



A New Age of Insurance: *Speed to Value*

2017 ANNUAL REPORT

 **MAJESCO**
www.majesco.com



FORWARD LOOKING STATEMENTS

Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We have tried wherever possible to identify such statements by using words such as anticipate, estimate, expect, project, intend, plan, believe and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Ketan Mehta
Co-Founder and CEO
of Majesco

A Message from the CEO of Majesco

Dear Fellow Shareholders,

Fiscal 2017 was a year of transition of business model from on-premise to on-demand cloud driven model. This was the year in which we focused on supporting new and existing customer growth, enhancing our product offerings, and expanding our sales and marketing infrastructure. We continued to invest in expanding our cloud platform that is well positioned to take advantage of the significant changes underway in the insurance technology marketplace. As a result of these business trends, Majesco's total revenue grew by 9.3% in fiscal 2017. EBITDA margin witnessed substantial improvement and increased by 410 basis points from 1.3% of operating revenue for fiscal 2016 to 5.4% of operating revenue for fiscal 2017. Our cloud-based revenues continued to outperform and increased by 19.7% to Rs 158.9 crore for fiscal 2017. We expect sales of our cloud offerings will continue to grow at a faster pace, compared to other areas of our business, and we are encouraged by this shift as cloud based sales are higher-margin and recurring. The cloud model is not only an attractive business model for us, it is filling a critical need in the industry.

We continue to focus exclusively on serving the global insurance industry with core business solutions and consulting services that help modernize and bring change to Property and Casualty (P&C), Life and Annuity (L&A), and Group insurance carriers. Not unlike other industries, the insurance industry is rapidly evolving and changing. As insurance customer expectations change, so do the carriers' requirement to respond quickly with lower-risk and speed-to-value business platforms that provide the ability to innovate new products, reach new markets, create new customer experiences, and liberate different business models.

In this rapidly evolving environment, undertaking multi-year, multi-million dollar transformation programs to replace legacy systems no longer serves the need of carriers. As a result, Majesco proactively began realigning its business strategy to this market shift to focus on speed to value using our cloud based platform, Majesco CloudInsurer, which we believe will lead the next wave of innovation and investment in insurance. With our Majesco CloudInsurer platform, we have successfully partnered with over 164 clients, including existing legacy insurers, new startups or greenfields backed by existing insurers or by venture capital funds to empower their business strategies by helping them innovate, grow and transform their business models to capture the opportunities today and in the future.

During the year, I am proud that 15 clients successfully went into production with Majesco's solutions. We are delighted with our customers' success as we help to support their strategic plans for growth, innovation and market expansion. In addition, Majesco made meaningful investments to strengthen its organization, support a growing and diverse customer base, and expand the Majesco CloudInsurer platform. R&D expenditures were higher by 7.4% as compared to the prior year period, as we advanced our product roadmap for both the P&C, L&A, and Group and Enterprise solutions. We released new versions of Majesco L&A Policy, Majesco P&C Policy, Majesco Claims, Majesco Billing, and Majesco Distribution Management. We launched new products with Majesco Enterprise Data Model and Majesco Enterprise Data Warehouse.



Majesco also expanded and strengthened the company's Partner EcoSystem. During the year, we entered into a 5-year global strategic partnership with IBM to jointly offer a new cognitive, cloud-based platform to help insurance carriers worldwide create new services on IBM Cloud. The integration of IBM Cloud and cognitive capabilities with Majesco's market-leading core system for policy, billing and claims offers new, innovative products and services for insurers. I am pleased to see that the partnership with IBM has successfully kicked off the inception work with a Tier 1 insurer, specifically on a platform-as-a-service model. Furthermore, we also added 4 new partners as part of our Majesco Partner EcoSystem, including a number of InsurTech startups such as Splice, Elafriis and DropIn.

As we move into the new fiscal year, we are enthused about our strategy, the market potential of our portfolio of solutions, our cloud platform and Partner Ecosystem, and our expanding partnership with IBM around cognitive, core and cloud that help us differentiate our value proposition for current and prospective customers.

We expect momentum in our cloud business will remain strong as we take advantage of the shift underway in insurance software. We also expect to see improvement in non-cloud business as demand increases for Majesco's data and digital solutions. As a result, I expect Majesco will experience a reacceleration in growth in fiscal 2018. I am confident that we are on the right track to achieve strong, profitable growth in the years ahead. Majesco's management team and board of directors have high expectations for the company in fiscal 2018 and beyond, and I look forward to sharing our success with you in the future.

Delivering and delighting our customers today is the foundation for continued growth and success. It requires a fully engaged, highly energized, and knowledgeable staff. I'd like to thank our employees for their customer focus, teamwork and support.

In closing, we sincerely thank our customers for their confidence and trust. We will continue to direct our energy, innovation and effort to proving that their confidence was well placed.

Ketan Mehta
Co-Founder and CEO of Majesco

“We can’t solve problems by using the same kind of thinking we used to create them”

– Albert Einstein



A New Age of Insurance: Speed to Value

Over the past year, the renaissance of insurance gained momentum due to the convergence of multiple factors or “tectonic plates” that are redefining insurance. The interaction between people, technology and market boundary changes are disrupting the world, industries and businesses that insurance serves. We have seen the introduction of new products, the establishment of new channels, the offering of new services, the launching of new business models, and much more. These events have created disruption and opportunity for insurers.

It is a new age of insurance. Each and every day, insurers must recommit to their business strategy and their renaissance journey. They must avoid falling into an operational trap or resorting to traditional thinking. The appetite for traditional multi-year, multi-million dollar, on-premises custom configurations has waned, all while new competitors, new business models and new products are being launched to the market in a fraction of the time and cost. In this new age of insurance, the focus is on speed to value including:

Speed to implementation – get up and running in weeks or a few months versus years

Speed to market – rapidly develop and launch new products with ready-to-use rules and tools

Speed to revenue – rapidly enable business growth with minimal upfront cost

Today's renaissance in the insurance industry shares many of the same characteristics as the original Renaissance. Both represent fresh beginnings brought about by new ways of thinking, new methods, new technologies, new behaviors and new resources. At no time in the history of insurance can we find one year that includes this many game-changing events and a rapid pace of ongoing advancement, including InsurTech which was at the forefront of this shift.

InsurTech became mainstream in 2016. Majesco took an active leadership role through our engagement with industry accelerators, partnerships with InsurTech startups, original research and thought leadership. Conversations around InsurTech grew. The influx of capital advanced the proliferation of startups and Greenfields based on new technology capabilities and business model disruption. It was and is an unprecedented, industry-wide wave of innovation. Even S&P recognized the impact of InsurTech as having "a complementary place in the traditional insurance world, despite remaining uncertainty in the industry about how it will function on a wide scale."

As a result, discussion surrounding InsurTech and the industry shift filtered into the boardroom of every insurer and reinsurer. Their collective desire was to understand the shift and develop strategies to respond, underpinned by a new focus on "speed to value" which favorably positions and differentiates companies in a shifting market of change and disruption.



Majesco Insights: Leadership in a Time of Change

Majesco market leadership in InsurTech, engages the community, and provides research and insights to help the industry and our customers understand, plan and respond. Majesco's Future Trends Framework (Diagram A) was expanded to include six new trends (impacts of economic conditions, psychology/behavioral economics, pay-as-you-need insurance enterprise, platform solutions, InsurTech and competition for talent and capital), reflecting a year of innovation, change and disruption that is gaining momentum.

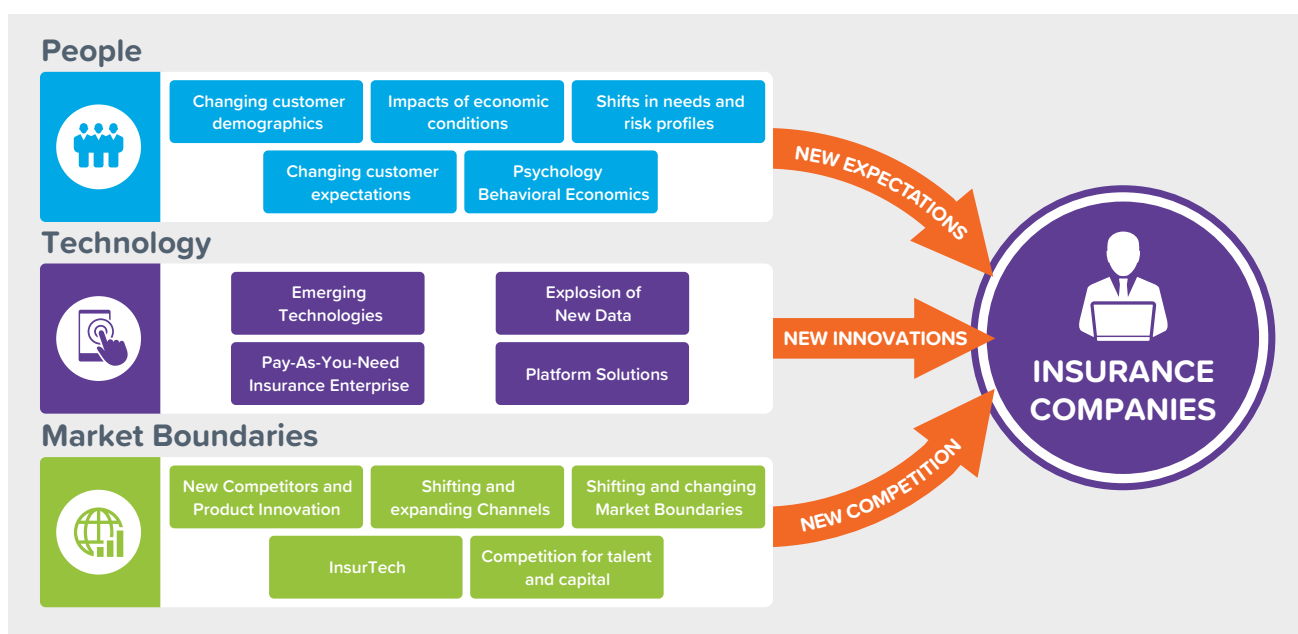


Diagram A

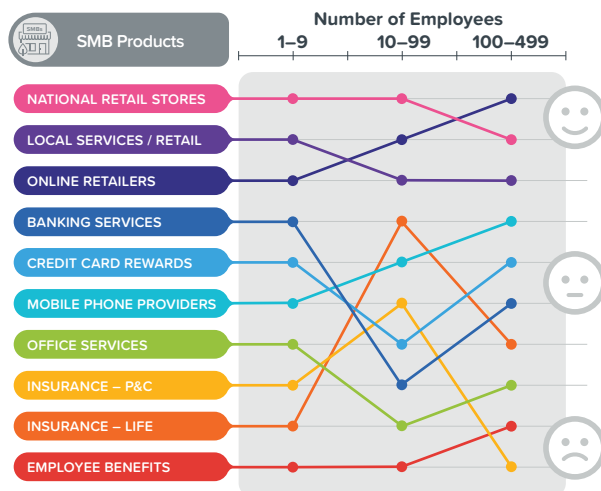


Diagram B

One of the key trends, changing customer demographics, was explored in our primary consumer and small-medium business Majesco research, **The Rise of the New Insurance Customer and The Rise of The Small-Medium Insurance Business Customer – Shifting Views and Expectations: Is Your Business Ready for Them?** We found that new capabilities enabled by technology are providing an opening for new market entrants to target one of the industry’s most critical vulnerabilities – its complexity. When evaluating the customer journey against other businesses that are setting the new bar for customer engagement and experience, we found the insurance experience at the bottom for both consumers and businesses, reflected in Diagram B.

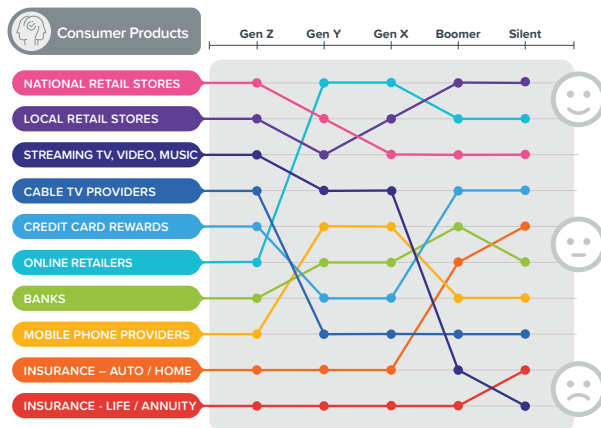


Diagram C

Furthermore, we found significant generational trends that are impacting consumer demand. Consumers across several generations are actively using or engaging in activities that represent new expectations and risks for the insurance industry. The results for Gen X, Millennials and Gen Z reflect a growing momentum and participation across multiple areas. Many small-medium businesses (SMBs) with owners in these generational groups, are also already impacting the insurance industry by creating volumes of new data, presenting new risks, and creating new, heightened expectations for offerings and experiences by customers.

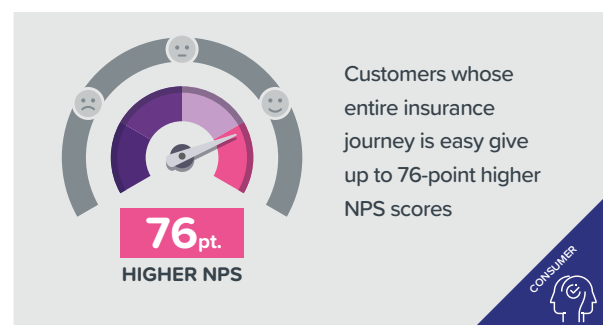


Diagram D

As a result, simplifying a customer’s *entire* journey with a company is more critical than ever for insurers. Majesco’s research demonstrated that Net Promoter Scores (NPS) are up to 76 points higher for consumers who say all aspects of their insurance journey (researching, buying, servicing) were easy, compared to those who said even one aspect of the journey was not easy. For the two larger SMB segments, that swing was even larger, ranging up to 80 points higher, reflected in Diagram E. This is why Majesco’s focus on customer journeys is so strategically important for our customers.

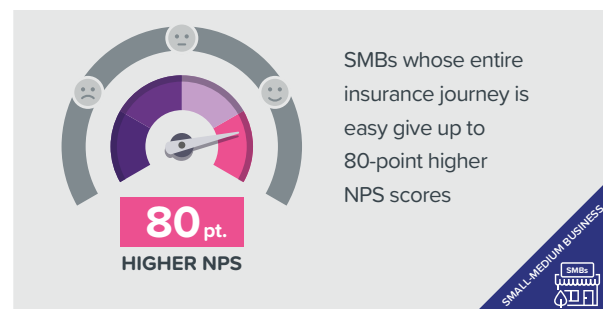


Diagram E

INSURANCE MARKET SHIFT: REWRITING THE RULES OF THE FUTURE

We are in the midst of a market shift that is pushing a sometimes slow-to-adapt industry by challenging the traditional business assumptions, operations, processes and products of the last 50+ years. Just like the tectonic shift millions of years ago that separated the two great continents, we are seeing a similar shift due to the digital age for insurance (Diagram F). The shift is separating the insurance business models of the past 50+ years that have been based on the business assumptions, products, processes, channels of the Silent and Baby Boomer generations from those of the next generation, the Millennials and Gen Z, as well as many in Gen X. This shift indicates that the business models of the past will not meet the needs or expectations of the future.

Building these new business models will continue to intensify. Majesco is increasingly working with existing insurers and reinsurers who are taking new paths to capture the next generation of customers and position themselves for growth and sustainable agility across the new insurance landscape. Because new competitors don't play by the traditional rules of the past, insurers need to be a part of rewriting the rules for the future. There is less risk in a game where you write the rules.

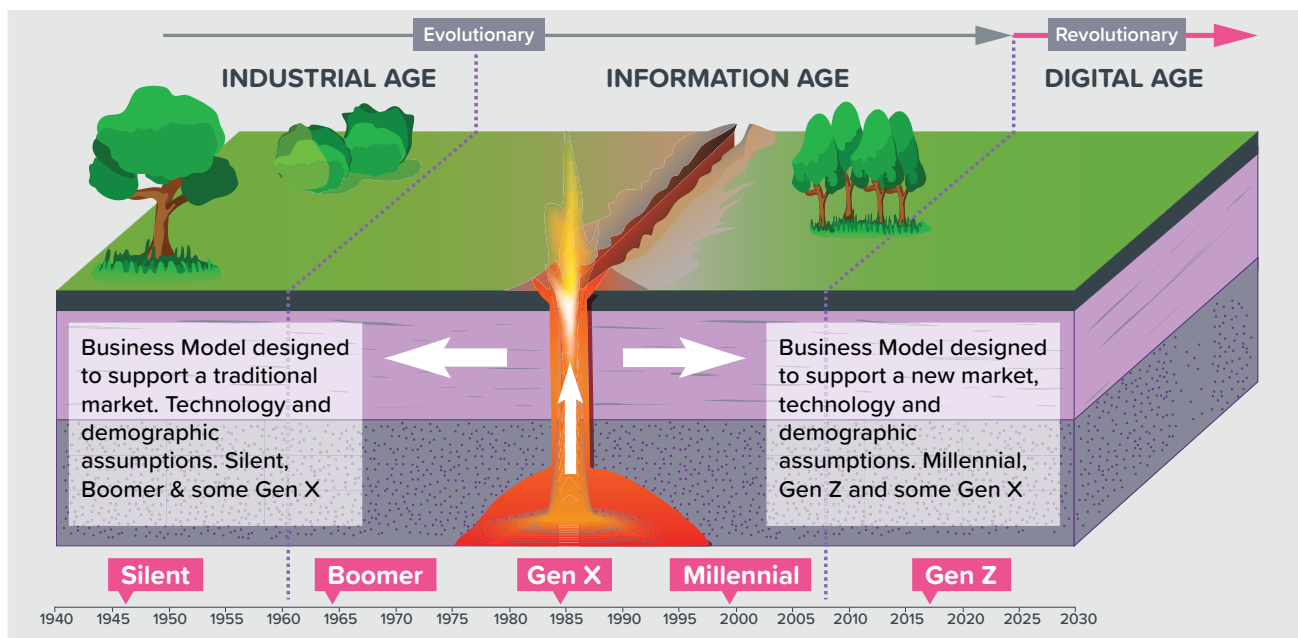


Diagram F

Accelerating the Path Forward

Most organizations cannot simply flip off one switch (traditional business model and products administered on traditional systems) and flip another on (new business model and products on modern, flexible systems that will handle digital integration and better data acquisition and analysis). So, the shift will require steps that will operate as both a bridge and a proving ground — keeping a traditional system operational as a firm foundation while a new foundation is being constructed. This will require insurers to know, plan and execute across these three different paths. Majesco is aggressively accelerating its ability to lead insurers along these paths with the company's growing portfolio of solutions.

KEEP AND GROW EXISTING BUSINESS, WHILE TRANSFORMING AND BUILDING NEW BUSINESS.

This is crucial. The current business is funding the future and needs to be kept running efficiently and effectively as the market shifts. Whether replacing legacy systems, upgrading existing systems or helping insurers manage their systems efficiently and effectively, Majesco actively supports this path through Majesco's core insurance software and consulting services.



Kendall Jones, COO of ProAg on their Renewal for Majesco Application Development and Maintenance Services:

“Majesco has been a great partner with ProAg, helping us continue to deliver on our dedication to quality and service that enhances our business relationships with our customers and agents. Our leadership position in the specialty insurance of crop insurance, is based on our foundation of integrity, loyalty, and customer service. Majesco exhibits those qualities on behalf of ProAg in the daily work they do. We appreciate the strategic relationship and look forward to an exciting next three years.”



Ann West, Director of IT at The IMT Group on selection of Majesco Billing Upgrade:

“IMT's commitment to high-touch experience is a key reason for our selection of Majesco Billing. As a recognized leading billing solution in the market, along with implementation in the Cloud, we will be able to bring innovative new capabilities to our agents and customers to meet their increasing demands and expectations. Majesco Billing serves as a part of the foundation of a new digital experience using cutting edge technology and our commitment to excellence.”



OPTIMIZE THE EXISTING BUSINESS WHILE BUILDING THE NEW BUSINESS.

A customer engagement improvement is ALWAYS an improvement. Any process that can be optimized on the traditional side will help to maximize the existing business, reduce the cost of doing business, and provide a bridge from the past to the future.

Optimizing new, modern systems, enhancing the customer experience with a digital solution or optimizing the business with new data insights, Majesco also actively supports this path through our core insurance software and consulting services.



Scott Berlin, Senior Vice President, New York Life on Selection as Celent Model Insurer for the Digital and Omnichannel category for their implementation of Majesco DigitalConnect and Majesco Rating, for their Group Membership Association Division:

“We are honored to be recognized for the Digital and Omnichannel Celent Model Insurer Award. Providing best-in-class service with an exceptional customer experience are crucial in today’s digital marketplace. We look forward to continuing our partnership with Majesco to deliver enhancements to this digital platform, which can exceed our clients’ expectations.”



Peter Klope, COO at Clear Blue Financial Holdings on implementation of Majesco DigitalConnect and Majesco Data Services for an MGA Partner Portal and Operational Data Store:

“As a new start-up focused on distributing through key MGAs, our ability to leverage Majesco’s robust data offerings to rapidly enable our program business growth was a critical factor in the selection. Our primary goal for storing and managing data from our distribution channel to provide high quality data services and analytics back to our producers and reinsurers was achieved using Majesco’s solutions that provide the capability of accepting and processing program administrators (MGA’s) and to submit electronic files of their business transactions. We look forward to collaborating with Majesco on this initiative and developing a long-term partnership.”



Mary Ellen Freyermuth, Director of IT at Catholic Mutual Group on Majesco Billing Upgrade:

“Our long-term strategic partnership began with Majesco in 2007 with the initial implementation of Majesco Billing. Majesco’s commitment to continuous investment in new capabilities that meet the rapidly changing demands and needs of our customers was a key consideration in our selection of Majesco. The new platform provides CMG with enhanced capabilities that will strengthen our customer engagement at the most frequent touchpoint. The success of this upgrade reinforces the decision we made nearly ten years ago. We look forward to many more years in our partnership with Majesco.”



DEVELOP A NEW BUSINESS MODEL FOR A NEW GENERATION OF BUYERS.

A strategy for a new business model that supports simultaneous leaps forward will create new customer engagement experiences underpinned by innovative products and services will create growth, competitive differentiation and success in a fast-changing market dynamic.

Majesco CloudInsurer is a pay-as-you-grow insurance enterprise platform. It is an affordable launchpad of choice for a broad range of insurers. Greenfields, start-ups and incubators for new venture capital backed insurers, existing insurers for mid-market and tier one insurers can all find compelling value in Majesco CloudInsurer. For those seeking speed to value from launch through growth, and for those wanting to capture a new generation of buyers (both consumers and businesses) there is a clear advantage to be gained by utilizing Majesco's cloud-based enterprise solution.



John Cross, Managing Director of Glemham Underwriting Limited, a UK-based Managing General Agent (MGA), on Implementation of Majesco CloudInsurer as the Foundation of their New Cloud Based Bureau Processing Business:

“We are excited to have our newest Internet related businesses up and running, leveraging the Majesco CloudInsurer platform. On full roll out, the new bureau business is expected to enable significant reduction in the cost of transacting general insurance in the UK market by reducing operational processing expense ratios by up to 12 percentage points. The platform will deliver Net Rated products to all distribution channels, supporting full cycle processing across the Internet. We believe Majesco is, as anticipated, proving to be a great strategic partner as we grow our business.”



Victor R. Rios CEO of One Alliance on Selecting Majesco Policy for P&C:

“As a fresh start-up, One Alliance will offer a wide range of new commercial products. Majesco's successful track record in the Puerto Rican market and with other start-ups and Greenfield insurers were key factors in the selection. Majesco Policy's robust pre-built content and ISO products are designed to lower implementation risk and cost while significantly increasing speed to market. We are excited about our potential together as long-term partners.”

The New Age of Insurance and Majesco

Industry disruption will continue to be mind-boggling and exciting. Those that can aggressively follow the three paths will rise above those who are merely surviving in an increasingly competitive industry. They will become the new leaders of a re-imagined insurance business. Majesco is focused on leading this effort with our customers, positioning them to be the next generation of market leaders in the new age of insurance.

AGILITY: ADAPT WITH EASE

INNOVATION: REIMAGINE THE POSSIBILITIES

SPEED: RAPIDLY SEIZE OPPORTUNITIES



Majesco Partner EcoSystem – Widening Our Reach to Accelerate Speed to Value

A key to the future in this new era of insurance is a robust partner ecosystem that enhances and extends our insurance solutions to enable innovation and speed to value. Our Majesco Partner Ecosystem provides access to market leaders and InsurTech technology disruptors to provide differentiating capabilities for our customers.

IBM

IBM and Majesco's strategic partnership jointly offers a new cognitive, cloud-based platform to help insurance carriers worldwide create new services on IBM Cloud. The global partnership is expected to provide clients with significant benefits that speed the development of new customer services with predictive data analytics to help insurance providers bring new solutions to their clients. It is part of IBM's Industry Platforms business formed to build open industry platforms and the first comprehensive "as a service" solutions designed from the ground up for individual industries.

Symcor

The strategic partnership between Symcor Inc. and Majesco will combine Majesco core insurance software with Symcor's cloud and outsourcing capabilities to provide an Insurance as a Service (IaaS) solution to Canadian Property and Casualty, Life and Annuity and Group insurers.

InsurTech Partners

As a key part of the Majesco CloudInsurer offering we are working with InsurTech partners with solutions, data and content that are pre-integrated and extend Majesco Solutions to provide leading edge, unique and innovative capabilities. During 2016, we partnered with DropIn, Splice, Elafris, eGain, iSign, Appulate, Cybersource, Fusion, Elagy, InvoiceCloud, Life.io, and Terrene Labs — many of which are recognized as leading InsurTech start-ups.



“IBM is making a strategic shift to unlock new value for clients through platform solutions -- industry by industry -- that combine IBM Cloud, our cognitive capabilities, new offerings we’re building and the specialized capabilities of ecosystems providers. Our insurance clients are facing huge pressures to modernize their business models to respond to market changes with agility, keep pace with the explosion of data, transactions, regulatory requirements, and deliver a differentiated experience for connected customers and eco-system partners. This partnership with Majesco will enable our clients to accelerate their digital transformations, transition to a cost effective, capital light operating model, and allow them to discover new insight in the data flowing through their existing processes.”

