: Organic growth recovery led by UK

Growth Parameters	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
USD YoY Growth %	51.8%	16.5%	2.2%	53.6%	26.3%	8.6%	15.8%	10.9%	11.0%	12.8%	13.1%
Cross currency bps*	693	-560	-19	394	-100	-725	229	-51	134	-35	0
USD YoY CC Growth %	44.9%	22.1%	2.4%	49.7%	27.3%	15.8%	13.5%	11.4%	9.6%	13.1%	13.1%
Inorganic Contribution* %	32.7%	0.0%	8.1%	38.3%	0.0%	6.8%	6.3%	1.6%	0.0%	0.0%	0.0%
Organic YoY CC%	12.2%	22.1%	-5.8%	11.3%	27.3%	9.0%	7.2%	9.7%	9.6%	13.1%	13.1%

Source: Company, HSIE Research, * Calculated

Exhibit 12: Margin Bridge

Cost as % of Revenue	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Salary Cost	54.5%	51.3%	50.2%	53.7%	54.7%	53.8%	53.2%	53.2%	53.1%
Subcon Cost	20.6%	18.6%	20.0%	20.4%	19.1%	21.9%	21.8%	21.3%	20.9%
Other Expenses	10.3%	8.9%	8.7%	8.1%	9.5%	8.5%	8.8%	8.9%	9.3%
EBITDA %	14.6%	21.2%	21.2%	17.8%	16.7%	15.8%	16.2%	16.6%	16.7%

Margin Bridge (bps)	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
GM benefit	231	325	110	-351	-101	89	61	4	7
Subcon	-61	192	-136	-45	132	-275	11	44	39
Other Expenses	1	135	26	57	-144	103	-31	-11	-35
EBITDA change (bps)	171	653	1	-340	-113	-84	41	38	11

Source: Company, HSIE Research

Exhibit 13: Revenue growth and EBITDA margin by geographies

Revenue Growth (YoY %)	FY22	FY23	FY24	FY25	FY26	FY27	FY28
UK	27.4%	-1.0%	6.5%	11.5%	23.4%	15.3%	15.3%
US	33.7%	49.7%	29.1%	10.4%	-8.2%	9.5%	9.6%
AMEA	14.2%	3.5%	34.6%	9.2%	-1.3%	6.4%	7.9%
Total Revenue	26.3%	8.6%	15.8%	10.9%	11.0%	12.8%	13.1%

EBITDA Margin (%)	FY22	FY23	FY24	FY25	FY26	FY27	FY28
UK	27.9%	24.8%	23.8%	19.7%	20.0%	20.0%	20.0%
US	8.6%	7.4%	9.3%	9.2%	9.3%	10.0%	10.0%
AMEA	8.8%	6.2%	8.2%	8.3%	8.5%	10.6%	10.6%
Total EBITDA Margin (%)	21.2%	17.8%	16.7%	15.8%	16.2%	16.6%	16.7%