— Sandip Patel
Global Managing Director
Insurance Industry, IBM Corporation

About Majesco

WHO WE ARE?

Majesco is a global provider of core insurance software and consulting services for insurance business transformation. Insurance business transformation is a journey of change and revitalization, a renaissance of insurance.

For over two decades, we have combined our market leading solutions, people and market expertise to drive business impact and competitive advantage. Approximately 150 insurance companies worldwide in P&C, L&A and Group/Employee Benefits are transforming their businesses with Majesco’s solutions. Our market leading software and consulting services uniquely underpin the entire insurance value chain and are designed to empower insurers with the agility, innovation and speed needed to meet their transformation opportunities. Majesco’s solutions include policy management, new business/underwriting, rating, billing, claims management, distribution management, BI/analytics, predictive modelling, digital platforms for mobile and portal use, testing services, cloud services, bureau and content services, transformation services, consulting services and more.



Connie Rose, Chief Strategy Officer of Symcor, said that the strategic relationship offers Canadian insurers a cloud-based end-to-end solution that addresses the entire insurance value chain. “We strongly believe this platform uniquely positions Symcor to deliver a comprehensive offering that will enable our insurance clients to enhance the efficiency and improve the functionality of their operations. With the support of Majesco and its products, the Symcor Insurance as a Service offering will bring quantifiable value as well as strategic and operational agility to Canadian insurers.”

WHAT DO WE DO?

Majesco serves just one industry – Insurance. Our software, services and consulting provide the industry with market leading solutions. With the pace of change and disruption in the insurance industry, business transformation is more critical than ever. It also makes aligning technology with business strategies increasingly complicated and difficult. Majesco has honed years of insurance industry experience and forward-looking thought leadership into disciplined, yet highly innovative thinking and approaches to help insurers successfully plan and navigate their business transformation journey. We use deep business and technology expertise to create meaningful strategic and operational impact for insurance companies, from customer engagement, products and services, to business models and operational processes, to revenue and profitability.

WHY MAJESCO?

Insurers clearly recognize that the insurance industry is changing and that they need to adapt to enable growth and remain competitive. In this new landscape, modernizing legacy systems provides the “table stakes” foundation to enable innovation and speed to market for new products, channels, and processes, in response to fast changing customer expectations, needs and risk profiles. Today’s new market paradigm requires a modern foundation with expanding digital and data capabilities, enabling an insurance renaissance.

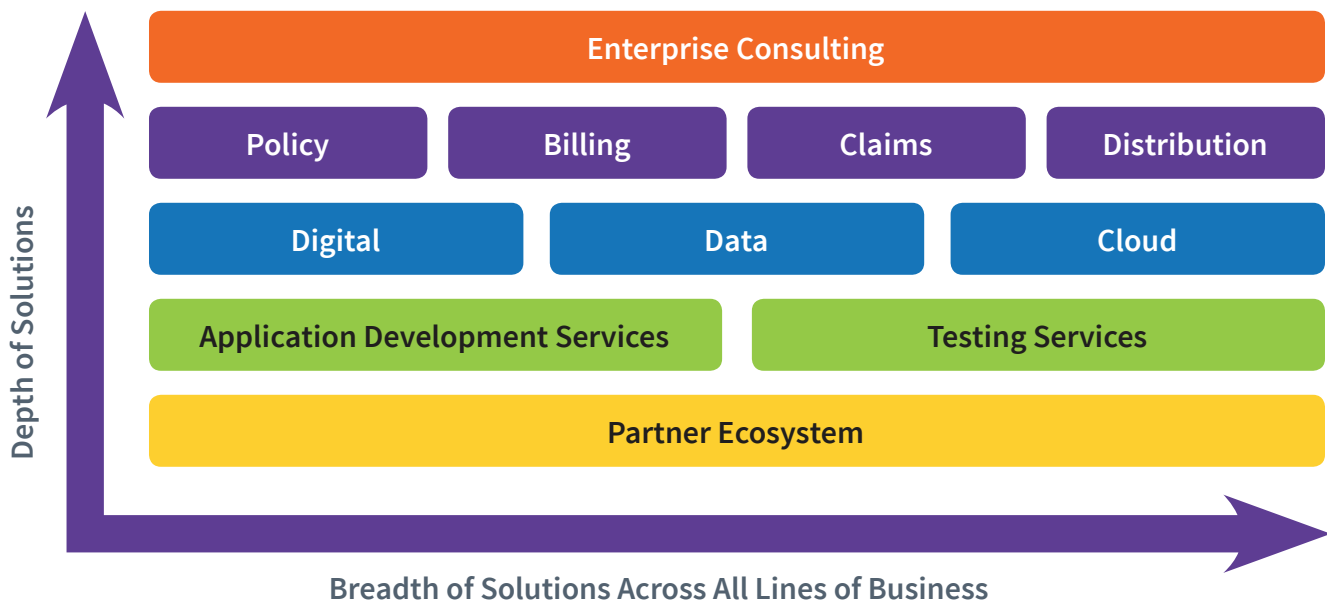
Majesco provides this modern foundation through our depth and breadth of offerings, our robust software product suite and our industry leading cloud solutions. With a focus on client centricity through a single point of accountability, we build long-term relationships with our customers.



“Insurers struggle with truly leveraging enterprise level with data due to inaccessible data formats or a lack of trust in the underlying data quality and semantics. Insurance specific data solutions like Majesco Enterprise Data Warehouse and Majesco Enterprise Data Model enable carriers to aggregate their policy, billing and claims data into a powerful single source which they can trust. This allows them to rapidly create the crucial foundation for their data mastery journey.”

— Martina Conlon
SVP at Novarica

Majesco Solution Portfolio



Leadership Team



Ketan Mehta

Ketan Mehta has served as President and Chief Executive Officer of Majesco, as well as a member of Majesco's Board of Directors, since 2000. Ketan co-founded Mastek Limited ("Mastek") in 1982 and has served as a member of Mastek's board of directors since the same year. During his tenure of over 32 years with Mastek, Majesco and its affiliates, Ketan has handled multiple functions including sales, delivery and general management. Ketan envisioned and executed an insurance focus for Majesco including acquisition and integration of four insurance technology companies over the last 9 years. Prior to that, Ketan also spearheaded Mastek's Joint Venture with Deloitte Consulting. Ketan holds a Management Degree from the Indian Institute of Management, Ahmedabad.



Ed Ossie

Ed Ossie serves as the Chief Operating Officer at Majesco since January 2015. Ed has over 30 years of international experience leading and serving high-growth technology companies. Prior to joining Majesco, Ed was Vice President and Director at Corum Group, a Global M&A Advisory firm focused on the Technology segment. Before Corum Group, Ed served in a variety of roles at Innovation Group PLC from 2001-2010, including President, Executive Director and Chief Operating Officer. Prior to 2001, along with his investment partner, the Halifax Capital Group, he led the sale of MTW Corporation to Innovation Group as MTW CEO. Earlier in his career he spent several years at Texas Instruments and was Vice President for the Software Group, which grew from start-up to 1,300 people in 5 years. Ed graduated with a Bachelor of Science degree from Missouri State University.



Farid Kazani

Farid Kazani serves as Managing Director, Majesco Limited and CFO & Treasurer, Majesco U.S. He brings critical finance and organizational skills to Majesco with over 24 years of experience in the field of Corporate Finance and core competencies in strategic business planning, treasury and fund management, forex, mergers and acquisitions and divestments. Prior to joining Majesco, Farid was the Group CFO & Finance Director of Mastek Ltd. He has been the architect of carrying out the process of demerger of the insurance business into Majesco which was completed in June 2015. He was responsible for reorganizing the legal entity structure and creating the Insurance business group under Majesco U.S., completing the two acquisitions and paving the way to list Majesco on the NYSE-MKT, and the parent company, Majesco Limited on the Indian Stock Exchanges. Prior to Mastek Limited, he worked with Firstsource Solutions Ltd as CFO and also organizations such as RPG Enterprises, BPL Mobile, Marico Industries Ltd and NOCIL. He has successfully handled an IPO of \$100 million and an FCCB issue of \$275 million for Firstsource Solutions Ltd, besides independently managing brand takeovers of 'Mediker' and 'Oil of Malabar' for Marico Industries Ltd.



Prateek Kumar

Prateek Kumar is Executive Vice President & P&C Industry Leader at Majesco. He is responsible for the P&C business at Majesco. In addition, he is also responsible for acquiring new customers and deepening relationships with customers across both L&A and P&C lines of business. He has held various positions in pre-sales, sales and account management at Majesco since 2003. From 2000-2002, he worked as an IT consultant with the Exeter Group in the areas of IT strategy, planning and program management. He holds an MBA from Virginia Polytechnic Institute and State University.



Manish Shah

Manish Shah is Executive Vice President and leads the global software product division at Majesco. In this role, he is responsible for management and development of innovative software products for the global insurance business and he works on strategic directions for the company as a member of the leadership team. Prior to the merger of Cover-All and Majesco, Manish was President and CEO of Cover-All and served on its Board of Directors. Before being named CEO in July 2013, Manish was Cover-All's Chief Technology Officer and also responsible for sales and operations, including strategic planning, customer relationships and product management. Prior to joining Cover-All, Manish held several technology management positions independently and with Tata Consultancy Services for over a decade, serving a wide variety of industries including P&C Insurance. Manish earned an M.B.A. from Columbia University, and a Bachelor of Science degree in Computer Science from MS University of Baroda, India.



Chad Hersh

Chad Hersh is an Executive Vice President at Majesco. He is a frequent speaker at industry conferences including events by IASA, ACORD, PCI, LOMA, and LIMRA, as well as the CIO Insurance Summit. Previously, Chad was a Managing Director at insurance technology industry analyst firm, Novarica, where he was the primary researcher and author of market-leading reports on insurance core systems. Chad is a widely-recognized expert on the topic and has led many vendor selection projects for U.S. and international insurers. Before Novarica, Chad was with the analyst firm Celent and AIG Domestic Life / American General, where he served as the e-business director. He holds a BA in Economics and an MS in Accounting with an MIS concentration from Rice University, where he has also taught consulting and e-business.



Bill Frietag

William Freitag is an Executive Vice President at Majesco. Before joining Majesco, Bill was chief executive officer and managing partner of Agile Technologies (acquired by Majesco in 2015). Prior to founding Agile, he played a key role in the divestiture of Crum & Foster from Xerox Corporation, managing the restructuring of a \$70 million IT services corporation specializing in commercial property and casualty insurance. Bill also served as director of enterprise consulting for a \$300 million professional services firm with 4,000 professionals in seven countries. His 20 years of experience spans multiple industries, including insurance, financial services, pharmaceuticals and the public sector. He began his career as a systems engineer for RCA. Bill has a B.S. in Mathematics from Fairfield University and he attended the Executive Education program at Harvard Business School.



Ganesh Pai

Ganesh Pai is the Executive Vice President and leads the consulting services business at Majesco. In this role, he is responsible for growth, P&L management and he oversees all aspects of the business from strategy to execution. Prior to joining Majesco, Ganesh was the Vice President and Global Head of IT, Insurance Business Unit at Genpact, responsible for IT services and taking to market innovative digital and technology enabled insurance solutions. Previously, Ganesh spent 17 years at Mphasis (a Blackstone company) where he contributed significantly to their growth, playing multiple leadership roles across geographies, business units and industry verticals. At the time of leaving, he was the SVP & Global Head of Insurance, CEO of Mphasis Wyde, and a member of the executive leadership team managing a global business for software products and outsourcing services with end-to-end responsibility including financials, marketing, sales and client relationships, solution portfolio, R&D, product development, operations and service delivery. During his tenure in the company, he held several key regional and industry vertical leadership positions and was based out of Singapore, London, New York and Chicago. Ganesh holds an undergraduate degree in Electrical Engineering from Bangalore University, India, and an MBA from the University of Chicago's Booth School of Business.



Tilakraj Panjabi

Tilakraj Panjabi is Executive Vice President at Majesco leading delivery for property & casualty lines of business. Tilak has more than 26 years of experience in the IT industry. The majority of his experience is in insurance (Life, Property & Casualty and Health) and retail banking domains. Prior to joining Majesco, Tilak was country head at DST Worldwide Services for more than 7 years, managing all Indian operations. Before that, he was part of the core team that started CSC India operations. He spent more than 11 years with CSC performing various roles within large IT programs in insurance and banking. He started his career at Tata Consultancy Services as programmer and spent more than 8 years focused on software development including analysis, design, coding, testing, maintenance, production support, and more. Tilak is a post-graduate from the Indian Institute of Science, Bangalore.



Denise Garth

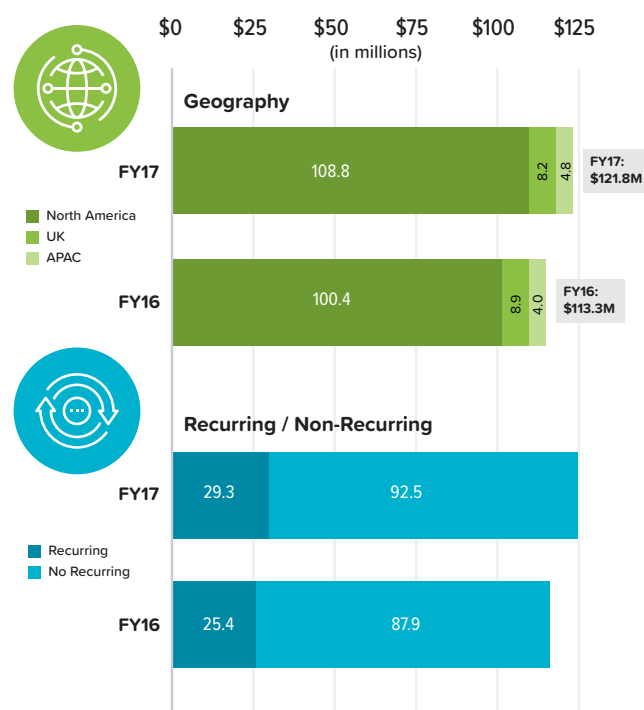
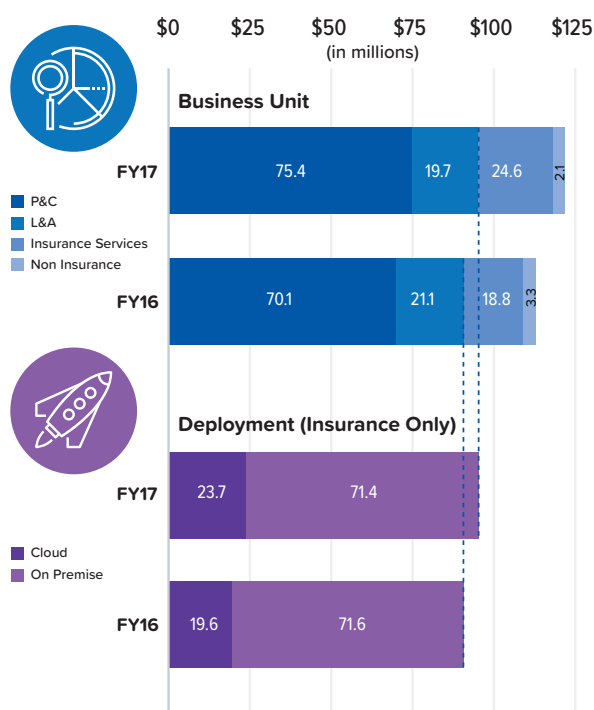
Denise Garth is Senior Vice President Strategic Marketing responsible for leading marketing, industry relations and innovation in support of Majesco's client centric strategy, working closely with Majesco customers, partners and the industry. She is a recognized industry leader with both P&C and L&A insurance experience as a CIO and business executive with deep international ties in Asia and Europe through her ACORD leadership role. Denise is an acknowledged strategic thinker, innovation leader, international speaker, and author of thought leadership and articles regarding the key issues and opportunities facing the industry today to prepare for the future. Prior to joining Majesco, Denise held business and technology senior executive roles with leading insurance companies, including Mutual of Omaha, CUNA Mutual and Century Cos. of America. At ACORD, she was vice president, standards and membership driving ACORD's international expansion and market presence. While at Innovation Group, she was EVP, strategic marketing and global head of market strategy where she re-established the company's position through market-driven strategy and solutions. Most recently she was Partner and Chief Digital Officer with Strategy Meets Action, leading the Innovation Practice evaluating emerging technologies, outside industry trends, and innovation and their implications and opportunities for the industry. Denise is a Cum Laude graduate, with a BS in Math and Computer Science from Central College in Iowa, MBA work at the University of Northern Iowa and attended various executive leadership programs.



Lori Stanley

Lori Stanley is General Counsel and Corporate Secretary of Majesco. She has served as General Counsel, North America for Majesco since July 2011 and as Corporate Secretary since December 2011. Prior to joining Majesco, Ms. Stanley was General Counsel and Corporate Secretary of Enherent Corp. ("enherent"), an information technology ("IT") provider, since April 2004, following Enherent's acquisition by merger of Dynax Solutions, Inc. ("Dynax"). From July 2002 to March 2004, she was General Counsel of Dynax, and Vice President of Human Resources and Corporate Secretary since April 2003. Ms. Stanley also served as a member of the board of directors of Dynax from September 2003 to March 2004. From November 2000 to June 2002, Ms. Stanley was General Counsel and Vice President of Human Resources for The A Consulting Team, Inc. (now known as Helios & Matheson Analytics, Inc.), an IT services and solutions provider. From July 1999 to October 2000, Ms. Stanley was the Vice President of Legal Operations and Human Resources for The Netplex Group, Inc. From January 1997 to June 1999, Ms. Stanley was General Counsel of the Solutions Division of Computer Horizons Corp. Ms. Stanley earned a B.S. from St. John's University and a J.D. from Seton Hall Law School.

Fiscal Year Revenue Comparisons

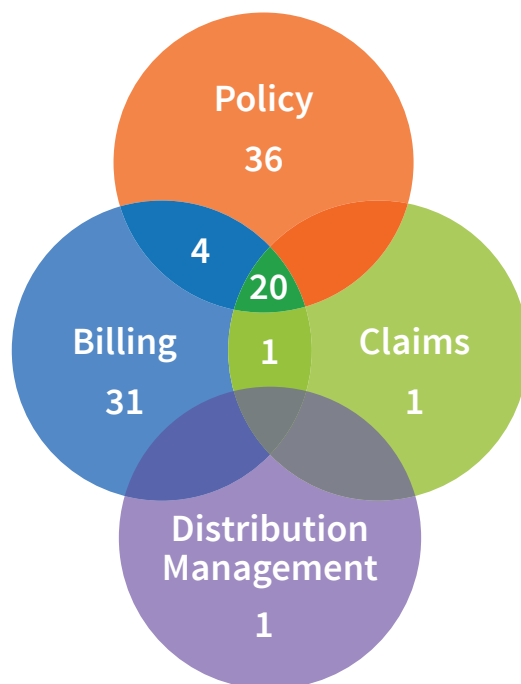


Client Concentration

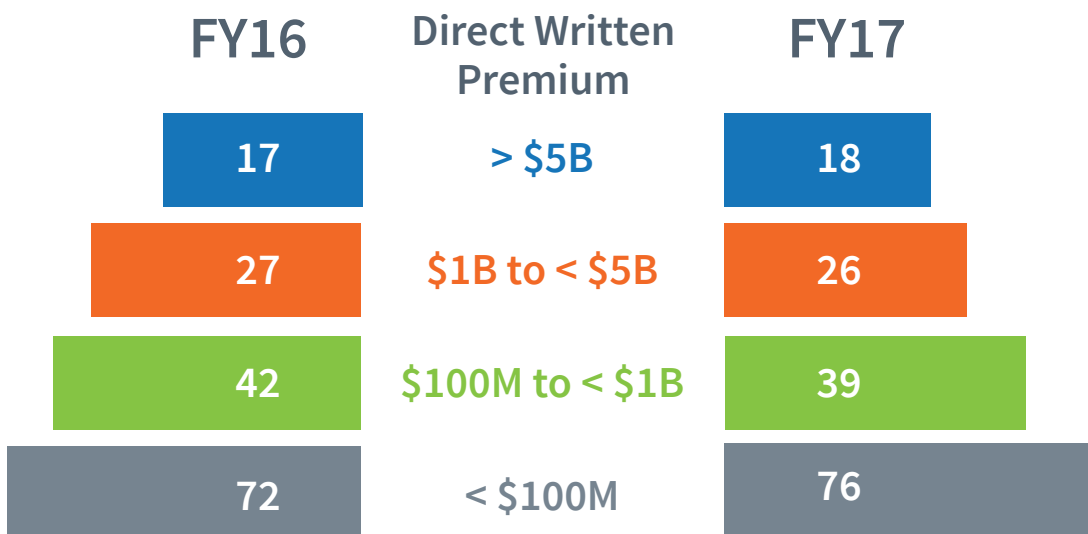
| FY16 | % |
|------------|-------|
| Top Client | 10.2% |
| Top Five | 26.5% |
| Top Ten | 40.7% |
| Remainder | 59.3% |

| FY17 | % |
|------------|--------|
| Top Client | 7.5% |
| Top Five | 27.1% |
| Top Ten | 40.9% |
| Remainder | 59.13% |

P & C - North American Customers by Solution



Insurance Customers by Tier



Business Highlights



9.3%
Revenue
Growth FY17



19.7 % Increase
in Cloud Business



164 Active
Customers
Globally



15 Successful
Customer
Implementations



Tier 1 Customer
Won Celent
Model Insurer
Award



35% Increase
Revenue for
Customer Upsell /
Cross Sell



IBM Strategic
Partnership for
Cognitive Core
Cloud Solution



- Symcor Strategic Partnership for Canada
- Expanded EcoSystem with 6 New Partners



Launched New
Products - Majesco
Enterprise Data
Model, Majesco
Enterprise Data
Warehouse

Operating Highlights FY17



P&C: 81.0%
L&A: 17.5%
Non-Insurance: 1.5%



Global Footprint
NA - 89.4%
UK - 6.8%
APAC - 4.8%



Cloud
Customers;
19.5% of Total
Revenue



R&D Spend
Increased



Total Order
Booking in
FY17



12-Month Order
Backlog as on
31st March 2017



DSO



Cash & Cash
Equivalent



Total Debt

Company Information

Majesco Group

BANKERS

ICICI Bank Limited
Yes Bank Limited
HSBC Bank Limited

COMPANY SECRETARY

Mr. Nishant S. Shirke

AUDITORS

Varma & Varma, Chartered Accountants

REGISTERED OFFICE

MNDC, MBP-P-136,
Mahape, Navi Mumbai 400 076

REGISTRAR AND SHARE TRANSFER AGENT

Karvy Computershare Private Limited,
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad,
Telangana – 500 032, India
Telephone number: +91 40 6716 2222
Fax number: +91 40 2342 0814
E-mail: einward.ris@karvy.com
Website: www.karvycomputershare.com
Majesco Limited website: www.majesco.com

LIST OF DIRECTORS

Mr. Venkatesh Chakravarty

Non-Executive Chairman and Independent Director

Mr. Farid Kazani

Managing Director

Ms. Madhu Dubhashi

Non-Executive Director, (Independent)

Mr. Ketan Bansilal Mehta

Non-Executive Director

Dr. Arun Kumar Maheshwari

Non-Executive Director, (Independent)

Mr. Radhakrishnan Sundar

Executive Director

CHIEF FINANCIAL OFFICER

Mr. Kunal Karan

MAJESCO GROUP

MANAGEMENT DISCUSSION AND ANALYSIS

Overview of Industry and Business Environment

Global Economy & IT

CY2016 continued to be a challenging year for the global economy. The year saw continued technology disruptions and political upheavals led by UK voting to leave the Europe (Brexit) and the US presidential elections. Economists are expecting the global economic activity to pick up modestly in CY2017 and CY2018.

According to Organization for Economic Co-operation and Development (OECD), the global economy grew at 3.0% in CY2016, is projected to grow at 3.3% in CY2017 and 3.6% in CY2018 driven by implementation of fiscal stimulus and structural reforms. However, subdued investments, slow productivity growth across emerging markets and developing economies; increased policy uncertainty, protectionism, financial market disruptions, sharp currency movement and weak consumer demand in major advanced economies continue to weigh on growth prospects in CY2017. The United States (U.S) economy grew at 1.6% in CY2016, is projected to grow by 2.4% in CY2017 and by 2.8% in CY2018. The UK economy continued to grow at lower pace to 1.8% in CY2016, is estimated to grow at 1.6% in CY2017 and 1.0% in 2018. The euro area witnessed a growth of 1.7% in CY2016, is forecasted to grow at 1.6% in both CY2017 and CY2018. The future negotiations and policy restructuring between the Eurozone and UK will be closely monitored going forward. China grew at 6.7% in CY2016, is projected to edge down further to 6.5% and 6.3% in CY2017 and CY2018 respectively as its economy transitions from an investment-led to a consumption-led growth model. In FY2017, India grew fastest among other economies at 7.0%, is projected to grow robustly by 7.3% in FY2018 and 7.7% in FY2019, driven by the implementation of key structural reforms. Brazil economy impacted by deep recession, witnessed negative growth of 3.5% in CY2016 and expected to begin to emerge from the downturn in 2018 helped by higher commodity prices and easing inflation.

Some of the key factors that pose risks to global growth outlook and required to be managed successfully are uncertain global geopolitical issues, elections in various European countries, Brexit negotiations and resurfacing of China which have the potential to stir things up drastically in the global economy.

In this challenging environment, the economists are of view that a stronger fiscal policy response, combined with renewed structural reforms is needed to support growth and provide a more favorable environment for productivity-enhancing innovation and change.

According to Gartner, Worldwide IT spending is forecast to total \$3.46 trillion in 2017, an increase of 1.4% over 2016 spending of \$3.41 trillion. The growth rate is down from 2.7% projected earlier in December 2016 mainly due currency headwinds. By 2018, spending is forecast to exceed \$3.56 trillion, a growth of 2.9% over 2017 spending. Gartner has forecasted the global IT services

spending to grow at 2.3% in 2017, down from 3.6% growth in 2016. IT services market is expected to grow at 4.7% in 2018. India's share in the global IT spend has been increasing gradually touching the double-digit mark, 10% in FY2016 from 7.2% in FY2012.