Source: Company, HSIE Research

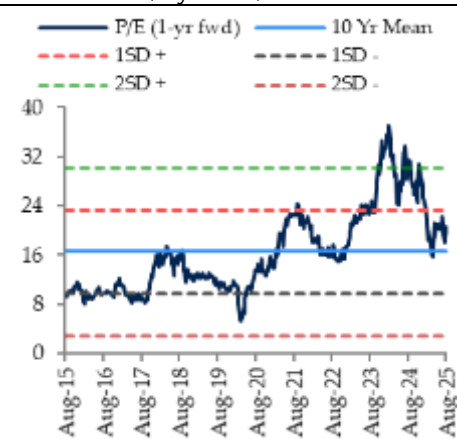
Peer valuation – IT

Company	MCAp (INR bn)	CMP (INR)	TP (INR)	RECO	EPS (INR)				P/E (x)				RoE (%)				USD Rev CAGR% FY25-28E	EPS CAGR% FY25-28E
					FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E		
Persistent	816	5,306	5,965	ADD	91.0	111.7	139.2	170.6	58.3	47.5	38.1	31.1	24.8	25.1	26.8	27.8	16.5	23.3
Mphasis	522	2,788	2,650	REDUCE	91.0	101.8	117.5	136.2	30.6	27.4	23.7	20.5	18.5	19.0	20.3	21.6	9.8	14.4
L&T Tech	446	4,224	4,700	ADD	119.9	131.1	163.2	185.8	35.2	32.2	25.9	22.7	22.2	21.5	23.7	23.6	10.9	15.7
Tata Elxsi	326	5,234	5,075	REDUCE	122.9	121.7	154.3	179.7	42.6	43.0	33.9	29.1	29.3	25.2	28.6	29.6	9.4	13.5
Zensar	176	768	900	ADD	28.4	31.3	36.5	41.6	27.0	24.6	21.0	18.5	16.6	16.1	16.8	17.1	10.2	13.5
Cyient	129	1,168	1,350	ADD	56.3	61.7	70.7	85.4	20.7	18.9	16.5	13.7	13.0	12.4	13.3	15.0	8.5	14.9
Birlasoft	101	368	395	ADD	18.8	16.3	21.1	24.3	19.6	22.5	17.4	15.1	15.8	12.6	15.0	15.7	4.6	9.0
Sonata	98	351	415	ADD	15.1	16.6	19.9	23.5	23.2	21.1	17.6	15.0	27.3	25.6	26.8	27.6	9.2	15.7
Happiest Minds	86	565	655	ADD	12.7	16.6	20.8	25.3	44.5	34.0	27.1	22.3	12.7	15.5	18.0	20.0	15.9	25.9
Mastek	77	2,427	3,240	BUY	116.4	126.8	151.1	172.9	20.8	19.1	16.1	14.0	16.2	15.3	16.0	16.0	12.3	14.1

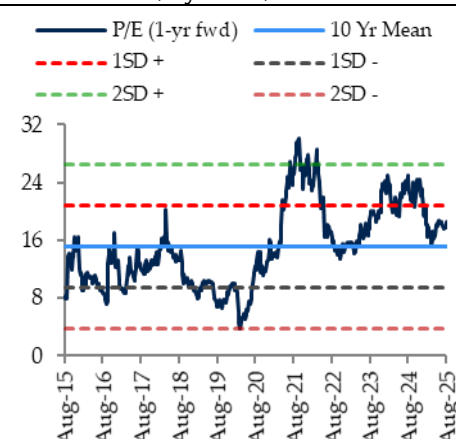
Source: Company, HSIE research, Note: CMP as of 29th Aug 2025

Valuation charts

Sonata P/E (1-yr fwd) trend



Mastek P/E (1-yr fwd) trend

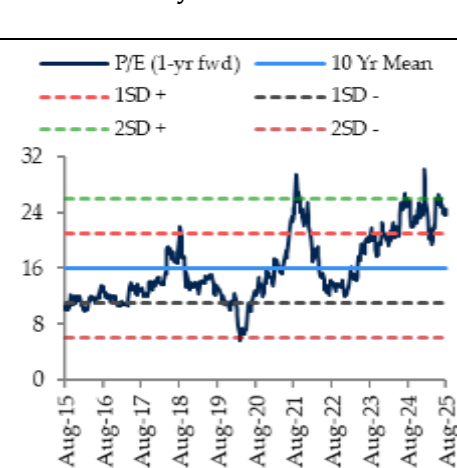


Cyient P/E (1-yr fwd) trend

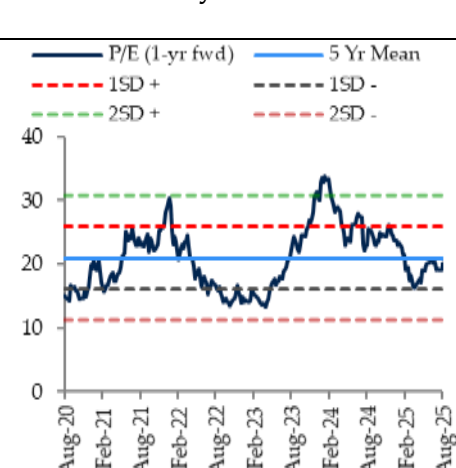


Source: Bloomberg, HSIE research

Zensar P/E (1-yr fwd) trend



Birlasoft P/E (1-yr fwd) trend



Happiest Minds P/E (1-yr fwd) trend



Source: Bloomberg, HSIE research

Financials

Consolidated Income Statement

YE March (INR bn)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net Revenues (USD mn)	232	293	318	368	408	453	511	578
<i>Growth (%)</i>	<i>53.6%</i>	<i>26.3%</i>	<i>8.6%</i>	<i>15.8%</i>	<i>10.9%</i>	<i>11.0%</i>	<i>12.8%</i>	<i>13.1%</i>
Net Revenues	17.22	21.84	25.63	30.55	34.55	38.89	44.46	50.28
<i>Growth (%)</i>	<i>60.7%</i>	<i>26.8%</i>	<i>17.4%</i>	<i>19.2%</i>	<i>13.1%</i>	<i>12.6%</i>	<i>14.3%</i>	<i>13.1%</i>
Employee Expenses	8.83	10.95	13.76	16.71	18.59	20.69	23.63	26.69
Other Operating Expenses	4.75	6.26	7.32	8.75	10.50	11.89	13.45	15.18
EBITDA	3.65	4.63	4.56	5.09	5.46	6.31	7.38	8.40
Depreciation	0.45	0.43	0.67	0.90	0.75	0.83	0.91	1.01
EBIT	3.20	4.20	3.88	4.19	4.71	5.48	6.47	7.40
<i>EBIT Margin (%)</i>	<i>18.6%</i>	<i>19.2%</i>	<i>15.2%</i>	<i>13.7%</i>	<i>13.6%</i>	<i>14.1%</i>	<i>14.6%</i>	<i>14.7%</i>
<i>EBIT Growth (%)</i>	<i>142.0%</i>	<i>31.3%</i>	<i>-7.4%</i>	<i>7.8%</i>	<i>12.6%</i>	<i>16.4%</i>	<i>18.0%</i>	<i>14.2%</i>
Other Income (Including EO Items)	0.28	0.36	0.64	0.12	0.30	0.30	0.31	0.33
Interest	0.08	0.08	0.25	0.44	0.42	0.43	0.36	0.39
PBT	3.39	4.48	4.27	3.86	4.59	5.36	6.41	7.34
Tax (Incl Deferred)	0.88	1.15	1.17	0.75	0.83	1.34	1.64	1.87
Minority Interest	0.42	0.38	0.17	0.09	-	-	-	-
RPAT	2.09	2.95	2.93	3.02	3.76	4.01	4.78	5.47
EO (Loss) / Profit (Net of Tax)	-	-	0.25	(0.04)	0.08	-	-	-
APAT	2.09	2.95	2.68	3.06	3.68	4.01	4.78	5.47
<i>APAT Growth (%)</i>	<i>57.5%</i>	<i>41.0%</i>	<i>-9.3%</i>	<i>14.5%</i>	<i>20.2%</i>	<i>8.9%</i>	<i>19.1%</i>	<i>14.5%</i>
Adjusted EPS (INR)	73.5	96.6	86.6	96.2	116.4	126.8	151.1	172.9
<i>EPS Growth (%)</i>	<i>57.5%</i>	<i>31.5%</i>	<i>-10.4%</i>	<i>11.2%</i>	<i>21.0%</i>	<i>8.9%</i>	<i>19.1%</i>	<i>14.5%</i>