According to NASSCOM, in CY2016 the Global IT-BPM (Information Technology and Business Process Management) market stood at USD 1.2 trillion (excl. hardware), a growth of 3.9% over CY2015. The IT services grew at 2.5% to reach USD 649 billion mainly due to increased investments in digital platform solutions such as cloud, mobility and data analytics along with consumers' acceptance to new technologies. BPM grew by 4.0% driven by increased BPaaS adoption, Robotic Process Automation (RPA) and Analytics. Global IT-BPM is estimated to increase to USD 4 trillion by CY2025, a CAGR of 3.6% for the forecast period of CY2015 – CY2025 driven by the adoption of digital technologies. India's IT - BPM industry is expected to grow approximately by 8% in FY2017 to USD 154 billion from USD 143 billion in FY2016. By FY2020, India's IT-BPM sector is projected to reach USD 200-225 billion revenue and USD 350-400 billion by FY2025. IT-BPM exports from India is expected to reach USD 117 billion in FY2017. The US and UK continued to remain leading customer markets with a combined share of nearly 80%. However, there is growing demand from APAC, LATAM (Latin America) and Middle East Asia markets.

Traditional and mature verticals like BFSI, Hi-Tech/Telecom and Manufacturing continued to be mainstay with over 75% share driven by the digitization and Industry 4.0 initiatives; emerging verticals like Healthcare and Retail share increased as SMAC (Social media, Mobility, Analytics, Cloud) adoption across industries became all pervasive. Custom application development (CAD), IT consulting services and system integration (SI) grew driven by SMAC adoption. Commoditisation, increasing demand for cloud platform services and drop in hardware maintenance services also affected the sector.

Indian Market

The digital tsunami is reshaping Indian IT-BPM industry; India is setting itself up to be the digital transformation partner for global businesses. However, it is also facing continuous technology disruptions, global slowdown and geopolitical uncertainties due to which clients are delaying on decision making and investment processes.

In a year of moderate global growth, the Indian IT-BPM industry is projected to grow at 8.0% (in constant currency) to reach over USD 154 billion in FY2017, up from USD 143 billion in FY2016. The IT-BPM exports from India is expected to reach USD 117 billion in FY2017, a 7.6% Y-o-Y growth. India's domestic IT-BPM market is expected to grow 8.5% Y-o-Y to reach USD 38 billion (excl. ecommerce). IT services segment has 52% share followed by BPM and ER&D and packed software (19% share for each). IT services grew at 11.4% to

reach USD 15.2 billion driven by IS outsourcing, cloud services and increasing adoption from all customer segments. Software products grew at 10.4% to USD 4.8 billion due to growing demand for cloud based solutions. eCommerce market grew at 19% to USD 33 billion in FY2017 from USD 28 billion in FY2016, the key factor being the relentless drive towards cashless economy, further spurred by the government's recent demonetisation program. The industry's contribution to India's GDP was 7.7% in FY2017. India ranks among the top five countries in terms of digitalization maturity as per Accenture's Platform Readiness Index, and is expected to be among the top countries with the opportunity to grow and scale up digital platforms by 2020.

The rapid adaptation to digitization, increased consumerisation of India's economy, coupled with a pervasive Government digital agenda, rapid advancement in technology infrastructure (SMAC) and increasingly competitive Indian organizations are key drivers for increased technology adoption in India.

Gartner has forecasted that the Indian government is expected to spend USD 7.8 billion on IT spending in FY2017, an increase of 9.5% over FY2016. The Government spending on IT services is estimated to total USD 2,093 million in FY2017, a 15% increase from FY2016. The software segment spending is expected to grow 15.7% in FY2017 to reach USD 1 billion. The governments investments in digitization, infrastructure improvement, implementing technology in healthcare, manufacturing and agriculture sectors is expected to provide an opportunity of around USD 5.9 billion to the IT services sector. The e-governance agenda of reforming government through technology by enabling customer services, providing electronic delivery of services through e-education, e-healthcare etc is expected to be a major demand driver. Digital technologies forecast to propel the addressable market for global technology services to USD 4 trillion by 2025.

The Indian insurance market is a huge business opportunity waiting to be harnessed. The total market size of the insurance sector in India is projected to touch US\$ 350-400 billion by FY2020. India currently accounts for less than 1.5% of the world's total insurance premiums and about 2% of the world's life insurance premiums despite being the second most populous nation. The country is the fifteenth largest insurance market in the world in terms of premium volume, and has the potential to grow exponentially in the coming years. According to Gartner, the IT spending by Indian Insurance sector is expected to increase by 9.1% to ₹150 billion in FY2017 over FY2016. Wages growth and increased competition for skills in the market is driving increased costs for insurers – and opportunity for IT services providers. Cloud computing has the potential to provide significant benefits within the property and casualty (P&C) insurance industry. P&C insurers are increasingly adopting cloud services to gain operational flexibility and generate costs savings, but most P&C insurers lack a holistic cloud strategy to fully reap the business potential of cloud computing. Deploying a mix of cloud services delivery models across the value chain can benefit P&C insurers by helping to address customer data privacy/

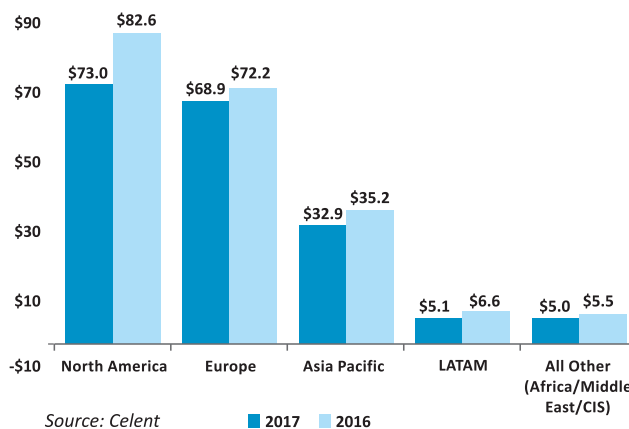
security and compliance concerns—making cloud computing one of the top technology priorities for P&C insurers.

According to Gartner's latest report, the worldwide public cloud services market is projected to grow at 18% in CY2017 to total USD 246.8 billion, up from USD 209.2 billion in CY2016. The highest growth to come from cloud system infrastructure services (IaaS), which is projected to grow 36.8% in CY2017 to reach USD 34.6 billion. Cloud application services (SaaS) is expected to grow 20.1% to reach USD 46.3 billion from USD 38.6 billion in CY2016. The report further says that the overall global public cloud market is entering a period of stabilization, with its growth rate peaking at 18% in CY2017 and then tapering off over the next few years. Gartner predicts that through CY2020, cloud adoption strategies will influence more than 50% of IT outsourcing deals.

Insurance Industry – P&C (Property and Casualty)/ L&A (Life and Annuity) Market

Nimble is the new normal in CY2017 as the environment in which the insurance industry operates is constantly changing, and that pace of change seems to be getting faster all the time.

Global IT Spending by Insurance Companies (US\$ Billions)



According to Celent, global insurance IT spending is estimated to reach to USD 184.8 billion in CY2017 and USD 208.1 billion in CY2018. Three overarching trends - digitalization, data analytics, and legacy and ecosystem transformation are dominating investments. Different geographical markets are at different states of maturity. Developing markets remain aggressive in their focus on new platform acquisition and technology in support of sales distribution. More mature markets are characterized by agendas of digital transformation and modernization.

According to Moody's, the global P&C and L&A insurance industries have stable outlooks for 2017, as premiums are expected to grow in line with economy while pricing and investment to remain headwinds. In P&C insurance, the rating agency expects strong growth in emerging markets, despite subdued economic environment. In L&A insurance, profitability is expected to be supported by an intensifying shift in product mix, offset by continued low interest rates. For P&C insurers, a key sector strength remains the mandatory nature of major lines such as auto, home

and commercial property. The key challenges for the P&C sector as being natural and man-made catastrophes, coupled with pricing/reserving for long-tail lines.

In this volatile atmosphere, P&C insurers are prioritizing expense reduction and efficiency enhancement as they manage the fallout from falling insurance rates and rising profitability measures, particularly in commercial lines of business. L&A carriers are also facing similar challenges, given ongoing investment income challenges for most carriers. In addition to macroeconomic, social, and regulatory changes likely to impact the industry, insurers are coping with longer-term, game-changing technology trends such as increased connectivity among household and workplace devices, the development of autonomous vehicles and the rising threat of cyber-attacks. To keep up with these challenges—which can be viewed as both threats and opportunities for growth—insurers are looking to adapt their core systems and business models.

In 2017, P&C insurance industry is expected to face ongoing uncertain economic challenges and technology disruption. The U.S. P&C insurance industry is at an inflection point. The economic engine for growth in U.S is sputtering with little support for an industry plagued by shrinking investment incomes, escalating claims cost and rising regulations. At the same time, advanced technologies and the growth in InsurTech are raising the consumers' expectations for greater innovation and revising traditional P&C Insurance models. The IoT, telematics, automation, artificial intelligence and data analytics have potential to transform industry fundamentals and redefine the nature of risks.

Insurance industry in general in very conservative and often look innovation with skepticism. A major growth impediment for the entire insurance industry is legacy systems. Many carriers are still running on systems that are 15 to 25 years old that cannot keep up with current evolving business demands. Over past few years, the insurance industry has experienced a new wave of modernizing or replacing policy administration, billing, and claims systems as insurers continued to embrace technology to enhance business operations and opportunities. InsurTech companies and other technology providers envision ways to bring innovation and disruption to the insurance industry. As the adoption of InsurTech innovation has increased, the level of competition among traditional insurance players, established technology companies, greenfields and startups have intensified. Traditional insurance players need to invest or impactfully innovate to not be left behind as the technology players continue to accelerate solutions applicable to the insurance sector. Insurers/groups which yet to have advanced contingency plans in place are reviewing their options urgently while those insurers/groups which already have advanced contingency plans in place are looking to decide when to start the implementation of new technologies. Insurers are also required to restructure their operations significantly to ensure to cope up with changing environment.

Broadly speaking, the insurance industry is looking to leverage cloud, data and analytics to grow bottom line profits. Insurers

are investing in internal data and systems capabilities to yield information advantage, improve decision-making capabilities, and streamline business processes such as underwriting, claims, and risk management and compliance. In addition, in an effort to become more customer centric, insurers are in the process to build an agile IT framework that would leverage technologies such as mobile, analytics, and cloud computing. Many insurers have aggressive plans to develop mobile tools for agents and intermediaries that can lead to product innovation, faster time to market, enhancing distribution channels, and improving sales and marketing tactics. Many CIOs are requiring an integrated service delivery model that combines technology solutions, operational excellence, and analytics-led insights.

Majesco Business Transformation Solutions

Insurance industry is facing a time of tremendous change. Today globalization, digitization, shift in economic circumstances and adoption of newer technologies across industries are changing the dynamics of business much faster than it was before. Such changes compel the insurers to change their business strategy and model leading to business transformation. But, when insurers are moving ahead to go with such changes they are facing significant challenges such as increased regulatory norms, changing customer expectations, increased price competition and declining margins. To address these challenges, insurers are moving to digital-ready infrastructures that enable a new level of real time process and interaction enabled within new business models. A well-considered technology investment plan based on personalization, workforce innovation, optimized business operations, and manage risk capabilities allows insurers to generate savings and grow revenue over the course of the digital transformation journey. Digital platforms are capable to offer customize services and offering and strengthen connections with customers. These platforms also support to gain deeper insights from data analytics, and commit to new business models to reduce risk, meet regulatory requirements, more accuracy and reduce fraud. Insurers can reduce operational costs by improving processes and increasing interactions and collaboration across the enterprise. According to Gartner study, 95% of the U.S. Fortune 1000 are expected to undertake a digital project by 2017. The study shows that while business and IT leaders know change is needed, less than 10% have achieved a clear integration between their network and digital business strategies. By 2020, every business will become either a digital predator or digital prey.

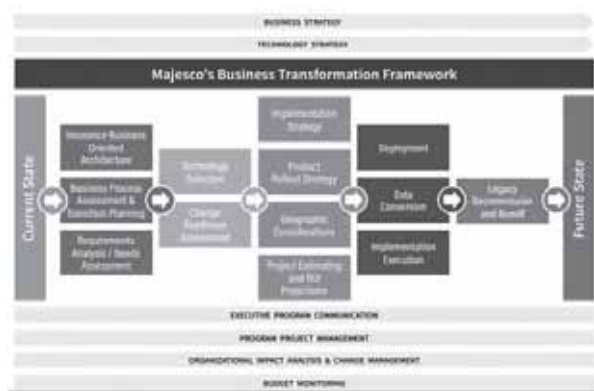
Majesco's Business Transformation Solutions addresses the entire insurance business to drive efficiency, effectiveness, optimization and innovation. Majesco enable insurers to define, manage and implement organization, process and technology changes across the enterprise.

Majesco Business Transformation brings you:

- **Knowledge:** The depth and breadth of our insurance expertise helps customers uncover the opportunities and challenges facing them—particularly those with layers of legacy

technology. Using our agile insurance business management processes, we help reduce cycle times and deliver quick-to-market solutions.

- **Transformation:** Using an informed focus on your business objectives, people, processes, technology and data, we leverage unique insurance business management processes to deliver immediate advantages to your business, while considering the implications of future technologies to ensure continued business value throughout the transformation journey.
- **Results:** Leveraging our thought leadership and experience in market dynamics, technology trends and people, we help insurers achieve tangible results and significant industry breakthroughs. Using a blended team approach with broad market experience across North America, London Market, Europe and Asia Pacific, we enable our customers to dictate – instead of reacting to – changes to the game that result in competitive advantage.



Insurance business transformation is a journey of change and revitalization, a Renaissance of Insurance. Over 150 insurance companies worldwide in P&C, L&A and Group/Employee Benefits are transforming their businesses with Majesco's solutions. The Company's market leading software, consulting and services uniquely underpin the entire insurance value chain and empower insurers with the agility, innovation and speed needed to meet their transformation opportunities head on. Majesco's solutions include policy management, new business / underwriting, rating, billing, claims management, distribution management, BI/ analytics, predictive modeling, digital platform with mobile and portal, testing services, cloud services, bureau and content services, transformation services, consulting services and more.

Company Overview

Majesco Core Software

Majesco Software for P&C, L&A and Group enables insurers' agility, innovation and speed through a combination of advanced business and technology capabilities for all lines of business on a single platform.

- **Majesco P&C Suite** - A solution portfolio built on a common configurable platform that empowers both IT and business users with a rich variety of built-in content that uniquely

enables the entire value chain including policy, rating, underwriting, billing, and claims for all lines of business that is extended with digital and data capabilities.

- **Majesco L&A and Group Solutions** - Uniquely support both individual and group /employee benefits on a single platform, enabling policy portability, with a robust policy, underwriting and new business, and billing solution portfolio that is extended with digital and data capabilities.
- **Majesco Distribution Management**- As products get increasingly commoditized, the distribution landscape is where carriers can create and sustain a competitive edge. The challenge is that new intermediaries and new distribution models with unique hierarchies and compensation requirements create even more complexity in the way distribution channels are managed. Majesco's Distribution Management enables flexibility to manage a growing array of distribution options from traditional agent to alternative channels, keeping insurers on the leading edge to reach new markets and customers by providing flexibility and innovation for onboarding, performance management and compensation arrangements.

Digital

Technology is growing with lightning speed and it is hovering around us like never before. The shift towards a digital future is inevitable. Driven by the adoption of digital technologies, NASSCOM forecasts that the total addressable market for global IT-BPM is likely to expand to USD 4 trillion by 2025. The digital technologies will have a 23% share of the IT-BPM sector by 2020 and 38% by 2025. It is expected that 80% of incremental expenditure over the next decade could be driven by digital technologies such as mobile systems, cloud-based apps, big data analytics, social media and cybersecurity while half of this incremental investments will be funded by 20 -25% reduction in legacy expenditures. To stay relevant let alone competitive, insurers can take a proactive and integrated approach to transform and bridge to a new digital world that empowers a new customer experience and relationship. Majesco Digital Services enable insurers digital transformation from strategy through implementation by helping define a cohesive digital strategy that brings together the silos, maps endless customer touch points, defines and prioritizes the projects to help achieve customer and operational benefits.

- **Majesco Digital Services** empower insurance carriers to transform and bridge to a new digital world that empowers a new customer experience and relationship, whether with Majesco core insurance solutions or another third party solution.
- **Majesco Digital Connect platform** offers a single platform with ready-to-deploy portal and mobile solutions for customers, channels, and group benefits.
- **Portal and Mobile** for customers, agents, employees and others support a wide array of business processes from quote through issuance, enrollment, billing and payments, renewals, endorsements, policy document download and claims reporting and tracking.

Data

The creation and consumption of data is continuously growing by leaps and bounds. It is exploding at an unprecedented velocity from new technologies and sources - sensors, mobile, social, voice, video and more. New analytics and smart interfaces are emerging to enhance decision making. According to IDC report the worldwide revenues for big data and business analytics is estimated to grow from USD 130.1 billion in 2016 to USD 203 billion in 2020, at a CAGR of 11.7%.

The insurance industry has entered into the enlightened and strategic age of analytics. Data and analytics consistently rank in the top three priority areas of insurance. Insurers have been masters of data for centuries. But the digital age has ushered in dramatic changes in the types and volumes of data available as well as the tools and techniques to extract insight and real business value from that data. As data and analytics become an increasingly strategic competitive differentiator, insurers need a path to accelerate their data mastery maturity to achieve business differentiation and optimization through data. Yet insurers struggle with truly leveraging enterprise level data due to inaccessible data formats, a lack of trust in the underlying data quality, inconsistent semantics, and an implementation methodology that doesn't align with today's fast paced and disruptive market. Insurance specific data solutions can provide capabilities across all areas of insurance from policy, billing, claims and distribution to gain control over compliance and governance needs. Leveraging proven and robust data models and enterprise data warehouse solutions provides insurers with a significant lift. Moreover, the flexibility that Hadoop based solutions bring to the fore lets data journey to be agile. Majesco's Data Services help carriers accelerate data and analytics initiatives for business operations such as claims, underwriting, policy and billing.

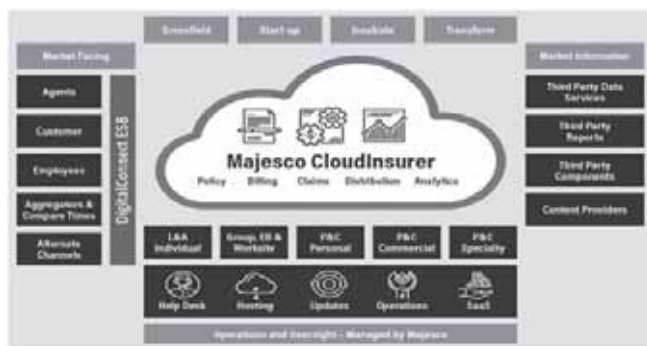
- **Enterprise Data Strategy** develops and implements a holistic vision for the data sources, architecture and governance that will empower your users to discover opportunities and optimize businesses processes.
- **Business Intelligence and Analytics** provides a robust business intel-ligence and analytics solution with 300+ standard business reports, dashboards, scorecards, KPIs for claims, underwriting, policy and billing functions.
- **Data Science/Predictive Modeling** identifies the right data to use, design an effective implementation approach, build models and deploy them into production.
- **Data Migration/Conversion** integrates data from multiple applications, including legacy systems and new, modern core systems, to realize the true analytic and predictive power of your data assets.

Cloud

According to Gartner, the global public cloud services market is forecasted to grow at 18% in 2017 to total USD 246.8 billion, up from USD 209.2 billion in 2016. The cloud system infrastructure services (infrastructure as a service [IaaS]) is projected to grow at 36.8% in 2017 to reach USD 34.6 billion. Cloud application services (software as a service [SaaS]) is expected to grow by 20.1% to touch USD 46.3 billion. Gartner predicts that through 2020, cloud adoption strategies will influence more than 50% of IT outsourcing deals. Organizations are pursuing strategies because of the multidimensional value of cloud services, including values such as agility, scalability, cost benefits, innovation and business growth. The cost effectiveness is one of the most important factor that drives the cloud services market. With the deployment of cloud services, firms can save more than 35% of the annual operating costs.

The traditional insurance product development process has been painfully slow due to many factors. When insurers look at the complexity and ineffectiveness of legacy systems, the allocation of resources to legacy modernization, the desire to have the product fully functional end-to-end and "perfect" before market introduction, they encounter a process that is dramatically mismatched with the reality of the current business environment. In today's world one cannot wait until everything is perfect before customers render their verdicts. Opportunities emerge too quickly and new competitors don't wait for perfect. A cloud insurance business platform meets the need of agility and speed with a fully-functioning, industry-proven, cost-effective, ready-to-use, quick-to-implement approach. The cloud provides clarity and simplicity to move forward, freeing executives and the business from traditional hurdles and replacing the business with not only new methods, but a new mindset. Cloud-based insurance capabilities allow insurers to creatively brainstorm ways to capitalize on new risks, innovative new products and new markets; to explore the possibilities that come when new foundations align to meet unexpected opportunities.

A new future is rapidly unfolding within a high-pressure environment that is pushing proactive over reactive business and technology decisions. Platform based business models and engaging in the ecosystems of digital partners are emerging as critical factors for business success. IDC forecasts that by 2018, more than 50% of large enterprises and more than 80% of enterprises with advanced digital transformation strategies, will create and/or partner with industry platforms. Today, insurers are continuously required to re-strategize their business transformation journey and avoid falling into an operational trap or resorting to traditional thinking. Majesco has honed years of insurance industry and cloud experience along with forward looking thought leadership into a highly innovative, out-of-the-box repeatable, scalable cloud platform. Majesco CloudInsurer is a single business platform that innovate, create and manage the products and content for all insurers from greenfields, new start-ups and incubators to mid-market and tier one insurers. It helps insurers to respond to shifting customer demands and market opportunities, and to extend business with compelling digital and data capabilities.



Majesco CloudInsurer includes:

- Core insurance software platform - Leveraging Majesco Policy for P&C, Majesco Billing, Majesco Claims.
- Data driven analytics - Leveraging Majesco Business Analytics, Majesco Data Science and predictive models.
- Majesco Partner EcoSystem - Prebuilt integration to extend Majesco solutions with unique capabilities.
- Proactive Updates - Remain current and competitive with ongoing updates for regulatory, bureau and application.
- Digital, multi-channel platform - Leveraging Majesco Distribution Management and Majesco DigitalConnect.
- Robust ready to use content - Including ISO, NCCI and others to provide pre-defined base P&C commercial, personal and specialty insurance products to jump-start the business.
- Extensive implementation and post production services - Optimize and maximize management of ongoing operations, platform, integrations and application support to maintain, expand and support your business strategies and plans.

Majesco Business Analytics

Business Analytics Market continued to grow and is expected to rise exponentially due to the enhancement of technology in this sector. MarketsandMarkets forecasts the Global Business Analytics Market to grow from USD 40,814.6 million in 2014 to USD 66,719.8 million in 2019. North America is expected to be the largest market in size, while Asia-Pacific is expected to experience an increase in market traction during the forecasted period. The growing importance of data discovery, the emergence of software as a service (SaaS) and the need for customer analytics are some of the key factors that are driving the growth of the Business Analytics market. High investment cost for implementation of business analytics solutions and reluctance in adoption of business analytics are the major restraints for the growth of this market. Today, consumers are demanding real-time data based solutions for the analyzing each and every factor influencing the business. There can be seen increase in demand for the analytics by the organizations due to the rising big data trend, rapidly changing business environment and customer preferences.



Majesco Business Analytics provides a robust solution that helps insurers uncover new opportunities to achieve competitive advantage. Majesco Business Analytics is an out-of-the-box business intelligence and analytics solution that reveals actionable insights across the insurance value chain for business users and executives through pre-built measures, dimensions, and KPIs, with flexibility for configuration, drill down, drill through, and drill anywhere capabilities.

Business Value Delivered

- **Empower Diversity of Use:** Ease of data access and use empower all areas of the organization to improve decision making.
- **Shorten Time to Insight:** Dynamic, intuitive data visualization reduces time to insight and decision making.
- **Liberate Data and the Business:** Instead of centralized IT control, users can access data and build their own reports.
- **Rapid, Deep Data Analysis:** Drill down, drill through, or drill anywhere: all of your data will be readily accessible at your fingertips at the most granular level, even across multiple data sources.
- **Proactive Intelligence:** Create real-time alerts to let you know the moment something critical happens in your business.
- **Energize Social Collaboration:** Galvanize team collaboration, knowledge and communication to strengthen decision making.
- **Ubiquitous BI and Analytics:** View your information and reports with Majesco BI's mobile app enabled on Apple and Android tables and phones.
- **Control Your Destiny, Define Your Future:** Embrace industry change with the unmatched flexibility to extend business capabilities quickly to build competitive advantage.

Majesco in North America (NA)

Majesco North America (NA) contributed around 88.4% of total revenues. Fiscal 2017 was focused on supporting new and existing customer growth, enhancing the product offerings, and expanding

the sales and marketing infrastructure. In addition, the company made further investments to create a robust and market-leading cloud platform that is well positioned to take advantage of significant opportunities in the insurance marketplace. As a result of these business trends, the North America total sales for fiscal 2017 were up 9%, while the cloud business delivered 17% organic growth. The company expects revenue from cloud offerings will continue to grow at a faster pace, compared to other areas of the business, and is encouraged by this shift as cloud-based revenue are higher-margin and of recurring nature. The cloud model is not only an attractive business model for the company, it is filling a critical need in the industry. The company is encouraged by the fact that the four of the last six platform deals were on the cloud. With accelerating focus on product and market innovation, the industry is experiencing increasing adoption of cloud based solutions. The Company is actively embracing this trend and have 30 clients on Majesco's cloud platform. The company will continue to make investments in research and development of platforms and solutions to boost future growth prospects. Majesco's delivery teams continued to focus on client program success and the company had 15 clients go live and into production with its solutions. In June 2016, the Company launched Majesco CloudInsurer, an out-of-the-box repeatable, scalable cloud platform. It is designed to provide a business platform with broad appeal for all insurers from greenfields, new start-ups and incubators to mid-market and tier one insurers. During the year, Company also launched two new solutions, Majesco Enterprise Data Model and Majesco Enterprise Data Warehouse to accelerate insurer's data journey and organizational agility..

Notable client wins during FY2017:

- In March 2017, the IMT Group selected Majesco Billing in the Cloud as their enterprise solution supporting all personal and commercial lines of business
- In March 2017, a tier one insurer selected Majesco's Consulting Services frameworks for the multi-year modernization program
- In January 2017, New York Life Insurance Company, a mutually owned Fortune 100 company and a tier one insurer, implemented Majesco Rating, a component of Majesco Policy for L&A and Group, for their Group Membership Association Division (GMAD). The Group Membership Association Division is a unit dedicated to serving the insurance needs of over 600 membership groups across North America. This is one of the first implementations of a cloud-based rating solution for life and group insurers. The solution was implemented in less than three months. It augments New York Life GMAD's implementation of Majesco DigitalConnect platform, which enabled the carrier to implement 33 unique portals for its affinity group customers in just four months
- In December 2016, The Norfolk and Dedham Group selected Majesco Policy for commercial package with ready to use ISO content in Majesco CloudInsurer
- In November 2016, New York Property Insurance Underwriting Association (NYPIUA) selected Majesco P&C Suite, Majesco DigitalConnect and Majesco Business Analytics to provide a modern foundation for their transformation, customer service and growth strategies
- In June 2016, Colorado Farm Bureau Mutual Insurance, a mid-market insurer, upgraded to Majesco Policy for P&C as its strategic enterprise platform
- In May 2016, One Alliance Insurance Corporation selected Majesco Policy for P&C and Majesco Bureau and Content Services as their strategic enterprise platform
- In April 2016, Homesite Insurance, a wholly owned subsidiary of American Family Mutual Insurance Company, extended the agreement to use the Majesco P&C Suite Cloud platform for the commercial line of business

Majesco Partner EcoSystem built around Majesco CloudInsurer is designed to provide customers with strategic and operational business value by extending and expanding company's software and services with the complementary and unique capabilities of partner's solutions across the insurance value chain. During the year, company continued to strengthen the portfolio of offerings and expanded its partnership ecosystem with the following:

- DropIn, an innovative provider of an on-demand live video platform for P&C insurers, managing general agencies (MGAs), third-party adjusters (TPAs), segments of the automotive industry, and managed repair networks using commonly-available insurtech tools, such as smartphones and drones, to achieve better insight into the intricacies of auto and property damage for enhanced decision-making
- Elafris, a supplier of an artificial intelligence powered chatbot messaging platform to enhance insurers customer communication and payment experience
- iSign Solutions, a supplier of electronic signature and other software solutions enabling secured digital transactions to insurance customers
- eGain, a global provider of cloud customer engagement solutions consists of modular applications built on an open omnichannel platform

The company continues to work with other partners such as IBM, Deloitte, Blueprint, Splice and others

During the year, NA revenue stood at ₹ 73,135.39 lakhs; 88.4% of total revenue as compare to ₹ 66,149.07 lakhs; 87.4% of total revenue. The Company is seeing enough traction in this geography and is uniquely positioned to take advantage of the opportunities that would come way forward.

Revenue Analysis – (NA)

| Offerings | Year ended March 31, 2017 | | Year ended March 31, 2016 | |
|-----------------------|---------------------------|---------------|---------------------------|---------------|
| | ₹in Lakhs | % of Revenue | ₹in Lakhs | % of Revenue |
| License | 2,077.93 | 2.84 | 5,070.31 | 7.66 |
| Professional Services | 42,981.54 | 58.77 | 37,174.80 | 56.20 |
| Cloud | 15,894.22 | 21.73 | 13,274.85 | 20.06 |
| Support | 12,181.70 | 16.66 | 10,629.11 | 16.07 |
| Total | 73,135.39 | 100.00 | 66,149.07 | 100.00 |

Majesco in United Kingdom (UK)

Majesco UK contributed 6.8% of total operating revenues. During the year the UK business delivered a modest growth (in constant currency) but was significantly impacted by the devaluation of the Sterling Pound. Despite the market challenges the Company continued to maintain strong relations with its clients in the UK. The Company is looking to further enhance its presence in the UK through platform, data and digital offerings. In September 2016, the Company entered into an agreement with Glemham, a UK based managing general agent (MGA), to create a new cloud based bureau processing business using Majesco CloudInsurer to reduce the cost of transacting General Insurance in the UK market.

Revenue Analysis – (UK)

| Offerings | Year ended March 31, 2017 | | Year ended March 31, 2016 | |
|-----------------------|---------------------------|---------------|---------------------------|---------------|
| | ₹in Lakhs | % of Revenue | ₹in Lakhs | % of Revenue |
| License | 190.90 | 3.42 | 1,016.39 | 17.33 |
| Professional Services | 5,395.08 | 96.58 | 4,848.30 | 82.67 |
| Cloud | - | - | - | - |
| Support | - | - | - | - |
| Total | 5,585.98 | 100.00 | 5,864.69 | 100.00 |

Majesco in India and Asia Pacific (IA)

India & APAC region contributed approximately 4.8% of total operating revenues of Majesco. India domestic revenue continued to be stable and the Company is witnessing a decent traction from its operations in this region.

Revenue Analysis – (IA)

| Offerings | Year ended March 31, 2017 | | Year ended March 31, 2016 | |
|-----------------------|---------------------------|---------------|---------------------------|---------------|
| | ₹in Lakhs | % of Revenue | ₹in Lakhs | % of Revenue |
| License | 50.00 | 1.24 | - | - |
| Professional Services | 3,979.17 | 98.76 | 3,701.50 | 100.00 |
| Cloud | - | - | - | - |
| Support | - | - | - | - |
| Total | 4,029.17 | 100.00 | 3,701.50 | 100.00 |

Review of Financial and Operating Performance

Financial performance review

Throughout fiscal 2017, Majesco witnessed the transition of its business from an on-premise business model to a cloud-based

operating model. The impact of this transition on the revenue has been more impactful than what was expected. During the year, the company have had 15 clients successfully go into production which is a matter of great pride and accomplishment for the clients and Majesco. However, as a result of this, the company witnessed a significant quarter over quarter revenue decline from ongoing implementation. In a normal course for on-premise, revenue from new deals would replace this revenue stream. Four of the last six new IP deals have been on the cloud platform and it is important to note that the revenue earned from the implementation fees is smaller and the initial ramp up of the revenue is slower for the cloud business. However, cloud revenues provide compelling higher margin recurring revenue as the cloud business scale up.

This transition is one of the main reasons for slower growth of 9.3% in company's top line in FY2017. However, Cloud-based revenues increased 19.7% from ₹13,274.57 lakhs to ₹15,894.23 lakhs during twelve-months period and the company expect that this growth momentum will continue. The company also expect to see improvement in non-cloud business as well as a result of additional demand for its data and digital related solutions.

Total recurring revenue which includes Annual or Term License, recurring subscriptions and maintenance was ₹19,636.57 lakhs for the fiscal 2017 compared to ₹16, 803.58 lakhs in fiscal 2016.

Financials

On a consolidated basis, the Company registered total operating revenue of ₹ 82,750.54 lakhs for the year ended March 31, 2017 as compared to ₹75,715.26 lakhs for the year ended March 31, 2016. The Group registered a net profit of ₹ 1,427.28 lakhs in the year ended March 31, 2017 as compared to ₹ 688.82 lakhs in the year ended March 31, 2016.

Break up of Operating Revenue by Regions

| Offerings | Year ended March 31, 2017 | | Year ended March 31, 2016 | |
|--------------------------------|---------------------------|--------------|---------------------------|--------------|
| | ₹in Lakhs | % of Revenue | ₹in Lakhs | % of Revenue |
| North America | 73,135.39 | 88.38 | 66,149.07 | 87.36 |
| UK | 5,585.98 | 6.75 | 5,864.69 | 7.75 |
| Others (India/ Asia Pacific) | 4,029.27 | 4.87 | 3,701.50 | 4.89 |
| Total Operating Revenue | 82,750.54 | 100.0 | 75,715.26 | 100.0 |

Break up of Operating Revenue by Offerings

| Offerings | Year ended March 31, 2017 | | Year ended March 31, 2016 | |
|--------------------------------|---------------------------|--------------|---------------------------|---------------|
| | ₹in Lakhs | % of Revenue | ₹in Lakhs | % of Revenue |
| License | 2,318.83 | 2.80 | 6,086.51 | 8.03 |
| Professional Services | 52,355.57 | 63.27 | 45,724.50 | 60.39 |
| Cloud | 15,894.23 | 19.21 | 13,274.57 | 17.54 |
| Support | 12,181.91 | 14.72 | 10,629.68 | 14.04 |
| Total Operating Revenue | 82,750.54 | 100.0 | 75,715.26 | 100.00 |

Break up of Operating Revenue by Line of Business

| Line of Business | Year ended March 31, 2017 | | Year ended March 31, 2016 | |
|--------------------------------|---------------------------|---------------|---------------------------|---------------|
| | ₹ in Lakhs | % of Revenue | ₹ in Lakhs | % of Revenue |
| Property & Casualty | 67,001.08 | 80.96 | 58,989.75 | 77.90 |
| Life & Annuities | 14,461.77 | 17.48 | 14,560.44 | 19.23 |
| Non – Insurance | 1,287.69 | 1.56 | 2,165.07 | 2.84 |
| Total Operating Revenue | 82,750.54 | 100.00 | 75,715.26 | 100.00 |

Profitability

During the year ended March 31, 2017, the Group earned a profit of ₹ 1,427.28 lakhs as compared to ₹ 688.82 lakhs for the year ended March 31, 2016 mainly on account of increase in revenue by ₹ 7,035.28 lakhs, decrease in exceptional items of ₹ 191.48 lakhs, offset by increase in expenses by ₹ 4,487.43 lakhs, tax of ₹ 1,522.14 and minority interest of ₹ 470.14 and decrease of other income of ₹ 8.58 lakhs.

Balance Sheet**Current Assets****A) Current Investments and Cash and Bank Balances**

The total current investments and cash and bank balances as on March 31, 2017 was ₹ 17,520.07 lakhs as compared to ₹ 12,719.78 lakhs in the previous year. Net cash generated from operations is ₹ 8,767.28 lakhs and purchase of fixed assets of ₹ 2,466.99 lakhs during the 12-months period ended March 31, 2017.

B) Trade Receivables

Trade receivables as at March 31, 2017 stood at ₹ 8,300.47 lakhs as compared to ₹ 15,195.02 lakhs as at March 31, 2016, Days outstanding (DSO) were lower, 37 days at the end of March 31, 2017 as compared to 73 days at the end of March 31, 2016

C) Short Term Loans and Advances and Other Current Assets

The short term loans and advances were at ₹ 2,323.00 lakhs as at March 31, 2017 as compared to ₹ 2,392.54 lakhs as at March 31, 2016. Other current assets were at ₹ 5,557.38 lakhs as at March 31, 2017 as compared to ₹ 6,009.85 lakhs as at March 31, 2016.

Non-current Assets**A) Fixed Assets**

Tangible assets as at March 31, 2017 were ₹ 3,489.09 lakhs as compared to ₹ 3,258.53 lakhs as on March 31, 2016. This included a gross addition of ₹ 1,706.28 lakhs for purchase of computers, furniture and fixtures, vehicles, etc. and after considering depreciation of ₹ 1,383.36 lakhs for the 12-months period ended March 31, 2017 and foreign exchange translation adjustment of ₹ 27.46 lakhs.

Intangible assets as at March 31, 2017 were ₹ 2,755.58 lakhs as compared to ₹ 3,375.03 lakhs as on March 31, 2016. This included an addition of ₹ 640.68 lakhs and after considering amortization of ₹ 1,214.92 lakhs for the 12-months period ended March 31, 2017 and foreign exchange translation adjustment of ₹ 45.21 lakhs.

B) Long-term loans and advances

Long term loans and advances were ₹ 1,270.93 lakhs as on March 31, 2017 as compared to ₹ 1,044.82 lakhs as on March 31, 2016.

Shareholders' Funds

Total shareholders' funds as at March 31, 2017 stood at ₹ 28,793.59 lakhs as compared to ₹ 27,593.51 lakhs as at March 31, 2016. The increase was mainly on account of profit for the year of ₹ 1,427.28 lakhs, an increase of ₹ 342.94 lakhs in securities premium account and minority interest share of ₹ 395.14 lakhs and a reduction in foreign currency translation reserve by ₹ 938.20 lakhs.

Non-current Liabilities

The total non-current liabilities stood at ₹ 10,480.28 lakhs as at March 31, 2017 as compared to ₹ 9,778.84 as at March 31, 2016. The increase was mainly on account of long term borrowings of ₹ 970.54 lakhs, unearned revenue of ₹ 252.26 lakhs provision for employee benefit of ₹ 229.54 lakhs and reduction in deferred consideration payable on business acquisition by ₹ 757.52 lakhs.

Current Liabilities

The total current liabilities as at March 31, 2017 was ₹ 17,704.17 lakhs as compared to ₹ 22,767.78 lakhs as at March 31, 2016. The decrease was mainly due to the reduction in short term borrowings by ₹ 2,944.60 lakhs, trade payables by ₹ 377.18 lakhs and other liabilities by ₹ 1,741.83 lakhs.

Client Wins during the year

The company added 6 clients during the year and finished the year at 164 active clients. The client profile includes some marquee names across verticals in NA, UK, India and Asia Pacific.

Order Backlog during the year

The 12 Months Executable Order Backlog as of March 31, 2017 was at ₹ 440.40 crores as compared to ₹ 484.32 crores for the year ended as of March 31, 2016. Total Order Booking in FY 2017 stood at ₹ 865.89 crores as compared to ₹ 1,047.49 crores in FY2016.

People Strength: As on March 31, 2017, the Company had a total headcount of 2,163 of which about 20% were based on-site while the remaining were at various offshore locations. The Company continues to recruit fresh talent and intends to add more technical resources at various levels during the new fiscal year.

BUSINESS OUTLOOK

Majesco continues to focus exclusively on serving the global insurance industry with core business solutions and consulting services that help modernize and bring change to Property and Casualty (P&C), Life and Annuity (L&A), and Group insurance carriers. Insurers clearly recognize that the insurance industry is changing and that they need to adapt to enable growth and remain competitive. In this new landscape, modernizing legacy systems provides the “table stakes” foundation to enable innovation and speed to market for new products, channels, and processes, in response to fast changing customer expectations, needs and risk profiles. Today’s new market paradigm requires a modern foundation with expanding digital and data capabilities, enabling an insurance renaissance. Not unlike other industries, the insurance industry is rapidly evolving and changing. As insurance customer expectations change, so do the carriers’ requirement to respond quickly with lower-risk and speed-to-value business platforms that provide the ability to innovate new products, reach new markets, create new customer experiences, and liberate different business models.

In this rapidly evolving environment, undertaking multi-year, multi-million dollar transformation programs to replace legacy systems no longer serves the need of carriers. As a result, Majesco proactively began realigning its business strategy to this market shift to focus on speed to value using our cloud based platform, Majesco CloudInsurer. The Company believes this platform will lead the next wave of innovation and investment in insurance. With the Majesco CloudInsurer platform, the company has successfully partnered with over 30 clients, including existing legacy insurers, new startups or greenfields backed by existing insurers or by venture capital funds to empower their business strategies by helping them innovate, grow and transform their business models to capture the opportunities today and in the future.

The industry is also in the midst of a market shift that is pushing a sometimes slow-to-adapt industry by challenging the traditional business assumptions, operations, processes and products of the last 50+ years. The digital age shift in insurance is separating the insurance business models of the past 50+ years that have been based on the business assumptions, products, processes, channels of the Silent and Baby Boomer generations from those of the next generation, the Millennials and Gen Z, as well as many in Gen X. This shift indicates that the business models of the past will not meet the needs or expectations of the future.

Building these new business models will continue to intensify. Majesco is increasingly working with existing insurers and reinsurers who are taking new paths to capture the next generation of customers and position themselves for growth and sustainable agility across the new insurance landscape. Because new competitors don’t play by the traditional rules of the past, insurers need to be a part of rewriting the rules for the future. There is less risk in a game where you write the rules.

The IBM - Majesco partnership has successfully kicked off with the inception work with a Tier 1 insurer, specifically on a platform-as-a-service model. The company views this partnership as a strategic avenue for growth in the future.

The Company also expects good growth coming from its consulting services that support business process transformation as well as data and digital needs of the market.

In the new fiscal year, the company is enthused about the strategy, the market potential of its portfolio of solutions, its cloud platform and Partner Ecosystem, and expanding partnership with IBM around cognitive, core and cloud that help differentiate Majesco’s value proposition for current and prospective customers. The company expects momentum in the cloud business will remain strong as it takes advantage of the shift underway in insurance software. It also expects to see improvement in non-cloud business as demand increases for Majesco’s data and digital solutions.

The company has an excellent leadership team and an exceptional workforce that continues to drive growth while expanding the existing customer relationships. It will continue to focus on enhancing the capabilities of its product offerings, data and digital offerings and investing in its sales and marketing engine. As a result, the company expects that it will experience a reacceleration in growth in fiscal 2018.

INTERNAL CONTROL SYSTEM

A strong internal control system is pervasive in the Company. The Company has documented a robust and comprehensive internal control system for all the major processes to ensure reliability of financial reporting.

Majesco’s systems for internal control and risk management go beyond what is mandatorily required to cover best practice reporting matrices and to identify opportunities and risks with regard to its business operations.

The Company’s internal control systems are supplemented by an internal audit program and periodic reviews by the management. Majesco has appointed an independent audit firm as its Internal Auditors, and the Audit Committee reviews its findings and recommendations at periodic intervals. Majesco’s internal control system is adequate considering the nature, size and complexity of its business.

ENTERPRISE RISK MANAGEMENT

Majesco has also put in place a strong enterprise risk management function which oversees the risk management of the Company on an ongoing basis. The primary objective of the Enterprise Risk Management (ERM) function is to:

- Provide a framework that enhances risk response decisions
- Reduce operational surprises and thereby losses
- Identify and manage cross-enterprise risks

The ERM policy, approved by the Board, lays down the risk management process, expected outcomes, governance and reporting structure. The policy also stresses on the importance of having a strong risk culture for Company's ERM to succeed.

Risk Governance Structure: Majesco has put in place a strong risk governance model to ensure risk management principles are followed throughout the organization and a risk culture inculcated. This ERM process and policy is approved by the Governance Committee of the Board and is executed through the Risk Management Committee (RMC) represented by the business and functional heads within Majesco. The RMC is responsible for:

- Being the primary champion of risk management at strategic and operational level
- Setting policy and strategy for enterprise risk management
- Ensuring that risk management policies are implemented with the right spirit through a monitoring mechanism
- Building a risk aware culture within the organization including appropriate trainings
- Informing the Board (through the Audit Committee) about the ERM status and top risks of the Company on a timely basis

Risk Champions: The RMC is supported by the risk champions who are responsible for:

- providing oversight to line managers who manage risk on a day-to-day basis
- promoting risk awareness within their operations
- ensuring that risk management is incorporated right from the conceptual stage of projects and opportunities
- ensuring compliance to the risk management procedures
- providing periodic reports to the RMC

A discussion of key risks and concerns, and measures aimed at mitigating them, are discussed in the following paragraphs.

Strategic risks: The Company could be susceptible to strategy, innovation, and business or product portfolio related risks if there is any significant and unfavorable shift in industry trends, customer preferences, or returns on R&D investments. Majesco does have the benefit of being very well entrenched with many of its customers, involved in their critical and strategic initiatives. Therefore, client concentration related risks are mitigated to an extent. The Company's investments in intellectual property creation too are being done in a measured manner and are focused more on extending and strengthening existing offerings rather than on new business or end-use/application areas.

Macro-economic risks: Risks emanating from changes in the global markets such as the recent financial meltdown, regulatory or political changes, and alterations in the competitive landscape could affect the Company's operations and outlook. Any adverse movements in economic cycles in the Company's target markets and

volatility in foreign currency exchange rates could have a negative impact on the Company's performance. This risk is mitigated to some extent due to the Company's presence in multiple, diverse markets from Europe to Malaysia and India. The Company also takes necessary steps such as forex hedging to mitigate exchange rate risks.

Competition-led risks: Majesco operates in a highly competitive industry, and competes with much bigger competitors, in both India and abroad. Shifts in clients' and prospective clients' dispositions could affect its business. While the Company has strong domain expertise, robust delivery capabilities, and significant project experience, there is no guarantee that it will always get the better of competition.

Dependence on Key Personnel: Majesco has one of the best management teams in the industry and this has been a critical enabler of its operating successes. Any loss of personnel through attrition or other means may have an impact on the Company's performance. Majesco does endeavor to have an effective succession plan in place to mitigate these risks.

Client and account risks: The Company's strategy is to engage with a few strategic customers and build long-term relationships with them. Any shift in customer preferences, priorities, and internal strategies can have an adverse impact on the Company's operations and outlook. Majesco does have the benefit of being very well entrenched with many of its customers, involved in their critical and strategic initiatives. Therefore, client concentration related risks are mitigated to an extent.

Contractual, execution and delivery related risks: The Company's operating performance is subject to risks associated with factors that may be beyond its control, such as the termination or modification of contracts and non-fulfillment of contractual obligations by clients due to their own financial difficulties or changed priorities or other reasons. Majesco does have mechanisms in place to try and prevent such situations, as well as insurance coverage as necessary.

Acquisition/M&A related risks: Well-considered, properly evaluated and strategic acquisitions form part of the Company's growth strategy. There is no guarantee, however that an acquisition will produce the business synergies, revenues and profits anticipated at the time of entering into the transaction although the Company would undertake all due care and diligence in the process of making any acquisition.

In addition to the aforementioned issues, there are multiple other risk factors that the Company believes it will need to consider and manage. The Board and management team continually assess the operations and operating environment to identify potential risks and take meaningful mitigation actions.

The Company does take necessary insurance or related coverage in cases as necessary.

FREQUENTLY ASKED QUESTIONS (FAQS) 2017

1. When was Majesco Ltd. incorporated?

Majesco Ltd. was incorporated as Minefields Computers Private Limited on June 27, 2013 in the State of Maharashtra. It was converted into a public limited company on December 22, 2014. Pursuant Scheme of Arrangement between Mastek Limited, Majesco Limited and Majesco Software and Solutions India Private Limited as approved by Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat, the name of the company was changed to Majesco Limited on June 12, 2016.

2. Why Majesco?

The experience and expertise in executing complex transformation and mission critical programs for insurance companies worldwide is Majesco's key strength. Majesco is committed to building strong and long-term relationships with our carrier partners. We have a successful track record of long-term client relationships with close to 90% of our business coming from existing customers. With a strong global presence across North America, Europe, the Middle East and Asia Pacific, Majesco is a technology partner of choice for insurance carriers worldwide.

3. What is Majesco's core business?

Majesco enables insurance business transformation for over 150 global customers by providing technology solutions which include software products, consulting and IT services. Our customers are carriers from the Property and Casualty, Life, Annuity and Group insurance segments worldwide. Majesco delivers proven software solutions and IT services in the core insurance areas such as policy administration, billing, claims, distribution and analytics. For more details on Majesco please visit www.majesco.com

4. Which are the stock exchanges where Majesco shares are listed?

Majesco US, subsidiary of Majesco Ltd., is listed on the New York Stock Exchange (NYSE).

Majesco Limited, India is listed on BSE Limited (BSE) and National Stock Exchange of India Limited. (NSE)

5. What is the fiscal year for Majesco?

The fiscal year of the Company is April 01-March 31 every year.

6. Which are the acquisitions done by Majesco Group till announced?

| Announced | Name of the Entity | Particulars |
|-----------|--------------------------------------|---|
| Dec-2014 | Cover-All Technologies, Inc. | US-based company engaged in the provision of solutions to the property and casualty insurance industry |
| Dec-2014 | Agile Technologies, Inc. | US-based company engaged in providing IT consulting services to the insurance industry |
| Dec-2010 | SEG Software, LLC | US based company that develops policy administration software for individual and group life, health and annuity insurance products |
| Mar-2008 | Systems Task Group International Ltd | US based company providing enterprise wide solutions to the US P&C insurance industry |
| Jul-2007 | Vector Insurance Services LLC | US based technology solutions provider and third party administrator that focuses on the North American life and annuity insurance industry |

7 Which are the subsidiaries of Majesco Ltd. and where are they located?

Kindly refer page no. 105 of Annual Report.

8 What is the employee strength of Majesco Ltd.?

As on March 31, 2017, the Majesco Group had 2,163 employees.

9 How many software development centres does Majesco have?

Majesco has 3 development centers out of which 2 are located in Navi Mumbai, India and one in Pune, India.

10 How many marketing offices does Majesco have?

Majesco has Marketing offices located across multiple geographies: 1 in UK, 1 each in Singapore, Malaysia, Bangkok, 1 each in New York and New Jersey in the US, 1 in Canada and 1 domestic marketing office in Navi Mumbai.

11 Does Majesco announce quarterly results?

Yes, Majesco announces quarterly unaudited results.

12 How does one access quarterly results of Majesco?

The quarterly results and analysis are available in the Investors section of www.majesco.com, under Information Repository – Quarterly Results.

13 Whom do I contact in Majesco's Investor Relations team?

You may get in touch with Mr. Nishant Shirke, Company Secretary. He is based at the Registered Office in Navi Mumbai and can be contacted via telephone (+91 22 61501800) or email (investors.grievances@majesco.com).

14 What is corporate office address of Majesco?

Majesco Ltd., MNDC, Millennium Business Park, P-136, Mahape, Navi Mumbai 400 710, India

15 Is there a facility for Investors to receive regular updates?

Investors can register on www.majesco.com in the investors section, or send their request via email investors.grievances@majesco.com, to receive regular updates.

16 Are Majesco Ltds. shares traded in electronic form?

From August 2015, the company's shares are traded only in electronic form. Shareholders are strongly encouraged to dematerialize their shares.

17 How can the shares be de-materialized and who are the Depository Participants (DP)?

Shares can be de-materialized by opening a demat account

with a Depository Participant (DP). DPs are banks, brokers, and institutions registered with National Securities Depository (NSDL) or Central Depository Services (CDSL). A list of DPs is available at www.nsdl.com and www.centraldepository.com.