Source: Company, HSIE Research

Consolidated Balance Sheet

YE March (INR bn)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
SOURCES OF FUNDS								
Share Capital - Equity	0.13	0.15	0.15	0.15	0.15	0.15	0.15	0.15
Reserves	8.46	10.56	16.68	20.72	24.47	27.80	31.70	36.21
Total Shareholders' Funds	8.59	10.71	16.83	20.87	24.62	27.95	31.85	36.36
Non-Controlling Interest	1.82	1.50	0.91	-	-	-	-	-
Total Debt	1.90	1.90	3.71	4.87	5.55	5.05	4.55	4.55
Net Deferred Taxes	(0.35)	(0.49)	(0.75)	(0.74)	(1.41)	(1.41)	(1.41)	(1.41)
Other Non-current Liabilities & Provns	3.15	2.72	3.32	1.60	0.68	0.68	0.68	0.68
TOTAL SOURCES OF FUNDS	15.11	16.35	24.02	26.60	29.45	32.28	35.68	40.19
APPLICATION OF FUNDS								
Net Block	1.47	1.43	2.43	2.43	1.93	2.19	2.44	2.74
CWIP	0.02	0.04	0.07	0.01	0.02	0.02	0.02	0.02
Goodwill	6.60	6.98	14.98	17.07	16.25	16.25	16.25	16.25
Investments	0.41	0.11	0.13	0.17	0.17	0.17	0.17	0.17
Other Non-current Assets	0.23	0.46	0.36	0.66	0.44	0.54	0.62	0.70
Total Non-current Assets	8.72	9.02	17.96	20.34	18.81	19.18	19.51	19.89
Cash & Equivalents	8.06	7.82	2.64	4.59	6.22	9.06	11.92	15.33
Debtors	3.75	4.36	5.07	5.61	7.38	6.93	7.92	8.95
Other Current Assets	1.89	2.98	4.69	5.23	4.66	5.94	6.39	7.23
Total Current Assets	5.64	7.33	9.76	10.84	12.04	12.86	14.31	16.19
Creditors	0.31	0.33	1.83	2.20	2.56	2.84	3.27	3.69
Other Current Liabilities & Provns	7.01	7.49	4.51	6.97	5.07	5.98	6.79	7.53
Total Current Liabilities	7.32	7.83	6.34	9.17	7.63	8.82	10.06	11.22
Net Current Assets	(1.67)	(0.49)	3.42	1.67	4.41	4.04	4.25	4.97
TOTAL APPLICATION OF FUNDS	15.11	16.35	24.02	26.60	29.45	32.28	35.68	40.19

Source: Company, HSIE Research

Consolidated Cash Flow

YE March (INR bn)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Reported PBT	3.39	4.48	4.27	3.86	4.59	5.36	6.41	7.34
Non-operating & EO Items	(0.05)	(0.07)	(0.05)	0.32	0.01	(0.30)	(0.31)	(0.33)
Interest Expenses	0.08	0.08	0.25	0.44	0.42	0.43	0.36	0.39
Depreciation	0.45	0.43	0.67	0.90	0.75	0.83	0.91	1.01
Working Capital Change	(0.53)	(1.09)	(2.62)	(0.24)	(0.63)	(0.17)	(0.29)	(0.80)
Tax Paid	(0.48)	(1.09)	(1.36)	(1.07)	(1.22)	(1.34)	(1.64)	(1.87)
OPERATING CASH FLOW (a)	2.87	2.73	1.16	4.22	3.92	4.79	5.46	5.73
Capex	(0.12)	(2.03)	(7.37)	(2.24)	(2.24)	(1.09)	(1.16)	(1.31)
Free Cash Flow (FCF)	2.76	0.71	(6.21)	1.98	1.68	3.70	4.30	4.42
Non-operating Income	2.44	0.08	0.07	0.04	0.10	0.30	0.31	0.33
INVESTING CASH FLOW (b)	2.33	(1.95)	(7.31)	(2.20)	(2.14)	(0.79)	(0.85)	(0.97)
Debt Issuance/(Repaid)	(1.05)	(0.78)	1.66	0.91	0.44	(0.50)	(0.50)	-
Interest Expenses	(0.07)	(0.05)	(0.18)	(0.31)	(0.42)	(0.43)	(0.36)	(0.39)
FCFE	1.63	(0.12)	(4.74)	2.58	1.70	2.77	3.44	4.04
Share Capital Issuance	0.08	0.02	0.03	0.00	0.00	-	-	-
Dividend	(0.14)	(0.48)	(0.57)	(0.58)	(0.59)	(0.68)	(0.88)	(0.96)
FINANCING CASH FLOW (c)	(1.18)	(1.29)	0.93	0.02	(0.57)	(1.61)	(1.74)	(1.35)
NET CASH FLOW (a+b+c)	4.02	(0.50)	(5.22)	2.04	1.22	2.39	2.87	3.41
EO Items, Others	0.29	0.26	0.04	(0.09)	0.41	0.44	-	-
Closing Cash & Equivalents	8.06	7.82	2.64	4.59	6.22	9.06	11.92	15.33