18 Who is the share transfer agent?

Karvy Computershare Private Limited is the share transfer agents of Majesco Limited. The address and telephone number is as follows:

Karvy Computershare Private Limited,
Unit:- Majesco Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana – 500 032, India
Telephone number: +91 40 6716 2222
Fax number: +91 40 2342 0814
E-mail: einward.ris@karvy.com
Website: www.karvycomputershare.com

19. How does one transfer his/her shares or change the address with the transfer agent?

For transfer of shares in physical form and intimation of change of address, write to Karvy Computershare at the above-mentioned address. Transfer of shares in the electronic mode is effected through your Depository Participant.

20. Who does one contact in case of non-receipt of dividend, non-receipt of Annual Report, loss of share certificates etc?

You may contact Karvy Computershare Private Limited, which will advise you accordingly.

You may also communicate with the Company in the event of any unresolved issues via email at investors.grievances@majesco.com.

21. What is the company's CIN Number?

CIN:- L72300MH2013PLC244874

ABOUT MASTEK FOUNDATION

Mastek Foundation is the CSR wing of the company. Founded in 2002, the mission of Mastek foundation is Informed Giving, Responsible Receiving. Inspiring our employees to contribute back to the community by, sensitizing them to the issues and needs of the Society and engaging them with the community through volunteering and giving opportunities. The Foundation also supports NGOs to scale and build their capabilities through our core skill of IT. Hence the foundation has three clearly defined activities: Engage, Build and Give.

ENGAGE

Majesco envisions engaging employees with the communities and also to encourage them to contribute to the society. This year has been quite active in terms of employee engagement. Here's a glimpse of the activities of the entire year:-

1. INSPIRED 2016 (SONGS OF HOPE)



Annual fund-raising event – Asha Bhonsle hits - A salute to the songstress by Sanjeevani Bhelade.

This event helped raise ₹35,82,900 for drought-hit farmers in Vidarbha and Marathwada. Maharashtra has witnessed a severe drought this year. In Marathwada itself, more than 1300 farmers have taken their lives for being unable to repay a debt of as little as ₹15,000. Mastek Foundation joined hands with Dilasa Sanstha, a nonprofit working closely with the farmers in Vidharbha and Marathwada region. Together, we organized Asha Bhonsle hits – A Salute to the Songstress, a fund-raising musical evening. Mastek Foundation raised ₹35,82,900/-. The story doesn't end here. Our employees, both offshore and onshore, contributed generously and took the total collection to ₹47,82,900/-. Dilasa Sanstha was able to reach out to almost 478 affected families in the area.

2. BLOOD DONATION CAMP

Mastek Foundation every year organizes the blood donation camp for Thalassemia affected children in partnership with Think Foundation non-profit organization

working in the area of thalassemia. We are witnessing a steady growth of donors from our employees from the past two years. This year a total of 252 employees donated blood from Mahape and Pune location.



Total units of Blood Collected: 252
@ Mahape Location: 208
@ Pune Location: 44

3. BLOOD STEM CELL DONATION REGISTRATION



The Stem Cell Donation Registration was conducted in partnership with NGO Datri. Datri as an NGO works with patients suffering from major blood disorders like Thalassemia, Blood cancer and helps them find a right match for blood stem cell donation.

4. ENGAGING TO EVALUATE



The Governing Council of Mastek Foundation is a voluntary association of employees who come together and decides upon the activities, NGO partnership, and employee engagement activities of Mastek Foundation.

5. PROVIDING MARKET PLACE FOR NGOS



NGOs were provided a marketplace in Mahape premises on various occasion like Diwali, RakshaBandhan. An average of 4 NGOs displayed their items for the employees on each occasions. The items they sold were handloom sarees, salwar suits, bags, jewellery, etc. One of our employees, Sunder Subramaniam, who is passionate about the cause of animal welfare, organized an Ahimsa (non-violence) Sale of non-leather products. These products looked similar to leather

but they were actually made out of non-leather materials. The average sale of these products were more than ₹ 20,000/-

6. CELEBRATE GIVING



Mastek Foundation last year came up with a very unique way of engaging employees with the community. As we celebrate Diwali, Christmas we wanted our employees also to celebrate their sharing and giving to the underprivileged. The initiative started from 25th October and continued till 25th December. During this period employees who acted as champions for each non- profits visited each office bays of the Mahape premises. The NGO personal directly addressed the crowd about their work and tried to mobilize fund. Four NGOs participated in this activity with Prasad Chikitsa who spoke about installing sanitary vending machine in girls' schools managed to mobilize almost ₹82,000/- in a couple of hours.

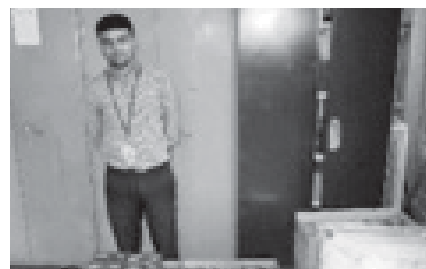
7. SUPPORTING DILASA SANSTHA



In the year 2016 Maharashtra and the surrounding states were reeling under extreme drought conditions. In Maharashtra Virdharba and Marathwada were the worst affected districts. Farmer suicides were increasing day by day. It was reported that farmers committed suicide for unable to

pay back as low as ₹20,000/- debt. Mastek Foundation being a global citizen partnered with Dilasa Sanstha which worked with the farmers of these two districts. Mastek Foundation supported the Project of Livelihood promotion for farmers. Here not only the farmers but also the widows of the deceased farmers were provided with alternative method of livelihood rather than only agriculture. For the entire year of 2016-17 Mastek Foundation has provided ₹13,94,859/- for livelihood promotion for farmers.

8. NGO VISITS



During several occasions like Ganesh Chaturthi, Diwali, Christmas employees had spent time with NGO children by having creative workshops like decoration for Ganesh Chaturthi, cultural performances for children etc.



9. ORGANIZING MARATHONS



Mastek Foundation Run is the annual fund raising event organized by the Foundation team. MF Run 2016 was the fourth edition where more than 1000 runners participated. It was held near Central Park in Kharghar. Aarmabh was the non- profit partner for the event.

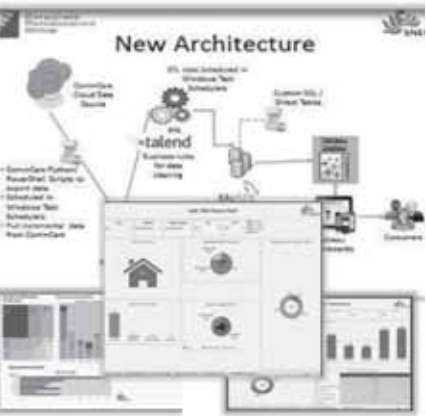
Our enthusiastic employees also participated in Standard Chartered Mumbai Marathon, 2017.

BUILD

Transforming NGOs through Information Technology

This unique initiative of Mastek Foundation has affected numerous lives both direct and indirectly. The sole objective of this initiative is to build the IT infrastructure of non-profit organisations. The non-profit organisations which otherwise make a huge difference in the society by their innovative and committed actions get obstructed by their inability to build on state-of-art Information Technology. The major reasons for such obstruction are one, the inability to access the technology and two, lack of awareness. It might seem that NGOs have financial crunch but the actual scenario doesn't say

so. If they lack in something then it is the perception and awareness. NGOs lack the foresight of the vast advantage IT is going to bring in their activity. It is here the Mastek Foundation pitched in and made a huge difference to the following organisations



1. SNEHA

Sneha is a Mumbai based not for profit organisation. It primarily works in four large public health areas Maternal and Newborn Health, Child Health and Nutrition, Sexual and Reproductive Health and Prevention of Violence against Women and Children. Sneha is geographically spread out in entire city of Mumbai with different centres handling different geography. Sneha was lacking a centralized information management system which was causing a problem for the higher management to get access to data for decision making.



2. WONDERWORK

WonderWork is a USA based charity organization that provides free Eye surgeries to individuals in low-income countries that could otherwise not afford it. These surgeries are quick, inexpensive and lifesaving. WonderWork empowers local surgeons through free training, equipment and crucial financial support. This recipe has enabled their solution to be scalable and more sustainable than other solutions that ship doctors from high-income nations to an impoverished area for a limited period of time.

As a credible charity organisation WonderWork wanted to come up with a system of fraud detection among its partner organisation. This fraud detection system was for identifying duplicate patient data.

GIVE

Partnering with Non –profit organisation

1. PARTNERING WITH THE AKSHAYA PATRA FOUNDATION

The Akshaya Patra Foundation works nationwide in India to end hunger of underserved children and facilitate their education. It reaches out to over 1.3million children in 9 states of India. It is now the world’s largest NGO-run school-meal program.



2. PARTNERING WITH SANKARA EYE FOUNDATION, INDIA

Sankara Eye Foundation works in India to initiate and drive community eye care. Sankara operates and manages eight community eye care hospitals all over India. The major focus of the organisation is to prevent blindness in India by providing free eye surgeries to people from lower economic background.

Majesco supported the initiative of providing free eye surgeries to patients coming from lower economic background.

PEOPLE'S PRACTISE

The Business HR team gained significant momentum in this year with the innovative initiatives launched in the last year.

A new initiative called **“Voice of the employee”** has been launched wherein a few fellow colleagues known as ‘Evangelists’ are chosen from each floor and support teams. Employees can also get in touch with any of these evangelist for their floor for any concerns/suggestions/feedback that they may have. These Evangelist will in turn pass on these inputs to the Business HR team during the regular meetings with them and action is taken on the feedback shared by them.

HR connect with respective account / teams – (its similar to talk Tuesday , but we don’t call it that anymore) – to understand the pulse of people to bring about a healthy and positive work environment that foster Values and culture gained its full momentum with the project teams. Share the SWOT analysis with the group head & plan action accordingly for closure.

Skip level meetings – 2nd level interaction with the delivery head , to understand the ground realities & voice for suggestion / questions & queries if any

HR awareness camp through email – dress code: to make our employees aware of how important it is to dress appropriately at work place.

Regular feedback: Employees want to know how they are doing & they want to know it often. Hence these frequent mailers were released to all employees at offshore to build the culture of regular (formal / informal) feedback.

An initiative named **‘Reflect’** has gained momentum and increased participation with involvement of Business and Centers of Excellence Leaders. This provided valuable feedback to identify the scope of improvement in organizational processes and norms to facilitate better jump start to new joiners and the necessary hand holding was facilitated by the respective COE leaders. This also helped us get in touch with expectations of new joiners and gaps. Work with respective stakeholders to make on-boarding pleasant and more effective.

Majesco United, an in-house sports team worked on various sports extravaganzas amidst high adrenaline with enthusiastic participation and outstanding feedback through the year which executed a successful tournament named Majesco Premier League, Indoor sports, LAN games, Badminton and Football tournament. This gave employees an opportunity to bond outside work that will help better work place effectiveness and expand circle of influence. This helped create higher levels of engagement and energy.

Fun & Joy (FnJ) helped achieve high level of engagement across locations and fantastic feedback on various events. Offshore has experienced high level of energy and enthusiasm with fullest of participation in celebrations and competition. Fun & Joy has helped employees not only rejuvenate from time to time but also encourages talents of all kinds. Highlights of the year have been Diwali, Children’s Day, New Year Party, Navratri & Women’s Day, Holi celebrations- to name a few. A new initiative called Thank God It’s Friday (TGIF) has been launched to make Fridays more fun.

SUSTAINABILITY REPORT

Contribution to environment

Majesco Sustainability Initiatives

Concern about environmental sustainability is growing across the world, and Majesco as a global Citizen has taken the responsibility to do the best in its capacity. Majesco has always been a catalyst for transformation in its core business operations.

Environment Management System

It has been constant efforts to minimize the impact of its operations on the environment, thus contributing to one major aspect of sustainability.

Health & Safety

Another important aspect of sustainability is the implementation of adequate health and safety processes and systems at our premises. In this regard, Majesco has started packaged drinking water to all the employees and service partners. We have visiting medical practitioners in our Mahape facility and planning to have few visits in Airoli facility also.

Sustainability Policy & Sustainability Reporting

A sustainability policy is currently being framed, which would cover all areas of health, safety, environment, social and economic issues.

Reduction in Power Consumption

Energy costs account for around 30% of the total facility expenses. Over the last couple of years, there has been a sustained effort to reduce energy costs. As part of our Green Initiative and reduction of Carbon Footprint exercise, we had taken several measures, which resulted in approx. 20% reduction in the actual energy consumed. In order to further identify areas where we could conserve energy, the need was felt to conduct a comprehensive energy audit by a reputed agency. The agency was deputed to conduct energy audit and the scope of the audit covered our entire Mahape facility, as this facility has the maximum usage of high energy equipment and therefore the highest energy cost.

The energy audit has come up with recommendations resulting in some cost savings but the same will be derived only after entailing some capital expenditure such as replacement of electric water heaters with solar water heaters, replacement of existing lighting with LED fixtures in specific areas, installation of Energy Monitoring System, fully operational VFD system, reducing chilled water temp, in MNDC building and switching off of the PCs and lights when not in use, etc.

Majesco is also exploring and evaluating alternate innovative hand driers replacing with existing tissue paper thus saving of paper and trees. A decision on going ahead with this technology would be based on the outcome of the feasibility study which is currently in progress.

BOARD REPORT

Dear Shareholders,

The Directors present the Annual Report of Majesco Limited (the Company) along with the audited financial statement for the financial year ended March 31, 2017. The Consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. FINANCIAL RESULTS – CONSOLIDATED RESULTS OF MAJESCO LIMITED AND ITS SUBSIDIARIES

| Particulars | ₹in Lakhs | |
|--|---------------------------|---------------------------|
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Revenue from operations | | |
| Information technology services | 81,334.57 | 73,957.92 |
| Other operating revenue | 1,415.97 | 1,757.34 |
| Total operating revenue | 82,750.54 | 75,715.26 |
| Other income | 899.56 | 908.14 |
| Total revenue | 83,650.10 | 76,623.40 |
| Expenses | 78,262.18 | 74,724.29 |
| Depreciation and amortization expenses | 2,607.06 | 1,785.94 |
| Finance costs | 555.60 | 428.18 |
| Exceptional items | 266.1 | 457.59 |
| Profit/ Loss before tax | 1,959.15 | (771.60) |
| Tax expense/(credit) | 19.78 | (1,502.36) |
| Profit/(Loss) after tax | 1,939.37 | 730.77 |

FINANCIAL RESULTS – MAJESCO LIMITED

| Particulars | ₹in Lakhs | |
|--|---------------------------|---------------------------|
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Revenue from operations | | |
| Information technology services | 1,527.07 | 1,238.38 |
| Other operating revenue | 33.05 | 3.93 |
| Other Income | 1,501.75 | 1,514.56 |
| Total Revenue | 3,061.87 | 2,756.87 |
| Expenses | 2,507.65 | 1,745.85 |
| Depreciation and amortization expenses | 81.40 | 23.49 |
| Finance costs | 55.74 | 0.47 |
| Exceptional items | 225.41 | 152.37 |
| Profit before tax | 191.67 | 834.69 |
| Tax expense/(credit) | (44.99) | 213.48 |
| Profit after Tax | 236.66 | 621.21 |
| Add: Loss brought forward from previous year | 20,962.20 | (3.03) |
| Transfer pursuant to the Scheme of Arrangement | - | 20,344.01 |
| Profit available for appropriation | 236.66 | 20,962.19 |
| Balance carried to balance sheet | 21,198.85 | 20,962.19 |

2. RESULTS OF OPERATIONS

A) Majesco consolidated operations Financials

On a consolidated basis, the Group registered total operating revenue of ₹ 82,750.54 lakhs for the year ended March 31, 2017 as compared to ₹ 75,715.26 lakhs for the year ended March 31, 2016.

The Group earned a net profit of ₹ 1,939.37 lakhs for the year ended March 31, 2017 as compared to net profit of ₹ 730.77 lakhs for the year ended March 31, 2016.

Breakup of the Operating revenue by regions

| Region | Year ended March 31, 2017 | | Year ended March 31, 2016 | |
|--------------------------------|---------------------------|---------------|---------------------------|---------------|
| | ₹in Lakhs | % of Revenue | ₹in Lakhs | % of Revenue |
| North America | 73,135.39 | 88.38 | 66,149.07 | 87.36 |
| UK | 5,585.98 | 6.75 | 5,864.69 | 7.75 |
| Others (India/ Asia Pacific) | 4,029.17 | 4.87 | 3,701.50 | 4.89 |
| Total Operating Revenue | 82,750.54 | 100.00 | 75,715.26 | 100.00 |

Breakup of the Operating Revenue by offerings

| Offering | Year ended March 31, 2017 | | Year ended March 31, 2016 | |
|--------------------------------|---------------------------|---------------|---------------------------|---------------|
| | ₹in Lakhs | % of Revenue | ₹in Lakhs | % of Revenue |
| License | 2,318.83 | 2.80 | 6,086.70 | 8.03 |
| Professional Services | 52,355.79 | 63.27 | 45,724.60 | 60.39 |
| Cloud | 15,894.22 | 19.21 | 13,274.85 | 17.54 |
| Support | 12,181.70 | 14.72 | 10,629.11 | 14.04 |
| Total Operating Revenue | 82,750.54 | 100.00 | 75,715.26 | 100.00 |

Breakup of Operating Revenue by Line of Business

| Line of Business | Year ended March 31, 2017 | | Year ended March 31, 2016 | |
|--------------------------------|---------------------------|---------------|---------------------------|---------------|
| | ₹in Lakhs | % of Revenue | ₹in Lakhs | % of Revenue |
| Property & Casualty | 67,001.08 | 80.96 | 58,989.75 | 77.90 |
| Life & Annuities | 14,461.77 | 17.48 | 14,560.44 | 19.23 |
| Non – Insurance | 1,287.69 | 1.56 | 2,165.07 | 2.84 |
| Total Operating Revenue | 82,750.54 | 100.00 | 75,715.26 | 100.00 |

B) Majesco Standalone Operations

On a standalone basis, Majesco reported a total income of ₹ 3,061.87 lakhs for the year ended March 31, 2017 as compared to ₹ 2,756.87 lakhs for the year ended March 31, 2016. The Company made a Net profit of ₹ 236.66 lakhs for the year ended March 31, 2017 as compared to Net profit of ₹ 621.21 lakhs for the year ended March 31, 2016.

3. INDUSTRY SCENARIO

Today information technology (IT) industry is re-imagining itself to become the digital solutions partner globally. It continues to be the ligament of ongoing innovation and disruption. According to Nasscom, India's IT-BPM industry is projected to grow ~8% in FY2017 to USD 154 billion. Indian IT services is expected to reach USD 80 billion in FY2017 as service providers are converting from process and delivery driven to strategic and transformational solution providers. Nasscom has projected global IT-BPM industry to increase to USD 4 trillion by CY2025, a CAGR of 3.6% for the forecast

period of CY2015 – CY2025 driven by the adoption of digital technologies. India's IT-BPM sector is projected to reach USD 200-225 billion revenue by FY2020 and USD 350-400 billion by FY2025.

According to Gartner, Worldwide IT spending is forecast to total USD 3.46 trillion in CY2017, an increase of 1.4% over CY2016 spending of USD 3.41 trillion. By CY2018, spending is forecast to exceed USD 3.56 trillion, a growth of 2.9% over CY2017 spending. Gartner has forecasted the global IT services spending to grow at 2.3% in CY2017, down from 3.6% growth in CY2016. India's share in the global IT spend has been increasing gradually touching the double-digit mark, 10% in FY2016 from 7.2% in FY2012. According to Celent, global insurance IT spending is estimated to reach to USD 184.8 billion in CY2017 and USD 208.1 billion in CY2018. Three overarching trends - digitalization, data analytics, and legacy and ecosystem transformation are dominating investments.

Moderate global economic growth is expected to support insurance sector growth over the next two years. According to Swiss Re's publication Global insurance review and outlook for 2017/18 report, growth in global non-life premiums is forecast to fall slightly from 2.4% in CY2016 to 2.2% in CY2017 and accelerate to 3.0% in CY2018. In the life insurance sector, global premiums are expected to grow by 4.8% in CY2017 and 4.2% in CY2018. The premium growth is expected to be driven by emerging markets. An improvement in commodity prices and strengthening economic activity is expected to stimulate the demand for insurance from the emerging regions. In Advanced market, premiums are expected to grow by 2.1% in CY2017 and CY2018. Today in the disruptive technology environment, large number of insurers are investing in building digital infrastructure and striving for growth by developing new business models using digital platforms. However, insurers are yet to fully capitalize upon the transformative power of digital technology, and many are still struggling to develop digital strategies that align with their business objectives. The insurance industry recognizes the need to overhaul traditional business models, to capitalize on the advantages of digital technology and respond to the challenges of digital disruption. The future of the insurance business lies in technology-driven processes restructuring. Internet of Things (IoT), cloud computing, digital integration and big data environments are opening more opportunities for the insurance companies. The major shift in consumer patterns in the last few years has forced the insurance industry to move forward and adapt the new digital age. Most of the insurers have started investing in SMAC (Social, Mobile, Analytics and Cloud) to stay competitive with the changing technology environment. Today Cloud computing is playing vital role in transforming insurance industry. Cloud computing enables insurers to reduce cost by using pay-as-use models and enhance business agility without compromising customer data and security. It helps to remove the complexity of on-premises deployment and management. Thus, in CY2017 insurers are expected to deploy their services rapidly giving high priority to consumers changing demand to stay competitive and ensure a successful digital evolution.

4. BUSINESS OUTLOOK

Majesco continues to focus exclusively on serving the global insurance industry with core business solutions and

consulting services that help modernize and bring change to Property and Casualty (P&C), Life and Annuity (L&A), and Group insurance carriers. Insurers clearly recognize that the insurance industry is changing and that they need to adapt to enable growth and remain competitive. In this new landscape, modernizing legacy systems provides the "table stakes" foundation to enable innovation and speed to market for new products, channels, and processes, in response to fast changing customer expectations, needs and risk profiles. Today's new market paradigm requires a modern foundation with expanding digital and data capabilities, enabling an insurance renaissance not unlike other industries, the insurance industry is rapidly evolving and changing. As insurance customer expectations change, so do the carriers' requirement to respond quickly with lowerrisk and speed-to-value business platforms that provide the ability to innovate new products, reach new markets, create new customer experiences, and liberate different business models.

In this rapidly evolving environment, undertaking multi-year, multi-million dollar transformation programs to replace legacy systems no longer serves the need of carriers. As a result, Majesco proactively began realigning its business strategy to this market shift to focus on speed to value using our cloud based platform, Majesco CloudInsurer. The Company believes this platform will lead the next wave of innovation and investment in insurance. With the Majesco CloudInsurer platform, the company has successfully partnered with over 30 clients, including existing legacy insurers, new startups or greenfields backed by existing insurers or by venture capital funds to empower their business strategies by helping them innovate, grow and transform their business models to capture the opportunities today and in the future

The industry is also in the midst of a market shift that is pushing a some-times slow-to-adapt industry by challenging the traditional business assumptions, operations, processes and products of the last 50+ years. The digital age shift in insurance is separating the insurance business models of the past 50+ years that have been based on the business assumptions, products, processes, channels of the Silent and Baby Boomer generations from those of the next generation, the Millennials and Gen Z, as well as many in Gen X. This shift indicates that the business models of the past will not meet the needs or expectations of the future.

Building these new business models will continue to intensify. Majesco is increasingly working with existing insurers and reinsurers who are taking new paths to capture the next generation of customers and position themselves for growth and sustainable agility across the new insurance landscape. Because new competitors don't play by the traditional rules of the past, insurers need to be a part of rewriting the rules for the future. There is less risk in a game where you write the rules.

The IBM - Majesco partnership has successfully kicked off with the inception work with a Tier 1 insurer, specifically on a platform-as-a-service model. The company views this partnership as a strategic avenue for growth in the future.

The Company also expects good growth coming from its consulting services that support business process transformation as well as data and digital needs of the market.

In the new fiscal year, the company is enthused about the strategy, the market potential of its portfolio of solutions, its cloud platform and Partner Ecosystem, and expanding partnership with IBM around cognitive, core and cloud that help differentiate Majesco's value proposition for current and prospective customers. The company expects momentum in the cloud business will remain strong as it takes advantage of the shift underway in insurance software. It also expects to see improvement in non-cloud business as demand increases for Majesco's data and digital solutions.

The company has an excellent leadership team and an exceptional workforce that continues to drive growth while expanding the existing customer relationships. It will continue to focus on enhancing the capabilities of its product offerings, data and digital offerings and investing in its sales and marketing engine. As a result, the company expects that it will experience a reacceleration in growth in fiscal 2018

5. RESERVES

₹ 236.66 Lakhs is proposed to be transferred to reserves for the year ended March 31, 2017.

6. DIVIDEND

To conserve cash resources for future business operations, the Directors do not propose a dividend for the year ended March 31, 2017.

7. HUMAN RESOURCES

Majesco Group deploys its intellectual capability to create and deliver intellectual property (IP)-led solutions that make a positive business impact for its global clients. For this, the key success enabler and most vital resource is world-class talent. Majesco Group continually undertakes measures to attract and retain such high quality talent.

As on March 31, 2017, Majesco Group had a total Head count of 2163. The Directors wish to place on record their appreciation for the contributions made by employees to the Company during the year under review.

8. DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATES

Your Company has one direct subsidiary and eight step down subsidiaries as on March 31, 2017, the names of which are as under:

₹ in Lakhs

| Name of Subsidiary | Date of Incorporation | Country | Business | Total Income | | Net Profit | |
|---|-----------------------|-----------|---------------------------------|----------------------|----------------------|----------------------|----------------------|
| | | | | As on March 31, 2017 | As on March 31, 2016 | As on March 31, 2017 | As on March 31, 2016 |
| Majesco | April 7, 1992 | USA | Information Technology Services | 18,360.10 | 16,833.56 | (3,124.81) | (1,846.60) |
| Step Down Subsidiary | | | | | | | |
| Majesco Software and Solutions Inc. | June 3, 1991 | USA | Information Technology Services | 35,477.54 | 36,338.06 | (90.87) | 262.53 |
| Cover-All Systems Inc. | October 26, 1989 | USA | Information Technology Services | 18,312.62 | 11,661.33 | 4,671.83 | 1,402.86 |
| Majesco Canada Ltd. | February 9, 2009 | Canada | Information Technology Services | 1,171.66 | 1,427.54 | (199.15) | 89.02 |
| Majesco Sdn Bhd. | April 29, 2000 | Malaysia | Information Technology Services | 2,429.62 | 2,410.19 | 37.55 | 21.52 |
| Majesco Asia Pacific Pte Ltd. | March 26, 1991 | Singapore | Information Technology Services | 39.42 | 124.97 | (32.64) | (7.19) |
| Majesco (Thailand) Co. Ltd. | February 5, 2007 | Thailand | Information Technology Services | NIL | NIL | (62.29) | (30.49) |
| Majesco Software and Solutions India Private Ltd. | October 22, 2014 | India | Information Technology Services | 23,615.50 | 20,868.67 | 397.5 | (75.05) |
| Majesco (UK) Ltd. | October 23, 2014 | UK | Information Technology Services | 5,585.98 | 5,966.40 | 65.11 | 188.20 |

9. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. Accounting policies selected have been applied consistently. Reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at end of March 31, 2017 and of the profit of the Company for the year ended on that date.
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- d. The Annual accounts of the Company have been prepared on a going concern basis.
- e. Internal Controls have been laid down to be followed by the Company and such internal controls are adequate and were operating effectively; and
- f. Systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Re- appointment of Mr. Farid Kazani as Managing Director of the Company

The Members of the Company had appointed Mr. Farid Kazani to hold the office as Managing Director up to May 31, 2018. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors has, by a resolution passed at its meeting held on July 3, 2017, re-appointed him as the Managing Director for a further term of [3] years with effect from July 4, 2017 till July 3, 2020.

Keeping in view that Mr. Farid Kazani has rich and varied experience in the industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Farid Kazani as the Managing Director.

The Board recommend the same for members approval.

b. Retirement by rotation of Mr. Radhakrishnan Sundar (DIN 00533952), Executive Director

Mr. Radhakrishnan Sundar, Executive Director retires by rotation at the forthcoming Annual General Meeting and is being eligible, offers himself for reappointment.

c. Independent Directors

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Mr. Venkatesh Chakravarty (DIN 01102892), Ms. Madhu Dubhashi (DIN 00036846), Dr. Arun Maheshwari (DIN 01682147) were appointed as Independent Directors at the Annual General Meeting of the Company held on April 30, 2015 for term of five (5) years from May 1, 2015 to April 30, 2020. They have submitted a declaration that each of them meet the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as an independent director during the year.

During the year, non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

d. Key Managerial Personnel

The following employees were Key Managerial Personnel for the year 2016-17

- Mr. Farid Kazani- (DIN 06914620) Managing Director
- Mr. Radhakrishnan Sundar- (DIN 00533952) Executive Director
- Mr. Kunal Karan- Chief Financial Officer
- Mr. Nishant Shirke- Company Secretary

11. EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with requirement of the provisions of Section 178 of the Companies Act, 2013 read with Rules framed thereunder and provisions of Schedule IV to the Act as well as Regulation 17 (10) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("LODR"), the performance evaluation of the Board as a whole and individual director was carried out during the year under review.

With the help of outside expert, a structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

12. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION

The Company has a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination & Remuneration Committee and the Board.

The policy covers:

1. Directors' appointment and remuneration; and

2. Remuneration of Key Managerial Personnel and other employees.

The more details on the same are given in the Corporate Governance Report, which forms part of Directors' Report.

13. INTERNAL CONTROL SYSTEM

A strong internal control system is pervasive in the Company. The Company has documented a robust and comprehensive internal control system for all the major processes to ensure reliability of financial reporting.

14. INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations.

During the year, such controls were tested and no reportable materials weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company has adopted accounting policies which are in line with the Accounting Standards and Act. These are in accordance with generally accepted accounting principle in India. Changes in policies, if required, are made in consultation with the Auditors and are approved by the Audit Committee.

The Company has a robust financial closure, certification mechanism for certifying adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

15. NUMBER OF BOARD MEETINGS

The Board of Directors met 6 (Six) times during the year 2016-2017. The details of the Board meetings and the attendance of the Directors, please refer to the Corporate Governance Report, which forms part of this report.

16. FAMILIARIZATION PROGRAM OF INDEPENDENT DIRECTORS

The details of the familiarization program of Independent Directors are available on the website of the Company at <https://ir.majesco.com/investor-communications/>.

17. AUDIT COMMITTEE

The details in respect to composition of audit committee are included in the Corporate Governance Report, which forms of this report.

18. STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

At the 2nd Annual General Meeting (AGM) held on April 30, 2015, the M/s. Varma & Varma, Chartered Accountants have been appointed as the Statutory Auditors of the Company for a period of 5 years. Ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

Further, the report of the Statutory Auditors is enclosed to this report. The observations made in the Auditors' Report are self-explanatory and does not contain any qualification. Therefore, it does not call for any further comments.

19. SECRETARIAL AUDIT

In terms of Section 204 of the Companies Act 2013, and Rules made there under, M/s. Abhishek Bhate & Co. Practicing Company Secretary, Thane has been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed as Annexure IV to this report. The report is self-explanatory and does not contain any qualification. Therefore, it does not call for any further comments.

20. CHANGE IN SHARE CAPITAL

During the year, the Company allotted 3,10,634 Equity Shares of face value of ₹ 5/- each for a total nominal value of who exercised their vested Employee Stock Options. These Equity Shares rank pari passu in all respects with the existing Equity Shares of the Company.

As on March 31, 2017, the issued, subscribed and paid up share capital of your company stood at ₹ 11,68,15,175/- comprising 2,33,63,035 Equity shares of ₹ 5/- each.

21. RISK MANAGEMENT

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan of the Company. The Audit Committee, quarterly reviews the risks and remedial measures taken. The risks are identified and discussed by Risk Committee at its meeting at regular intervals. The various risks are categorized as High risk, Medium risk and Low risk and appropriate steps/measures are taken/initiated to mitigate the identified risks from time to time.

22. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

Details of Loans, guarantees, Investments covered under provisions of Section 186 of the Companies Act, 2013 are given in the notes 11, 16, and 27 to the financial statements.

23. RELATED PARTY TRANSACTIONS

All the Related Party Transactions are entered into on arm's length basis and are in compliance with the applicable provisions of the Act and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. There are no material significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

All the Related Party Transactions are presented to the Audit Committee and Board for their approval. Omnibus approval is given by Audit committee for the transactions which are foreseen and repetitive in nature. A statement of all Related Party Transactions is presented before the Audit Committee

and Board on quarterly basis, specifying the nature, value and terms and conditions of the transactions. The said transactions are approved by Audit Committee as well as by Board.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at <https://ir.majesco.com/policies/>.

Detailed explanation on transactions with related parties is given in Annexure I.

24. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year ended March 31, 2017.

25. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiative undertaken by the Company on CSR activities during the year are set out in Annexure II of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The Policy is available on the website of the Company at <https://ir.majesco.com/policies>

26. EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of annual return is given in Annexure III.

27. MANAGEMENT OF RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

In compliance with the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Whistle Blower Policy /Vigil mechanism and the same is placed on the Company's web site at <https://ir.majesco.com/policies/>

The employees of the company are made aware of the said policy at the time of joining the Company.

28. EMPLOYEE STOCK OPTIONS

The Board of Directors confirms that there is no material change in the ESOP scheme plan I of the Company is in compliance with SEBI guidelines. The required disclosures is enclosed as Annexure V.

29. PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required in terms of the provisions of Section 197(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 are given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

| Name of the Director | Ratio to median remuneration |
|-------------------------------|------------------------------|
| Executive Directors: | |
| Mr. Farid Kazani | 20.89 |
| Mr. Radhakrishnan Sundar | 3.23 |
| Non-Executive Director | |
| Mr. Venkatesh Chakravarty | Not Applicable |
| Mr. Ketan Mehta | Not Applicable |
| Dr. Arun Maheshwari | Not Applicable |
| Ms. Madhu Dubhashi | Not Applicable |

- b) The percentage of increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year:

| Name of the Director / Kmp's | % increasing in remuneration in the financial year |
|---|--|
| Director, Chief Financial Officer, and Company Secretary | |
| Mr. Farid Kazani | 18.5% |
| Mr. Radhakrishnan Sundar | NIL |
| Mr. Venkatesh Chakravarty | Not Applicable |
| Dr. Arun Kumar Maheshwari | Not Applicable |
| Mr. Ketan Mehta | Not Applicable |
| Ms. Madhu Dubhashi | Not Applicable |
| Mr. Kunal Karan, Chief Financial Officer | 26.4% |
| Mr. Nishant S. Shirke, Company Secretary | 11.0% |

- c) Percentage of increase in the median remuneration of employees in the Financial Year March 31, 2017 – 6.3%
- d) The number of permanent employees on the rolls of the Company as on March 31, 2017: 109 employees
- e) Average percentage increase made in the salaries of the Employees other than the Managerial Personnel in the Financial Year was (8.6%) vis a vis increase of 12.86% in the salaries of Managerial Personnel.
- f) Affirmation that the remuneration is as per the remuneration policy of the Company:
- The Company affirm that the remuneration is as per the remuneration policy of the Company.
- g) The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197 (12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014

is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Companies Act, 2013, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations:

31. PUBLIC DEPOSITS

Your Company has not accepted any deposits from public in terms of Section 73 and/or 74 of the Companies Act, 2013.

32. MANAGEMENT DISCUSSION AND ANALYSIS

- (a) Conservation of energy: As a software Company, energy costs constitute a small portion of the total cost and there is not much scope for energy conservation.

| | | |
|-------|--|----|
| (i) | the steps taken or impact on conservation of energy. | NA |
| (ii) | the steps taken by the company for utilizing alternate sources of energy | |
| (iii) | the capital investment on energy conservation equipment's | |

- (b) Technology absorption: Not Applicable

| | | |
|-------|--|----|
| (i) | the efforts made towards technology absorption | NA |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution | |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- | |
| | (a) the details of technology imported | |
| | (b) the year of import; | |
| | (c) whether the technology been fully absorbed | |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | |
| (iv) | the expenditure incurred on Research and Development | |

- (c) Foreign exchange earnings and outgo

Total foreign Exchange used and earned by Majesco Limited

| | ₹ in Lakhs | |
|-----------------|---------------------------|---------------------------|
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Exchange used | 6.43 | 10.90 |
| Exchange Earned | 69.71 | - |

33. CORPORATE GOVERNANCE

The Company has complied with Corporate Governance requirement under the Companies Act, 2013 and as per LODR. A separate section on Corporate Governance practices followed by the Company together with the Certificate from M/s. Abhishek Bhate & Co., Practicing Company Secretary, appearing elsewhere in this report, forms an integral part of this report.

34. ACKNOWLEDGMENT

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments, and other statutory authorities for their continued support.

For and on behalf of the Board
Majesco Limited

Farid Kazani
Managing Director
DIN: 06914620

Venkatesh Chakravarty
Non-Executive Chairman
& Independent Director
DIN: 01102892

Date: July 3, 2017
Place: Navi Mumbai

Form No. AOC-2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

DETAILS OF RELATED PARTY TRANSACTIONS

- Details of contracts or arrangement or transactions not at arm's length basis:** Majesco Limited has not entered into any contract or arrangement or transaction with its related parties which are not arm's length during financial year 2016-2017.
- Details of material contracts or arrangement or transactions at arm's length basis.:**

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2017 are as follows:

| Name of the related party | Nature of relationship | Nature of Contracts/ arrangements/ transactions | Contracts/ arrangements/ transactions | Salient terms of arrangements or transactions including the value | Date of approval of the Board, if any | Amount paid as advance, if any |
|---------------------------|------------------------|---|---|---|---------------------------------------|--------------------------------|
| Majesco, USA | Subsidiary Company | Guarantee Commission | For duration of one year and are automatically renewed annually | As per related party transactions | May 18, 2016 | NIL |

Note:

- The above reported transaction has been executed at Arms' Length Pricing Basis and is in ordinary course of business
- Necessary approval of the Audit Committee and the Board (omnibus and specific) has been obtained prior to entering into transaction.

Farid Kazani

Managing Director
DIN: 06914620

Venkatesh Chakravarty

Non-Executive Chairman & Independent Director
DIN: 01102892

Date: July 3, 2017

Place: Navi Mumbai

REPORT ON CSR ACTIVITIES/ INITIATIVES
[Pursuant to Section 135 of the Act & Rules made thereunder]

1. **A brief outline of the company's Corporate Social Responsibility Policy (CSR Policy), including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

The CSR policy is being developed for the organization to comply with the provisions of section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. We, Majesco are committed to spending up to 2% of the average net profit for the preceding three financial years on CSR projects or programmes related to activities specified in Schedule VII to the Act or such activities as may be notified from time to time. A CSR committee was constituted as per Board Resolution No. 4 dated June 1, 2015 to meet the requirements of the Act. The Committee has adopted CSR policy vide Board Resolution No. 24 dated June 1, 2015 and same is uploaded on the Company's website at <https://ir.majesco.com/policies/>.

2. **The Composition of the CSR Committee:**

- a. Mr. Venkatesh Chakravarty – Chairman
- b. Dr. Arun Maheshwari – Member
- c. Mr. Radhakrishnan Sundar – Member

3. Average net profit of the company for last three financial years:- ₹ 277.22 Lakhs
4. Prescribed CSR expenditure (two percentage of the amount as in item 3 above): ₹ 5.54 Lakhs
5. Details of CSR spent during the financial year:
 - a. Total amount spent ₹ 7.5 lakhs.
 - b. Amount unspent, if any: NA
 - c. Manner in which the amount spent during the financial year is detailed below

| Sr No. | Projects/Activities | Sector | Locations | Amount Outlay (Budget) Project or Programs wise | Amount Spent on the project or programs | Cumulative Expenditure Up to reporting period | Amount spent: Direct or through implementing agency* |
|--------------|---|--|------------------------|---|---|---|--|
| | | | Districts (State) | Lakh | Lakh | Lakh | Lakh |
| 1. | Supporting mid-day meal programme for government aid schools. | Health Care and Eradicating Malnutrition | Bangalore, Karnataka | 5.00 | 5.00 | 5.00 | 5.00 |
| 2. | Supporting eye- care and treatment of patients from low income group. | Health Care and Eradicating Malnutrition | Coimbatore, Tamil Nadu | 5.00 | 2.50 | 2.50 | 2.50 |
| Total | | | | 10.00 | 7.50 | 7.50 | 7.50 |

*Details implementing Agency: The Akshaya Patra Foundation, Bengaluru; Sankara Eye Foundation, Coimbatore (Sri Kanchi Kamakoti Medical Trust)

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: NA
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Form No. MGT-9

Extract of Annual Return as on the financial year ended on March 31, 2017 of Majesco Limited

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | |
|----|--|---|
| 1. | CIN | L72300MH2013PLC244874 |
| 2. | Registration Date | June 27, 2013 |
| 3. | Name of the Company | Majesco Limited |
| 4. | Category / Sub-Category of the Company | Public Company Limited by Shares |
| 5. | Address of the Registered Office and contact details | MNDC, MBP-P-136, Mahape, Navi Mumbai 400 710 Phone: 02261501800 |
| 6. | Whether listed company | Yes |
| 7. | Name, Address and contact details of Registrar & Transfer Agents (RTA) | Karvy Computershare Private Limited, Unit:- Majesco Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032, India. Telephone number: +91 40 6716 2222 Fax number: +91 40 2342 0814 E-mail: einward.ris@karvy.com Website: www.karvycomputershare.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1. | IT and It related Service | 620 | 50% |
| 2. | Real Estate Activity | 681 | 50% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

| Sl. No. | Name of Subsidiary | CIN/GLN | Holding/Subsidiary Associates | % of shares held | Applicable Section |
|---------|---|-----------------------|-------------------------------|------------------|--------------------|
| 1 | Majesco | Foreign Company | Subsidiary | 69.87% | 2 (87) |
| 2 | Majesco Software and Solutions Inc. | Foreign Company | Step Down Subsidiary | 100.00% | 2 (87) |
| 3 | Cover-All Systems Inc. | Foreign Company | Step Down Subsidiary | 100.00% | 2 (87) |
| 4 | Majesco Canada Ltd. | Foreign Company | Step Down Subsidiary | 100.00% | 2 (87) |
| 5 | Majesco Snd Bhd | Foreign Company | Step Down Subsidiary | 100.00% | 2 (87) |
| 6 | Majesco Asia Pacific Pte Ltd. | Foreign Company | Step Down Subsidiary | 100.00% | 2 (87) |
| 7 | Majesco (Thailand) Co. Ltd. | Foreign Company | Step Down Subsidiary | 100.00% | 2 (87) |
| 8 | Majesco Software and Solutions India Private Ltd. | U72900MH2014PTC288244 | Step Down Subsidiary | 100.00% | 2 (87) |
| 9 | Majesco (UK) Ltd. | Foreign Company | Step Down Subsidiary | 100.00% | 2 (87) |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|-----------------|--------------------|-------------------|---|-----------------|--------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a. Individual/HUF | 1,15,06,660 | NIL | 1,15,06,660 | 49.92 | 1,12,94,104 | NIL | 1,12,94,104 | 48.34 | (1.58) |
| b. Central Govt. | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| c. State Govt. (s) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| d. Bodies Corp | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| e. Banks / FI | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| f. Any Other.... | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub-total (A) | 1,15,06,660 | NIL | 1,15,06,660 | 49.92 | 1,12,94,104 | NIL | 1,12,94,104 | 48.34 | (1.58) |
| (2) Foreign | | | | | | | | | |
| a. NRIs Individuals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| b. Other – Individuals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| c. Bodies Corp. | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| d. Banks / FI | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| e. Any Other... | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub-total(A) (2):- | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 1,15,06,660 | NIL | 1,15,06,660 | 49.92 | 1,12,94,104 | NIL | 1,12,94,104 | 48.34 | (1.58) |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a. Mutual Funds | 9,95,086 | 1,200 | 9,96,286 | 4.32 | 13,24,497 | 1,200 | 13,25,697 | 5.67 | 1.35 |
| b. Banks / FI | 1,30,875 | NIL | 1,30,875 | 0.57 | 32,069 | NIL | 32,069 | 0.14 | (0.42) |
| c. Central Govt | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| d. State Govt (s) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| e. Venture Capital Funds | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| f. Insurance Companies | 11,08,216 | NIL | 11,08,216 | 4.81 | 11,08,216 | NIL | 11,08,216 | 4.74 | (0.07) |
| g. FIs | 14,79,763 | 1,600 | 14,81,363 | 6.43 | 5,62,258 | 1,600 | 5,63,858 | 2.41 | (4.02) |
| h. Foreign Venture Capital Funds | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| i. Others (specify) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub-Total (B)(1) | 37,13,940 | 2,800 | 37,16,740 | 16.13 | 30,27,040 | 2800 | 30,29,840 | 12.97 | (3.16) |
| 2. Non-Institutions | | | | | | | | | |
| a. Bodies Corp. | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| i. Indian | 15,31,610 | 2,400 | 15,34,010 | 6.65 | 13,34,915 | 2,400 | 13,37,315 | 5.72 | (0.93) |
| ii. Overseas | 200 | NIL | 200 | 0.00 | 200 | NIL | 200 | 0.00 | NIL |
| b. Individuals | | | | | | | | | |
| i. Individual shareholders holding nominal share capital upto ₹ 1 lakh | 43,66,335 | 2,26,602 | 45,92,937 | 19.92 | 53,84,722 | 1,95,205 | 55,79,927 | 23.88 | 3.96 |
| ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 9,80,470 | NIL | 9,80,470 | 4.25 | 13,01,658 | NIL | 13,01,658 | 5.57 | 1.32 |
| c. Others | | | | | | | | | |
| i. Non Resident Individuals | 6,46,666 | 11,237 | 6,57,939 | 2.85 | 7,85,685 | 11,273 | 7,96,958 | 3.41 | 0.56 |
| ii. Foreign National | 59,435 | NIL | 59,435 | 0.26 | 13,760 | NIL | 13,760 | 0.06 | (0.20) |
| NBFC | 4,010 | NIL | 4,010 | 0.02 | 9,273 | NIL | 9,273 | 0.04 | 0.02 |
| Sub-total (B)(2):- | 75,88,726 | 2,40,275 | 78,29,001 | 33.96 | 88,30,213 | 2,08,878 | 90,39,091 | 38.69 | 4.73 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 1,13,02,666 | 2,43,075 | 1,15,45,741 | 50.08 | 1,18,57,253 | 2,11,678 | 1,20,68,931 | 51.66 | 1.58 |
| C. Shares held by Custodian for GDRs & ADRs | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Grand Total (A+B+C) | 2,28,09,326 | 2,43,075 | 2,30,52,401 | 100.00 | 2,31,51,357 | 2,11,678 | 2,33,63,035 | 100.00 | NIL |

(ii) Shareholding of Promoters

| Sl. No. | Category of Shareholders | No. of Shares held at the beginning of the year | | | No. of Shares held at the end of the year | | | % change In share holding during the year |
|---------|--------------------------|---|----------------------------------|--|---|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1. | Mr. Ashank Desai | 30,99,552 | 13.45 | NIL | 30,99,552 | 13.27 | NIL | 0.18 |
| 2. | Mr. Sudhakar Ram | 27,91,680 | 12.11 | NIL | 26,34,763 | 11.28 | 11.39 | 0.83 |
| 3. | Mr. Ketan Mehta | 25,19,100 | 10.93 | NIL | 25,19,100 | 10.78 | NIL | 0.15 |
| 4. | Mr. Radhakrishnan Sundar | 14,45,800 | 6.27 | NIL | 13,90,161 | 5.95 | NIL | 0.32 |
| 5. | Ms. Rupa Mehta | 4,80,800 | 2.09 | NIL | 4,80,800 | 2.06 | NIL | 0.03 |
| 6. | Ms. Usha Sundar | 4,60,000 | 2.00 | NIL | 4,60,000 | 1.97 | NIL | 0.03 |
| 7. | Ms. Girija Ram | 1,63,600 | 0.71 | NIL | 1,63,600 | 0.70 | NIL | 0.01 |
| 8. | Ms. Padma Desai | 1,55,200 | 0.67 | NIL | 1,55,200 | 0.66 | NIL | 0.01 |
| 9. | Ms. Samvitha Ram | 1,03,328 | 0.45 | NIL | 1,03,328 | 0.44 | NIL | 0.00 |
| 10. | Ms. Avanti Desai | 81,600 | 0.35 | NIL | 81,600 | 0.35 | NIL | 0.00 |
| 11. | Mr. Chinmay Ashank Desai | 71,600 | 0.31 | NIL | 71,600 | 0.31 | NIL | 0.00 |
| 12. | Mr. Varun Sundar | 64,000 | 0.28 | NIL | 64,000 | 0.27 | NIL | 0.00 |
| 13. | Mr. Shankar Sundar | 64,000 | 0.28 | NIL | 64,000 | 0.27 | NIL | 0.01 |
| 14. | Mr. Tanay Mehta | 6,400 | 0.03 | NIL | 6,400 | 0.03 | NIL | 0.00 |

(iii) Change in Promoters (including Promoter Group) Shareholding

| Sl. No. | Name of the Promoter | Shareholding at the beginning of the year as on 01.04.2016 | | Date | Reason | Increase/ Decreases in Shareholding | | Cumulative Shareholding during the year | |
|---------|----------------------|--|----------------------------------|------------|----------------|-------------------------------------|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the company | | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1. | Radhakrishnan Sundar | 14,45,800 | 6.27 | | | | | 14,45,800 | 6.27 |
| | | | | 09.12.2016 | Sale of Shares | (15,700) | | | |
| | | | | 14.12.2016 | Sale of Shares | (34,300) | | | |
| | | | | 06.01.2017 | Sale of Shares | (3,550) | | | |
| | | | | 10.01.2017 | Sale of Shares | (2,089) | 0.32 | 13,90,161 | 5.95 |
| 2. | Sudhakar Ram | 27,91,680 | 12.11 | | | | | 27,91,680 | 12.11 |
| | | | | 30.08.2016 | Sale of Shares | (85) | | | |
| | | | | 31.08.2016 | Sale of Shares | (33,500) | | | |
| | | | | 02.09.2016 | Sale of Shares | (6,820) | | | |
| | | | | 07.09.2016 | Sale of Shares | (612) | | | |
| | | | | 09.09.2016 | Sale of Shares | (4,900) | | | |
| | | | | 23.09.2016 | Sale of Shares | (35,000) | | | |
| | | | | 04.10.2016 | Sale of Shares | (76,000) | 0.83 | 26,34,763 | 11.28 |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl. No. | For each of the Top 10 shareholders | Shareholding at the beginning of the year April 1, 2016 | | Shareholding at the end of the year March 31, 2017 | |
|---------|---|---|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1 | Life Insurance Corporation of India | 11,08,216 | 4.81 | 11,08,216 | 4.74 |
| 2 | DSP Blackrock Micro Cap Fund | 9,72,371 | 4.22 | 13,07,989 | 5.60 |
| 3 | Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund | 8,00,000 | 3.47 | 4,50,000 | 1.93 |
| 4 | Ashish Kacholia | 3,33,340 | 1.45 | 3,83,340 | 1.64 |
| 5 | Edelweiss Securities Ltd | 2,66,347 | 1.16 | 0 | 0.00 |
| 6 | Fidelity Northstar Fund | 2,25,000 | 0.98 | 0 | 0.00 |
| 7 | Vora Financial Services Private Limited | 0 | 0.00 | 2,05,000 | 0.88 |
| 8 | Bang Securities Pvt. Ltd. | 1,74,882 | 0.76 | 0 | 0.00 |
| 9 | ICICI Bank Ltd | 1,27,184 | 0.55 | 20,580 | 0.09 |
| 10 | Sagar Nirmal Bang | 1,01,082 | 0.44 | 1,01,082 | 0.43 |
| 11 | D Sathyamoorthi | 1,00,000 | 0.43 | 1,00,000 | 0.43 |
| 12 | Shalini Desai | 80,000 | 0.35 | 80,000 | 0.34 |
| 13 | Sangeeta Nirmal Bang | 0 | 0.00 | 73,000 | 0.31 |
| 14 | R Venkataraman | 69,036 | 0.30 | 69,036 | 0.30 |