Source: Company, HSIE Research

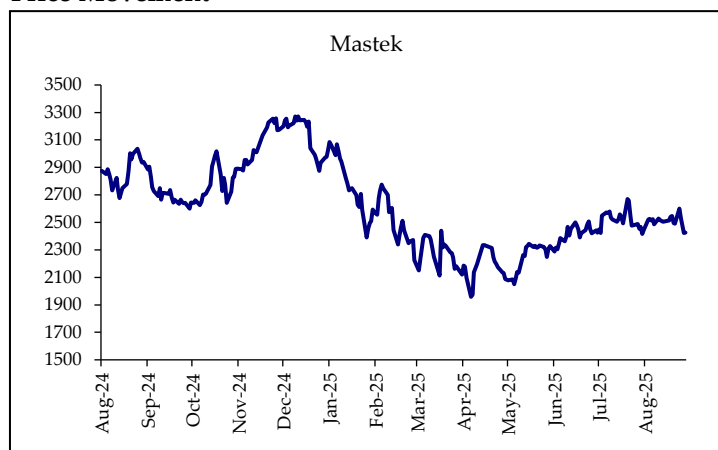
Key Ratios

	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
PROFITABILITY (%)								
EBITDA Margin	21.2	21.2	17.8	16.7	15.8	16.2	16.6	16.7
APAT Margin	12.2	13.5	10.4	10.0	10.7	10.3	10.7	10.9
RoE	25.4	30.6	19.4	16.1	16.2	15.3	16.0	16.0
RoIC (or Core RoCE)	28.6	41.5	19.0	15.7	17.2	17.8	20.7	22.8
RoCE	14.4	19.1	14.1	13.4	14.4	14.0	14.9	15.2
EFFICIENCY								
Tax Rate (%)	25.8	25.6	27.4	19.5	18.1	25.1	25.5	25.5
Fixed Asset Turnover (x)	11.7	15.3	10.6	12.6	17.9	17.7	18.2	18.3
Debtors (days)	79	73	72	67	78	65	65	65
Other Current Assets (days)	40	50	67	62	49	56	52	53
Payables (days)	7	6	26	26	27	27	27	27
Other Current Liab & Provns (days)	149	125	64	83	54	56	56	55
Cash Conversion Cycle (days)	-35	-8	49	20	47	38	35	36
Debt/EBITDA (x)	0.5	0.4	0.8	1.0	1.0	0.8	0.6	0.5
Net D/E (x)	-0.7	-0.6	0.1	0.0	0.0	-0.1	-0.2	-0.3
Interest Coverage (x)	39.5	54.6	15.7	9.4	11.2	12.8	17.8	19.1
PER SHARE DATA								
EPS (INR/sh)	73.5	96.6	86.6	96.2	116.4	126.8	151.1	172.9
CEPS (INR/sh)	89.3	110.6	108.4	124.7	140.2	152.9	179.8	204.8
DPS (INR/sh)	14.0	18.6	18.6	18.5	18.6	26.3	31.3	35.9
BV (INR/sh)	301	351	544	660	778	884	1007	1150
VALUATION								
P/E (x)	33.0	25.1	28.0	25.2	20.8	19.1	16.1	14.0
P/BV (x)	8.1	6.9	4.5	3.7	3.1	2.7	2.4	2.1
EV/EBITDA (x)	17.3	14.8	16.7	15.1	13.9	11.5	9.4	7.9
EV/Revenues (x)	3.7	3.1	3.0	2.5	2.2	1.9	1.6	1.3
OCF/EV (%)	4.6	4.0	1.5	5.5	5.2	6.6	7.9	8.7
FCF/EV (%)	4.4	1.0	-8.2	2.6	2.2	5.1	6.2	6.7
FCFE/Mkt Cap (%)	2.4	-0.2	-6.3	3.4	2.2	3.6	4.5	5.3
Dividend Yield (%)	0.6	0.8	0.8	0.8	0.8	1.1	1.3	1.5

Source: Company, HSIE Research

Mastek: Company Update

Price Movement



Rating Criteria

BUY: >+15% return potential
ADD: +5% to +15% return potential
REDUCE: -10% to +5% return potential
SELL: > 10% Downside return potential

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