* The shares of the Company are traded on a daily basis and hence the date wise increase/decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | For Each of the Directors and KMP | Shareholding at the beginning of the year April 1, 2016 | | Shareholding at the end of the year March 31, 2017 | |
|---------|-----------------------------------|---|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1 | Mr. Farid Kazani | 81,208 | 0.35 | 79,220 | 0.34 |
| 2 | Mr. Radhakrishnan Sundar | 14,45,800 | 6.27 | 13,90,161 | 5.95 |
| 3 | Mr. Kunal Karan | 0 | 0.00 | 1,400 | 0.01 |
| 4 | Mr. Nishant S. Shirke | 27 | 0.00 | 27 | 0.00 |
| | Total | 15,27,035 | 6.62 | 14,70,808 | 6.30 |

V. INDEBTEDNESS

Indebtedness of the company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|------------|--------------------|
| Indebtedness at the beginning of the financial year April 1, 2016 | | | | |
| i) Principal Amount | NIL | NIL | NIL | NIL |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | NIL | NIL | NIL | NIL |
| Change in Indebtedness during the financial year | | | | |
| + Addition | NIL | NIL | NIL | NIL |
| - Reduction | NIL | NIL | NIL | NIL |
| Net Change | NIL | NIL | NIL | NIL |
| Indebtedness at the end of the financial year March 31, 2017 | | | | |
| i) Principal Amount | NIL | NIL | NIL | NIL |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | NIL | NIL | NIL | NIL |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl. No. | Particulars of Remuneration (All figures in ₹) | Name of MD/ WTD/ Manager | | Total Amount |
|---------|---|--|--|--|
| | | Mr. Farid Kazani (DIN: 06914620) Managing Director | Mr. Radhakrishnan Sundar (DIN: 00533952) Executive Director | |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1,37,35,430.04 | 24,00,000.00 | 1,61,35,430.04 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 39,600.00 | 39,600.00 | 79,200.00 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | | | |
| 2. | Stock Option | NIL | NIL | NIL |
| 3. | Sweat Equity | NIL | NIL | NIL |
| 4. | Commission | NIL | NIL | NIL |
| | - as % of profit | - | - | - |
| | - others, specify | - | - | - |
| 5. | Others, please specify | - | - | - |
| | Provident Fund & Other Fund | 9,72,000.00 | 2,88,000.00 | 12,60,000.00 |
| | Performance Bonus | NIL | NIL | NIL |
| | Total (A) | ₹ 1,47,47,030.04 | ₹ 27,27,600.00 | ₹ 1,74,74,630.04 |
| | Ceiling as per the Act | As per Section II of Schedule V of the Companies Act, 2013 | As per Section II of Schedule V of the Companies Act, 2013 | As per Section II of Schedule V of the Companies Act, 2013 |

B. Remuneration to other Directors

I. Independent Directors

| Particulars of Remuneration | Name of Directors | | | Total (Amount in ₹) |
|--|---------------------------|---------------------|--------------------|---------------------|
| | Mr. Venkatesh Chakravarty | Dr. Arun Maheshwari | Ms. Madhu Dubhashi | |
| Fee for attending Board Meetings | 2,40,000 | NIL | 3,00,000 | 5,40,000 |
| Fee for attending Audit Committee meetings | 90,000 | NIL | 1,20,000 | 2,10,000 |
| Commission | NIL | NIL | NIL | NIL |
| Others | NIL | NIL | NIL | NIL |

II. Other Non-Executive Directors:-

| | Name of Director (Mr. Ketan Mehta) | Total (Amount in ₹) |
|--|---------------------------------------|---------------------|
| Fee for attending Board Meetings | NIL | NIL |
| Fee for attending Audit Committee Meetings | NIL | NIL |
| Commission | NIL | NIL |
| Others (Perquisites/Benefits) | NIL | NIL |

C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD

| Sl. No. | Particulars of Remuneration (All figures in ₹) | Name of MD/ WTD/ Manager | | Total Amount |
|---------|---|--------------------------|---------------------|---------------------|
| | | Chief Financial Officer | Company Secretary | |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 39,48,436.50 | 10,87,669.85 | 50,36,106.35 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 32,400.00 | NIL | 32,400.00 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | NIL | NIL | NIL |
| 2. | Stock Option | NIL | NIL | NIL |
| 3. | Sweat Equity | NIL | NIL | NIL |
| 4. | Commission | | | |
| | - as % of profit | NIL | NIL | NIL |
| | - others, specify | NIL | NIL | NIL |
| 5. | Others, please specify | | | |
| | Contribution to Superannuation Fund | NIL | NIL | NIL |
| | Contribution to Provident Fund | 1,58,501.00 | 32,676.00 | 1,91,177.00 |
| | Performance Bonus | | | |
| | Total (A) | 41,39,337.50 | 11,20,345.85 | 52,59,683.35 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
MAJESCO LIMITED.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MAJESCO LIMITED (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under and Companies Act 1956, to the extent it is applicable;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
6. The Exim Laws, STP Scheme, SEZ and Customs Laws:
 - (a) The Foreign Trade Policy (Exim Policy) and Procedures there under;
 - (b) Foreign Trade (Development and Regulation) Act, 1992;
 - (c) Software Technology Parks Scheme;
 - (d) Special Economic Zones Act, 2005 and Special Economic Zones Rules, 2006 (State Acts, Rules and Policies made thereunder);
 - (e) The Customs Act, 1962
7. Labour and Other Laws:
 - (a) The Apprentices Act, 1961 and Apprenticeship Rules, 1992;
 - (b) The Child Labour (Prohibition and Regulation) Act, 1986 and The Child Labour (Prohibition and Regulation) Rules, 1988;
 - (c) The Contract Labour (Regulation and Abolition) Act, 1970 and The Contract Labour (Regulation and Abolition) Central Rules, 1971;
 - (d) The Employees’ Provident Funds and [Miscellaneous Provisions] Act, 1952, The Employees’ Provident Fund Scheme, 1952, Employees’ Pension Scheme, 1995, and Employees’ Deposit-linked Insurance Scheme, 1976;
 - (e) The Maternity Benefit Act, 1961 and The State Rules made there under;
 - (f) The Minimum Wages Act, 1948 and The Minimum Wages (Central) Rules, 1950;
 - (g) The Payment of Bonus Act, 1965 and The Payment of Bonus Rules, 1975;

- (h) The Payment of Gratuity Act, 1972 and The Payment of Gratuity (Central) Rules, 1972;
- (i) The Payment of Wages Act, 1936 and the Rules made there under;
- (j) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- (k) The State Shops and Establishments Act and the State Rules made there under;
- (l) The Information Technology Act, 2000
- (m) E-waste (Management and Handling) Rules, 2011
- (n) Bombay Shops And Establishments Act, 1948.
- (o) The Trade Marks Act, 1999
- (p) The Patents Act, 1970

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India, to the extent it is applicable.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), to the extent it is applicable;

My report is, therefore, based on the personal visits and verification of records made available at the MBP, Mahape – Navi-Mumbai location

I further report that

The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

Based on the information provided by the Company, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on inspection of the minutes of the Board of Directors and its Committees, there were no dissenting views mentioned by the members of the Board of Directors and its Committees.

The Company was regular in filing forms within time limit prescribed under the Act. However, at some instances, forms were filed beyond prescribed time limit and Company paid additional fees for the delayed filing.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that Company has passed the Board Resolution by Circular on 13th October, 2016, for regularizing the provision of Section 96 under Companies Act, 2013.

I further report that during the audit period the Company has passed Special resolution through Postal Ballot held on July, 2016 for following matters:-

1. FOR ISSUANCE OF EQUITY SHARES FOR AN AMOUNT NOT EXCEEDING ₹ 250 CR THE SAID RESOLUTION WAS PASS WITH 99.99% MAJORITY.
2. FOR INCREASING THE FII/ FPI/ NRI SHAREHOLDING LIMIT IN THE PAID-UP SHARE CAPITAL OF THE COMPANY.

I further report that during the Annual General Meeting for the 2015-2016 the Company has passed Special resolution for following matters:-

1. PAYMENT OF COMMISSION TO NON-EXECUTIVE DIRECTORS.
2. AMEND THE ESOP PLAN-1 OF MAJESCO LIMITED.

The above resolutions were passed with requisite majority.

Date: May 9, 2017

Place: THANE

For Abhishek Bhate & Co

CS Abhishek Bhate

ACS No.: 27747

CP No.: 10230

This Report is to be read with my letter of even date which is annexed as 'Annexure' and forms an integral part of this report.

To,
The Members,
MAJESCO LIMITED.

My report of even date is to be read along with this letter

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices ,I followed, provided reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whereever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: May 9, 2017

Place: THANE

For Abhishek Bhate & Co

CS Abhishek Bhate

ANNEXURE V

Disclosure as required under SEBI (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2017

| A. Employee Stock Options Scheme | | |
|------------------------------------|---|---|
| | Particulars | ESOP Plan I |
| 1 | Date of Shareholders Approval | ESOP plan I of the Company was part of Scheme of Arrangement ("the Scheme") between Mastek Limited, Majesco Limited (Earlier known as Minefields Computers Limited) and Majesco Software and Solutions India Private Limited approved by Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat. The scheme approved by shareholders of Mastek Limited in court convened meeting held on March 5, 2015 and shareholders of Majesco (earlier known as Minefields Computers Limited) through consent letters. |
| 2 | Total number of options approved under the scheme | 80,00,000 |
| 3 | Vesting Requirements | The first vesting of the stock options shall happen only on completion of one year from the date of grant. Maximum vesting period is four years from the date of Grant. |
| 4 | Exercise Price or Pricing Formula | The exercise price as may be determined by the Nomination and Remuneration Committee and such price may be the face value of the share from time to time or may be the Market Price or any price as may be decided by the Committee. |
| 5 | Maximum Term of Options Granted | 11 years from the date of Grant |
| 6 | Source of Shares | Primary |
| 7 | Variation in terms of Options | No Variation |
| | Particulars | ESOP Plan I |
| B. Option Movement During the year | | |
| 1 | Total Number of options granted | |
| | Till March 31, 2017 | 36,43,677 |
| | Till 31st March 2016 | 35,66,177 |
| 2 | Options Granted during the year | |
| | April 1, 2016-March 31, 2017 | 77,500 |
| | Weighted Average Exercise Price | 112.16 |
| 3 | Options outstanding at the beginning of the year | |
| | For the year 2016-17* | 30,72,633 |
| | Weighted Average Exercise Price | 187.16 |
| 4 | Number of options vested and exercisable | |
| | As on March 31, 2017 | 12,11,234 |
| | Weighted Average Exercise Price | 138.60 |
| | As on March 31, 2016* | 9,94,061 |
| | Weighted Average Exercise Price | 113.41 |
| 5 | Number of options exercised during the year | |
| | April 1, 2016 - March 31, 2017 | 3,10,634 |
| | Weighted Average Exercise Price | 112.16 |
| | April 1, 2015 - March 31 2016* | 2,39,606 |
| | Weighted Average Exercise Price | 111.20 |

| | Particulars | ESOP Plan I |
|-----------|--|-------------------------------|
| 6 | Total number of shares arising during the year as a result of exercise of options | |
| | April 1, 2016 - March 31, 2017 | 3,10,634 |
| | April 1, 2015 - March 31, 2016* | 2,39,606 |
| 7 | Number of options lapsed during the year | |
| | April 1, 2016 - March 31, 2017 | 1,00,483 |
| | Weighted Average Exercise Price | 192.21 |
| | April 1, 2015 - March 31, 2016* | 37,397 |
| | Weighted Average Exercise Price | 171.62 |
| 8 | Number of options cancelled during the year | |
| | April 1, 2016 - March 31, 2017 | 3,40,716 |
| | Weighted Average Exercise Price | 311.01 |
| | April 1, 2015 - March 31, 2016 | 2,13,542 |
| | Weighted Average Exercise Price | 188.65 |
| 9 | Money realised by exercise of options during the year | |
| | April 1, 2016 - March 31, 2017 | 3,48,41,026 |
| | April 1, 2015 - March 31, 2016 | 2,66,45,109 |
| 10 | Total Number of Options in force | |
| | As on March 31, 2017** | 23,98,300 |
| | Weighted Average Exercise Price** | 189.55 |
| | As on March 31, 2016* | 30,72,633 |
| | Weighted Average Exercise Price* | 187.16 |
| 11 | Loan repaid by the trust during the year from the exercise price received | Not applicable |
| | Name | No. of Options granted |
| C. | Employee-wise details of options granted to: | |
| (i) | Senior managerial personnel | |
| | Mr. Farid Kazani | 20,000 |
| | Mr. Kunal Karan | NIL |
| (ii) | Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year | |
| | Farid Kazani | 20,000 |
| | Padmakumar M P | 5,000 |
| | Tilakraj Panjabi | 5,000 |
| | Ajay Jain | 5,000 |
| | Sanjay Nene | 15,000 |
| | Subhajit Banerjee | 5,000 |
| | Anand Choubey | 15,000 |
| | Subhashini Sreekumar | 7,500 |
| (iii) | Identified employees who were granted option during any one year, equal or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant | NA |

| | | |
|----|---|---|
| D. | Diluted Earnings Per Share pursuant to issue of Diluted Earnings Per Share pursuant to issue of accordance with Accounting Standard (AS) 20 | 0.96 |
| E. | Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options by Black & Scholes Model, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed. | The Company has adopted the intrinsic value method as permitted by the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of stock options granted. The Company's net profit and earnings per share would have been as under, had the compensation cost for employees stock options been recognised based on the fair value at the date of grant in accordance with Black Scholes model. |
| | | ₹ in Lakhs |
| | Profit as reported | 236.66 |
| | Add – Intrinsic Value Cost | 0.29 |
| | Less - Fair Value Cost | 132.86 |
| | Profit as adjusted | 104.09 |
| | Earning per share (Basic) as reported | 1.02 |
| | Earning per share (Basic) adjusted | 0.45 |
| | Earning per share (Diluted) as reported | 0.96 |
| | Earning per share (Diluted) adjusted | 0.42 |
| F. | For stock options exercised during the period the weighted average share price on the date of exercise ('')* | |
| | April 1, 2016 - March 31, 2017 | 112.16 |
| | April 1, 2015 - March 31, 2016 | 111.20 |
| G. | For stock options outstanding at the end of the period, the range of exercise prices and weighted average remaining contractual life (Vesting period + exercise period)* | As on March 31, 2017 |
| | Range of Exercise price (₹) | |
| | 5-100 | 5.47 |
| | Number of Options Outstanding | 8,50,545 |
| | Weighted Average exercise price | 66.51 |
| | 101-200 | 5.93 |
| | Number of Options Outstanding | 7,46,380 |
| | Weighted Average Exercise Price | 127.45 |
| | Above 200 | 7.94 |
| | Number of Options Outstanding | 8,01,375 |
| | Weighted Average Exercise Price | 377.99 |
| H. | Weighted average exercise price of Options granted during the year Whose | April 1, 2016 - March 31, 2017 |
| a. | Exercise price equals market price | 292.51 |
| b. | Exercise price is greater than market price | 326.02 |
| c. | Exercise price is less than market price | - |
| | Weighted average fair value of Options granted during the year whose | April 1, 2015 - March 31, 2016 |
| a. | Exercise price equals market price | 394.15 |
| b. | Exercise price is greater than market price | 332.00 |
| c. | Exercise price equals market price | 569 |

| | | |
|----|---|---------------------------------------|
| I. | Method and Assumptions used to estimate the fair value of options granted during the year | |
| | The fair value has been calculated using the Black Scholes Option Pricing model. The assumptions used in the model are as follows | April 1, 2016 - March 31, 2017 |
| | April 1, 2016 - March 31, 2017 | Weighted Average Assumptions |
| | Stock Price (₹) | 513.40 |
| | Volatility | 51.62% |
| | Risk free Rate | 7.19 |
| | Exercise Price (₹) | 511.48 |
| | Time To Maturity (In Years) | 6 years |
| | Dividend yield | 0% |

ESOP Plan I Grant date wise assumptions used in the model are as follows:

| Variables | May 18, 2016 | June 13, 2016 | August 10, 2016 | Feb 1 ,2017 |
|-----------------------------|--------------|---------------|-----------------|-------------|
| Number of Options | 35,000 | 15,000 | 5,000 | 22,500 |
| Stock Price (₹) | 588.80 | 544.80 | 509.70 | 369.40 |
| Volatility | 50.86% | 51.34% | 57.29% | 51.73% |
| Risk free Rate | 7.45% | 7.47% | 6.98% | 6.65% |
| Exercise Price (₹) | 588.80 | 544.80 | 509.70 | 369.40 |
| Time To Maturity (In Years) | 6 years | 6 years | 6 years | 6 years |
| Dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Option fare value (₹) | 341.51 | 326.02 | 311.86 | 211.97 |

ANNEXURE IV

Form No. AOC- 1

(Pursuant to first proviso sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries:

| SN | Name of subsidiary | Date of acquisition | Reporting currency | Exchange rate | Share Capital | Reserves and surplus | Total assets | Total liabilities | Investments | Turnover | Profit / (loss) before tax | Current tax | Profit / (loss) after tax | % share holding |
|----|---|---------------------|--------------------|---------------|---------------|----------------------|--------------|-------------------|-------------|-----------|----------------------------|-------------|---------------------------|-----------------|
| 1 | Majesco | April 7, 1992 | USD | 64.850 | 31.53 | 15,812.26 | 34,311.07 | 18,467.28 | 22,472.12 | 18,417.36 | (3,941.90) | (817.09) | (3,124.81) | 69.87% |
| 2 | Majesco Software and Solutions Inc. | March 7, 2008 | USD | 64.850 | 1.10 | 3,740.44 | 14,963.13 | 11,221.59 | 1,266.24 | 35,477.54 | (275.31) | (184.44) | (90.87) | 100% |
| 3 | Cover-All System Inc. | June 26, 2015 | USD | 64.850 | - | 7,022.22 | 11,662.01 | 4,639.79 | - | 18,317.98 | 5,504.37 | 832.54 | 4,671.83 | 100% |
| 4 | Majesco Canada Ltd. | February 9, 2009 | CAD | 48.593 | 1,555.01 | (1,581.19) | 280.59 | 306.76 | - | 1,171.66 | (199.15) | - | (199.15) | 100% |
| 5 | Majesco Sdn Bhd. | April 29, 2000 | MYR | 14.653 | 1,650.22 | 185.37 | 1,770.92 | 212.04 | 276.71 | 2,242.46 | 48.11 | 13.45 | 34.66 | 100% |
| 6 | Majesco Asia Pacific Pte Ltd. | March 26, 1991 | SGD | 46.413 | 1,322.77 | (1,220.69) | 107.89 | 5.80 | - | 37.81 | (31.30) | - | (31.30) | 100% |
| 7 | Majesco (Thailand) Co. Ltd. | February 5, 2007 | THB | 1.883 | 131.81 | (740.61) | 7.32 | 616.12 | - | - | (61.42) | - | (61.42) | 100% |
| 8 | Majesco Software and Solutions India Private Ltd. | October 22, 2014 | INR | 1.000 | 35.00 | 736.26 | 5,701.63 | 4,930.36 | 346.83 | 23,843.40 | 577.86 | 180.34 | 397.52 | 100% |
| 9 | Majesco (UK) Ltd. | October 23, 2014 | GBP | 80.903 | 1,180.69 | 81.06 | 2,312.23 | 1,050.48 | - | 5,591.48 | 100.39 | 35.28 | 65.11 | 100% |

CORPORATE GOVERNANCE REPORT

GOVERNANCE STRUCTURE

Majesco Limited (hereinafter referred to as “Majesco” or the Company) strongly believes that establishing good corporate governance practices in each and every function of the organization leads to achieve sustainable growth and enhances long term value for all the stakeholders. The Company always endeavours to carry its business operations in a fair, transparent and ethical manner and also holds itself accountable and responsible to the society it belongs. The Company considers it imperative to abide by the laws and regulations of the land in letter and spirit and is committed to the highest standards of corporate behaviors.

Majesco’s Governance structure broadly comprises of the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable, profitable growth.

A. Board of Directors (The Board)

(i) Size and Composition of the Board

Your Company had a balance mix of Executive and Non-Executive Directors during the year. The composition of the Board represent with varied professional background in the field of Information Technology, Insurance, Finance, Marketing and Strategic Management.

The Chairman of the Board for the financial year 2016-2017 was Mr. Venkatesh Chakravarty, a Non-Executive Director, Independent and at least half of the Board were Independent Directors.

The Board of Directors had an optimum combination of Executive and Non-Executive Directors and had one Women Director. At this year end the Board composition consisted of six Directors comprising two Executive Directors, three Non-Executive and Independent Directors and one Non-Executive Director. The details of each member of the Board along with number of Directorship(s)/ Committee Membership(s) held by Directors in companies other than Majesco Limited along with all other requisite information are provided herein below for the year ended March 31, 2017.

| Name of the Director | Age | Designation | Date of Appointment | Directorship in other Indian Companies | Position on Committee of the Board of other Indian Companies | |
|---|-----|---|---------------------|--|--|-----------|
| | | | | | As Chairman | As Member |
| Mr. Venkatesh Chakravarty (DIN: 01102892) | 58 | Non-Executive Chairman & Independent Director | September 15, 2014 | 2 | NIL | 1 |
| Dr. Arun Maheshwari (DIN: 01682147) | 72 | Non- Executive Director (Independent) | April 29, 2015 | 1 | NIL | NIL |
| Mr. Farid Kazani (DIN: 06914620) | 50 | Managing Director | September 15, 2014 | 3 | NIL | NIL |
| Mr. Ketan Mehta (DIN: 00129188) | 58 | Non- Executive Director (Promoter) | April 29, 2015 | 1 | NIL | NIL |
| Ms. Madhu Dubhashi (DIN: 00036846) | 66 | Non- Executive Director (Independent) | April 29, 2015 | 8 | 3 | 2 |
| Mr. Radhakrishnan Sundar (DIN: 00533952) | 61 | Executive Director | June 1, 2015 | 1 | NIL | 1 |

Notes:

- 1) None of the Directors are related to each other;
- 2) Number of Directorship held in other companies includes all companies, whether listed or unlisted and excludes foreign companies, other bodies corporate and professional bodies. The limits on directorship of Independent Directors and Executive Directors are within the permissible limits.
- 3) The necessary disclosures regarding change in Committee positions, if any, have been made by all the Directors, during the year under review. None of the Director is a member of more than 10 Committees or Chairman / Chairperson of more than 5 Committees across all Indian companies.
- 4) Independent Director means a Non-Executive Director, who fulfils the criteria as laid down in Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013 and rules made thereunder (“Act”).
- 5) The Company has issued formal letter of appointment to its Independent Directors appointed at the Annual General meeting held on April 30, 2015, and the terms and conditions of said letter are published on the website of the Company. The maximum tenure of Independent Directors is in accordance with the Companies Act, 2013.
- 6) The Company has a well laid down on boarding programme for the Independent Directors. The Business Heads, Executive Directors and Company Secretary, make presentations on

business model of the Company, the nature of industry and its dynamism, the roles, responsibilities and liabilities of Independent Directors etc. Further, the Management arranges periodical session by internal teams, statutory and internal auditors on the governance process, risk management areas, legal and statutory compliance areas, business performance update as well as the changing role and responsibilities of the Board of Directors. See more at <https://ir.majesco.com/wpcontent/uploads/2016/04/Familiarisation-Programme-for-Independent-Directors.pdf>

- 7) *The Independent Directors of the Company met once in year at Board Meeting, without the attendance of the Executive and Non-Executive Directors and members of the Management of the Company. These meetings are held the same day as that of the Board Meetings. In the said meetings the Independent Directors review the matters stated in Regulation 25 (4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and action items, if any, are communicated and tracked to closure to the satisfaction of Independent Directors.*
- 8) *Video/tele-conferencing facilities are used to facilitate Directors travelling abroad, or present at other locations, to participate in the meetings.*
- 9) *The committees considered for the purpose of calculation of membership and / or Chairmanship / Chairpersonship as discussed above are those specified in existing Regulation 26 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 - i.e. Audit Committee and Investor Grievances and Stakeholders Relationship Committee.*
- 10) *Pursuant to SEBI Regulations the Nomination & Remuneration Committee has formalized a policy on Board diversity to ensure diversity of experience, knowledge, background gender, age and culture. The policy is posted on company's website and can be accessed on weblink <https://ir.majesco.com/policies/>*

Profile of Board of Directors:

1. Mr. Venkatesh Chakravarty (DIN: 01102892)

Non-Executive Chairman & Independent Director

Mr. Chakravarty is qualified as an Associate Member of the Chartered Insurance Institute, UK (ACII, UK). He holds a Master's degree in Administrative Management from Bajaj Institute of Management Studies and a Bachelor of Arts Degree in Economics, Political Science & Sociology.

Mr. Chakravarty has more than 29 years of experience in the Insurance Industry. His experience spans across Insurance, Management Consulting, & Reinsurance. He has worked in various capacities in the Insurance industry beginning with Life Insurance Corporation of India, Eagle Star International in the Middle East and for KPMG India where he was an Associate Director, Management Consulting, responsible for

Insurance practice. After a short stint in London with Swiss Re for nearly a year, he moved to Mumbai office. He worked with Swiss Re, India, for nearly 15 years and was the Head of Life & Health Business at Swiss Re and a Director on the Board of Swiss Re Services India Pvt. Ltd. for more than 10 years. He is currently the Head of India for Gen Re support services Mumbai Private Limited.

Mr. Chakravarty holds 20,175 shares in the Company.

2. Mr. Farid Kazani, (DIN: 06914620)

Managing Director

Mr. Farid Kazani, 50 years, has an Hons Degree in B. Com., ACA and Grad CWA. He has an outstanding academic record being a rank holder in CA.

Mr. Kazani is designated as the Managing Director of the Majesco Limited which is listed on the NSE and BSE in India and the Global CFO and Treasurer of Majesco listed on the NYSE-MKT in the US.

Mr. Kazani brings critical finance and organization skills to Majesco with over 26 years of experience in the field of Corporate Finance and core competencies in strategic business planning, treasury and fund management, forex, mergers and acquisitions and divestments. Prior to joining Majesco, He was the Group CFO & Finance Director of Mastek Ltd. He has been the architect of carrying out the process of demerger of the Insurance Business from Mastek Ltd into Majesco which was completed in June 2015. He was responsible for reorganizing the legal entity structure and creating the Insurance business group under Majesco US, completing the two acquisitions and paving the way to list Majesco on the NYSE-MKT and the parent company, Majesco Limited on the Indian Stock Exchanges.

Mr. Kazani has worked with large business groups and companies like National Organic Chemical Industries Ltd (NOCIL), Piramal Enterprises, Marico Industries Ltd, BPL Mobile, RPG Enterprises and Firstsource Solutions Ltd. In his previous role in Firstsource as CFO – India and Global Financial Controller, he has been instrumental in building a robust financial planning process within the company and has played a pivotal role in the IPO of Firstsource in 2007.

Mr. Kazani holds 79,220 shares in the Company.

3. Mr. Ketan Mehta (DIN: 00129188)

Non-Executive Director

Mr. Ketan Mehta is Co-founder and CEO of Majesco. Mr. Mehta led the transformation of Majesco from horizontal solution company to Insurance focused software and solutions company over last 11 years. As a part of this transformation, he orchestrated acquisitions and integration of 5 insurance software and consulting companies into Majesco. Prior to

that, Mr. Mehta was instrumental in building a successful joint venture between Mastek and Deloitte Consulting in 2000. Ketan has also played variety of roles within Majesco and Mastek including leadership of international operations. Mr. Mehta is an MBA from IIM, Ahmedabad.

Mr. Mehta holds 25,19,100 shares in the Company.

4. Mr. Radhakrishnan Sundar (DIN: 00533952)

Executive Director

Mr. Radhakrishnan Sundar did his B.E. in electronics from the Regional Engineering College, Trichy after which he did his PGDM from the Indian Institute of Management, Ahmedabad in 1979. He worked for two years with HCL Ltd. after which he co-founded Mastek Limited.

Mr. Sundar holds 13,90,161 shares in the Company.

5. Dr. Arun Maheshwari (DIN: 01682147)

Non-Executive Director (Independent)

Dr. Arun Maheshwari studied at IIM, Calcutta, Stanford University, Columbia University and Wharton School of Business. Dr. Maheshwari has obtained CPCU (Property Casualty Certification) and FLMI Part1 (Life Certification) diplomas.

Dr. Maheshwari returned to India in 1974 after his education in USA and joined Tata Consultancy Services (TCS), as a senior executive responsible for marketing, software development, and management consulting. Dr. Maheshwari was TCS's first head of marketing / business development. He migrated to the USA and joined McKinsey, in New York in 1977. At McKinsey, he specialized in strategy and information technology studies, many of them in the Insurance industry. In 1981, Dr. Maheshwari moved to Reliance Insurance in Philadelphia, and then to Continental Insurance (now CNA) in 1985, as VP of information technology and later on became VP of Finance. In 1996, Dr. Maheshwari started CSC India from scratch. Dr. Maheshwari next founded Fiserv Global Services Group in 2005. Since retiring in 2009, he has served as a director of Duck Creek Technologies, Eagle Eye Analytics, Fortegra and Mastek.

Dr. Maheshwari holds 2,40,000 shares in the Company.

6. Madhu Dubhashi (DIN: 00036846)

Non-Executive Director (Independent)

Ms. Madhu Dubhashi, is graduate (Economics Honours) from Miranda House, Delhi University (1968-71). She has also completed post-graduation in Business Administration from the Indian Institute of Management, Ahmedabad (1971-73).

Ms. Dubhashi has over 4 decades of experience in the financial services industry, having worked with ICICI Bank, Standard Chartered Bank, JM Financial & Investment Consultancy Services Pvt. Ltd, and CRISIL.

Ms. Dubhashi does not hold any shares in the Company.

(ii) Attendance of the Directors at the Board Meeting and Third AGM.

The calendar of Board meetings is decided in consultation with Board members and the schedule of such meeting is communicated to all the Directors well in advance. During the year ended March 31, 2017, 6(six) Board Meetings were held on April 22, 2016, May 18, 2016, May 28, 2016, August 10, 2016, November 1, 2016, and February 1, 2017.

The Board also passed 7 (Seven) matters by circulation, dated April 4, 2016, June 27, 2016, July 1, 2016, August 22, 2016, August 28, 2016, October 23, 2016 and December 27, 2016.

The Attendance Record of the Directors at the Board Meeting held during the year 2016-2017 and Third Annual General Meeting (AGM) for the financial year 2015-2016 is mentioned herein below.

| Name of the Director | Board Meeting | | | | | | AGM |
|---------------------------|----------------|--------------|--------------|-----------------|------------------|------------------|-----------------|
| | April 22, 2016 | May 18, 2016 | May 28, 2016 | August 10, 2016 | November 1, 2016 | February 1, 2017 | August 11, 2016 |
| Mr. Venkatesh Chakravarty | Y | Y | Y | Y | Y | N | Y |
| Dr. Arun Maheshwari | N | N | Y | Y | Y | N | N |
| Mr. Farid Kazani | Y | Y | Y | Y | Y | Y | Y |
| Mr. Ketan Mehta | N | Y | Y | Y | Y | Y | Y |
| Ms. Madhu Dubhashi | N | Y | Y | Y | Y | Y | Y |
| Mr. Radhakrishnan Sundar | Y | Y | Y | Y | Y | Y | Y |

Y: Attended, N: Leave of absence granted.

Directors Shareholding Details in the Company as on March 31, 2017.

| Name of the Director | Designation | Opening Balance No. of Equity Shares of ₹ 5/- each | Additions during the year No. of Equity Shares of ₹ 5/- each | Deletion during the year No. of Equity Shares of ₹ 5/- each | Closing balance No. of Equity Shares of ₹ 5/- each |
|---------------------------|---|--|--|---|--|
| Mr. Venkatesh Chakravarty | Non-Executive Chairman and Independent Director | 20,175 | NIL | NIL | 20,175 |
| Dr. Arun Maheshwari | Non-Executive Director, Independent | 2,40,000 | NIL | NIL | 2,40,000 |
| Mr. Farid Kazani | Managing Director | 81,208 | NIL | 1,988 | 79,220 |
| Mr. Ketan Mehta | Non-Executive Director, Promoter | 25,19,100 | NIL | NIL | 25,19,100 |
| Ms. Madhu Dubhashi | Non-Executive Director, Independent | NIL | NIL | NIL | NIL |
| Mr. Radhakrishnan Sundar | Executive Director | 14,45,800 | NIL | 55,639 | 13,90,161 |

Apart from the above, none of the Non-Executive (including independent) Directors hold any Equity Shares (as own or on behalf of any other person on beneficial basis) in the Company.

B. Committees of the Board

The Board has constituted following committees and each committee has their terms of reference. Currently the Board has at end of the year following Committees;

- (i) Audit Committee
- (ii) Nomination and Remuneration Committee
- (iii) Investors Grievances and Stakeholders Relationship Committee
- (iv) Corporate Social Responsibility Committee

(i) Audit Committee

The terms of reference of Audit Committee is as follows:

- (a) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (b) Recommend the appointment and removal of the Statutory Auditors, fix Audit fees/ Remuneration and other terms of appointment and also grant approval for payments for services other than those specifically prohibited under the Companies Act, 2013.
- (c) Review and monitor Auditors' independence and performance and effectiveness of the Audit process.
- (d) Review/Examination of the financial statements with the management before submission to the Board along with Report of Auditor's thereon, focusing primarily on:
 - Any changes in accounting policies and practices.
 - Major accounting entries based on the exercise of judgment by management.
 - Qualifications in the draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Any related party transactions, i.e., Approval or any subsequent modification of related party transactions of the Company.
- (e) Review with the management, external and internal auditors the adequacy of internal control systems.
- (f) Discuss with internal auditors any significant findings and follow-up action.
- (g) Review with the management the quarterly financial statements before submission to the Board for approval.
- (h) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud, irregularity, or failure of internal control systems of a material nature and report the matter to the Board.
- (i) Discuss with external auditors before the audit commences about the nature and scope of audit and have post-audit discussion to ascertain any area of concern.

- (j) Review the Company's Internal financial Control and Risk Management Systems/policies.
- (k) Look into the reasons for substantial defaults in payment to depositors, debenture holders, shareholders (in the case of non-payment of declared dividends) and creditors.
- (l) Review the functioning of the Whistle-Blower mechanism.

The minutes of the Audit Committee are circulated to the Board of Directors. The Chairman of the Audit Committee apprises the Board on the recommendations made by the committee. Further, at the beginning of the financial year, the Committee prepares fresh plans for the internal audit. It discusses the areas covered by the internal audit and recommends the scope of audit for the current year. The Committee reviews the performance of the internal and external auditors and advises the Board on the re-appointment of internal and statutory auditors.

During the year ended March 31, 2017 the Committee met 4 times on May 18, 2016, August 10, 2016, November 1, 2016, and February 1, 2017.

Details of composition of the Audit Committee and details of the meetings and attendance during the FY 2016-17 are as under:

| Name of Member | Category | Position |
|---------------------------|----------------------|-------------|
| Ms. Madhu Dubhashi | Independent Director | Chairperson |
| Dr. Arun Maheshwari | Independent Director | Member |
| Mr. Radhakrishnan Sundar | Executive Director | Member |
| Mr. Venkatesh Chakravarty | Independent Director | Member |

| Name of the Member | Audit Committee Meeting | | | |
|---------------------------|-------------------------|-----------------|------------------|------------------|
| | May 18, 2016 | August 10, 2016 | November 1, 2016 | February 1, 2017 |
| Ms. Madhu Dubhashi | Y | Y | Y | Y |
| Mr. Venkatesh Chakravarty | Y | Y | Y | N |
| Mr. Radhakrishnan Sundar | Y | Y | Y | Y |
| Dr. Arun Kumar Maheshwari | N | Y | Y | Y |

Y: Attended N: Leave of absence granted.

(ii) Nomination and Remuneration Committee

The terms and reference of Nomination and Remuneration Committee is as follows:

- a) To identify the persons who are qualified to become Director, or who may be appointed in senior management of the Company.
- b) To lay down criteria's for the Company's nomination process for the above positions and oversee the implementation thereof.
- c) To review all documents pertaining to candidates and conduct evaluation of candidates in accordance with a process and if deemed fit and appropriate, do the recommendation for the nomination to the Board or for the senior management of the Company and their removal, if any.

- d) To decide and formulate detailed terms and conditions of the Employees Stock Option Plan, governed by the guidelines issued by SEBI (Share Based Employee Benefits) Regulation, 2014 and as amended from time to time.
- e) To finalize the stock options to be granted to the employees of the Company under the scheme & finalization of incentive plan for the employees of the Company.
- f) To recommend the compensation structure of the Directors to the Board.
- g) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- h) To recommend the amount of incentives to be paid to Managing Director and Executive Director.
- i) To fix the sitting fees for Directors and Non-Executive Directors for attending Board as well as Committee meetings.
- j) ensure that—
 - (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Details of composition and Attendance of the Nomination and Remuneration Committee are as under:

The Nomination and Remuneration Committee met 4 (four) times during the financial year 2016-17 on May 18, 2016, June 13, 2016, August 10, 2016, February 1, 2017.

| Name of the Member | Nomination and Remuneration Committee | | | |
|---------------------------|---------------------------------------|---------------|-----------------|------------------|
| | My 18, 2016 | June 13, 2016 | August 10, 2016 | February 1, 2017 |
| Dr. Arun Kumar Maheshwari | Y | Y | Y | Y |
| Mr. Ketan Mehta | Y | Y | Y | Y |
| Mr. Venkatesh Chakravarty | Y | N | Y | N |

Y: Attended N: Leave of absence granted

The Board has conducted an evaluation of its performance and details of the same is given in the Director's Report.

Criteria of Selecting of Non-Executive Directors

- i. Non-Executive Independent Directors are expected to bring in objectivity and independency during Board deliberations around the Company's Strategic approach, performance and

risk management. They must also ensure very high standards of financial probity and corporate governance.

- ii. The Independent Directors are also expected to commit and allocate sufficient time to meet the expectations of their role as Non-Executive Independent Directors, to the satisfaction of the Board.
- iii. Conflict of Interest: The Independent Directors shall not involve themselves in situations which directly or indirectly may conflict with the interests of the Company. It is accepted and acknowledged that they may have business interests, other than those of the Company. As a pre-condition to their appointment as Independent Directors, they shall be required to declare any such conflicts to the Board, in writing in the prescribed format, at the time of their appointment.
- iv. Each Independent Director will be issued with clear guidelines on their roles, duties and responsibilities as Independent Directors. The key elements in which every Independent Director will be expected to contribute are: Strategy, Performance, Risk, People, Reporting and Compliance.

Details of Remuneration paid to Executive Directors during the financial year ended March 31, 2017.

The details are provided in (Annexure III) the extract of the Annual Return, annexed to the Directors Report in Form MGT-9 as required under the provisions of Section 92 of the Companies Act, 2013.

Stock Options to Executive Directors.

| Name of the Director | Original Options granted | | | Options issued | | | Total Options held | Not yet exercised as on March 31, 2017 |
|----------------------|--------------------------|-------------|--------------|----------------|-------------|--------------|--------------------|--|
| | No. of Options | Grant Price | Grant Date | No. of Options | Grant Price | Grant Date | | |
| Mr. Farid Kazani | 12,817* | 5 | May 23, 2014 | 5,000 | 544.80 | Jun 13, 2016 | 126,567 | 126,567 |
| | 25,000* | 164.43 | Oct 21, 2014 | 15,000 | 369.40 | Feb 1, 2017 | | |
| | 60,000 | 332.00 | Aug 19, 2015 | | | | | |
| | 15,000 | 569.35 | Feb 2, 2016 | | | | | |

[No stock options have been granted to Mr. Radhakrishnan Sundar, Executive Director of the Company during the year 2016-2017.]

**Pursuant to the Scheme of Arrangement ("Scheme") between Mastek Limited ("Mastek"), Majesco Limited (the "Company") and Majesco Software & Solutions India Private Limited, which has been approved by the Hon'ble High Court of Gujarat and the Hon'ble Bombay High Court vide their respective orders dated April 30, 2015 and as per clause 16.2 of the Scheme, Majesco Limited has issued one stock option to eligible employee/ Directors for every stock option held by them in Mastek Limited as on record date i.e. June 15, 2015.*

Service Contract, Notice Period and Severance Pay

The Company has contract with Managing Director- Mr. Farid Kazani for a period of three years with effect from June 1, 2015 to May 31, 2018, and his notice period for resignation is three months.

Mr. Radhakrishnan Sundar has been appointed as Executive Director of the Company with effect June 1, 2015 for the period of three years with effect from June 1, 2015 to May 31, 2018, and his notice period for resignation is three months.

Remuneration Policy for the KMPs

In determining the remuneration of KMPs, the Nomination and Remuneration Committee shall ensure / consider the following:

- While fixing the remuneration for KMPs, the Company shall consider industry benchmarks and the competence of the persons and ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate them.
- The compensation structure of KMPs will be benchmarked with industry salary trends and will have components of fixed/base salary as well as variable pay. The variable pay will be linked to business performance parameters, as separately outlined in a Variable Pay Plan document.

Remuneration policy for Directors

While fixing the remuneration for Directors, the Company shall consider industry benchmarks and the competence of the persons and ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate them.

- The sitting fees for the Independent Directors is fixed at ₹ 60,000/- (Rupees Sixty Thousand only) per meeting of the Board and ₹ 30,000/- (Rupees Thirty Thousand only) per meeting, if the Director is also a member of the Audit Committee and attends them.
- The Board of Directors decides and approves the remuneration of Non-Executive Directors.

Criteria for making payment to Independent Directors

Members of the Company in last Annual General Meeting which was held on August 11, 2016 has approved for payment of remuneration by way of commission to Independent Directors, sum not exceeding 1% per annum of net profit of the Company for all Independent Directors in aggregate for one financial year.

During the year, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Director/ Independent Directors apart from sitting fees for attending Board meetings and Audit Committee meetings.

Details of Remuneration and Stock Options made to Non-Executive Directors during the year ended March 31, 2017 are stated below:

| Name of the Independent Director | Sitting Fees (in ₹) | Commission (in ₹) | Original Options granted * | | |
|----------------------------------|---------------------|-------------------|----------------------------|-------------|---------------|
| | | | No. of Options | Grant Price | Grant Date |
| Mr. Venkatesh Chakravarty | 3,30,000 | NIL | 6,275 | 80.01 | July 25, 2011 |
| Dr. Arun Maheshwari | NIL | NIL | NIL | NIL | NIL |
| Mr. Ketan Mehta | NIL | NIL | NIL | NIL | NIL |
| Ms. Madhu Dubhashi | 4,20,000 | NIL | NIL | NIL | NIL |

* Pursuant to the Scheme of Arrangement ("Scheme") between Mastek Limited ("Mastek"), Majesco Limited (the "Company") and Majesco Software & Solutions India Private Limited, which has been approved by the Hon'ble High Court of Gujarat and

the Hon'ble Bombay High Court vide their respective orders dated April 30, 2015 and as per clause 16.2 of the Scheme, Majesco Limited has issued one stock option to eligible employee/ Directors for every stock option held by them in Mastek Limited as on record date i.e. June 15, 2015.

(iii) Investors Grievances and Stakeholders Relationship Committee

The terms of reference of Investors Grievances and Stake holders Relationship Committee is as follows:

- Consider and resolve the grievances of Equity Shareholders of the Company.
- Approve allotment of shares on exercise of options by Employees under various ESOP Schemes, subject to completion of all necessary formalities.

The Committee meets periodically to review grievances of Investors/ Shareholders and to consider requests for share transfer/ transmission, allotment of shares etc.

During the year ended March 31, 2017 the Committee met 8 (Eight) times on May 18, 2016, June 23, 2016, August 10, 2016, October 7, 2016, November 1, 2016, December 30, 2016, February 1, 2017 & March 17, 2017.

| Name of Member | Category | Position |
|---------------------------|-------------------------------------|----------|
| Mr. Venkatesh Chakravarty | Non Executive Chairman, Independent | Chairman |
| Mr. Farid Kazani | Managing Director | Member |
| Mr. Radhakrishnan Sundar | Executive Director | Member |

Mr. Nishant S. Shirke, Company Secretary acted as the Secretary to the Investors Grievances and Stakeholders Relationship Committee.

Your Company has a designated e-mail ID, investors.grievances@majesco.com for the redressal of any stakeholder's related grievances exclusively for the purpose of registering complaint by members/stakeholders. Your Company has also displayed the said email ID under investors section at its website <https://ir.majesco.com/others/> and other relevance details prominently for creating investors/stakeholders awareness.

Details of Complaints/request etc. received and resolved during the financial year 2016-2017 are as below:

| Nature of Complaint / Correspondence/Request | Opening Balance | Received | Resolved | Outstanding as on March 31, 2017 |
|--|-----------------|----------|----------|----------------------------------|
| Non Receipt of Dividend | NIL | 1 | 1 | NIL |
| Non Receipt of Annual Report | NIL | 7 | 7 | NIL |
| Non Receipt of shares | NIL | 1 | 1 | NIL |
| Other | NIL | 0 | 0 | NIL |

(iv) Corporate Social Responsibility Committee (CSR Committee)

The Board has constituted the CSR Committee as per the requirement of the Companies Act, 2013 along with applicable rules.

Terms of Reference of CSR Committee is summarized below

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

Details of Composition of CSR Committee

| Name of Member~ | Category | Position |
|---------------------------|-------------------------------------|----------|
| Mr. Venkatesh Chakravarty | Non-Executive Chairman, Independent | Chairman |
| Dr. Arun Maheshwari | Non-Executive Director, Independent | Member |
| Mr. Radhakrishnan Sundar | Executive Director | Member |

C. GOVERNANCE TO SHAREHOLDERS

Particulars of Annual General Meetings held during the last three years:

| Financial Year | Details of date, day time and venue where the AGM was held | Summary of Special Resolution(s) passed |
|----------------|--|--|
| 2015-16 | Third Annual General Meeting was conducted on Thursday August 11, 2016 at Fortune Select Exotica, Banquet Hall: Apollo and Zeus, Plot no. 16, Sector 19D, Palm Beach Road, Vashi, Navi Mumbai- 400705 at 11.00 A.M | i. Payment of Commission to Non-Executive Directors. ii. Amendment of ESOP Plan I of Majesco Limited. |
| 2014-15 | Second Annual General Meeting was conducted on Thursday April 30, 2015 at MNDC, MBP-P-136, Mahape, Navi Mumbai at 11.00 A.M | i. Mortgage/Sale/ Lease of immovable properties. ii. Increase in borrowing limit. iii. Alteration in Article of Association of the Company. iv. Invest funds of the company |
| 2013-14 | First Annual General Meeting was conducted on September 19, 2014 at Ganga Conference room, 106-107, SDF-IV, Andheri(East), Mumbai at 11.00 A.M | No any Special Resolutions was passed in this AGM. |

Extra-Ordinary General Meetings (EGM) of the earlier three years

| Financial Year | Details of date, day time and venue where the EGM was held | Summary of Special Resolution(s) passed |
|----------------|--|---|
| 2016-17 | NA | NA |
| 2015-16 | Date: May 25, 2015 Day: Monday Time: 11.00 A.M Venue: MNDC, MBP-P-136, Mahape, Navi Mumbai | Alteration of Articles of Association of the Company. |
| 2014-15 | Date: September 15, 2014 Day: Tuesday Time: 3.00 P.M Venue: 106-107, SDF IV, Seepz, Andheri East, Mumbai | No any Special Resolution was passed in this EGM. |
| | Date: November 1, 2014 Day: Saturday Time: 3.00 P.M Venue: MNDC, MBP-P-136, Mahape, Navi Mumbai | 1. Alteration of the capital clause V (A) of the Memorandum of Association. 2. Alteration of Article of Association. 3. Issue of Shares on right basis. |

| Financial Year | Details of date, day time and venue where the EGM was held | Summary of Special Resolution(s) passed |
|----------------|---|---|
| | Date: November 25, 2014 Day: Tuesday Time: 3.00 P.M Venue: MNDC, MBP-P-136, Mahape, Navi Mumbai | 1. Conversion of company from Private Limited company to Public Limited. 2. Adopting new set of Articles of Association. |
| | Date: January 22, 2015 Day: Thursday Time: 9.30 A.M Venue: MNDC, MBP-P-136, Mahape, Navi Mumbai | No any Special Resolution was passed in this EGM. |
| | Date: February 20, 2015 Day: Friday Time: 11.00 A.M Venue: MNDC, MBP-P-136, Mahape, Navi Mumbai | Appointment of Statutory Auditors of the Company. |

Postal Ballot

A Postal Ballot was conducted during the financial year ended March 31, 2017. The details are given below:

Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies Act (Management and Administration) Rule, 2014, approval of the members of the Company was sought for the following proposed Special Resolution to be passed by way of Postal Ballot (including Electronic Voting).

| Particulars of resolution | Votes cast in favour | Votes cast against | Percentage | |
|---|----------------------|--------------------|------------|---------|
| | | | For | Against |
| Resolution 1: Issuance of Equity shares for an amount not exceeding ₹ 250 Crores through QIP. | 1,11,26,892 | 52 | 99.9995 | 0.0005 |
| Resolution 2: Increasing the FII/FPI/ NRI shareholding limit in the paid up share capital of the company. | 1,11,26,882 | 62 | 99.9994 | 0.0006 |

The Board of Directors of the Company, appointed M/s. Savita Jyoti Associates, Practicing Company Secretary, as the scrutinizer for the process of Postal Ballot to be conducted as per provisions of Section 110 of the Companies Act, 2013.

All the Resolutions were approved and necessary disclosures were made to the Stock Exchanges.

Procedure for Postal Ballot:

In compliance with the requirement of SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015 and Sections 108, 110 and other applicable provisions of the Act, read with related Rules, the Company provided electronic voting facility to all its Members, to enable them to cast their votes electronically. The Company engaged the services of Karvy Computershare Private limited for the purpose of providing e-voting facility to all its Members. The Members had the option to vote either by physical ballot or by e-voting.

The Company dispatched the postal ballot notices and forms along with postage pre-paid business reply envelopes to its Members whose names appear in the Register of Members/ the List of beneficiaries as on the cut-off date. The Postal Ballot Notice was sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic

shareholding)/the Company's Registrar and Transfer Agents (in case of physical shareholding). The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and the applicable Rules.

Voting rights are reckoned on the paid-up value of shares registered in names of Members as on the cut-off date. Valid Votes cast physically and through e-voting were considered by the scrutinizer for the purpose of their report.

The Scrutinizer submitted their report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by shareholders. The Chairman announced the result on July 4, 2016. The result was placed on the website of the Company <https://ir.majesco.com/investorcommunication/> besides being communicated to the Stock Exchanges, Depositories and the Registrar and Transfer Agent.

Subsidiary Companies

| Name of Subsidiary | Date of Incorporation | Country | Business |
|---|-----------------------|-----------|--|
| Majesco | April 7, 1992 | USA | Information Technology Services |
| Step Down Subsidiary | | | |
| Majesco Software and Solutions Inc. | June 3, 1991 | USA | Information Solution Technology Services |
| Cover-All Systems Inc. | October 26, 1989 | USA | Information Technology Services |
| Majesco Canada Ltd. | February 9, 2009 | Canada | Information Technology Services |
| Majesco Sdn Bhd | April 29, 2000 | Malaysia | Information Technology Services |
| Majesco Asia Pacific Pte Ltd. | March 26, 1991 | Singapore | Information Technology Services |
| Majesco (Thailand) Co. Ltd. | February 5, 2007 | Thailand | Information Technology Services |
| Majesco Software and Solutions India Private Ltd. | October 22, 2014 | India | Information Solution Technology Services |
| Majesco (UK) Ltd. | October 23, 2014 | UK | Information Solution Technology Services |

The Company as a policy on Material Subsidiary and same is placed on the website of the Company at <https://ir.majesco.com/policies/>. The audited Financial Statements of subsidiary Companies were tabled at Board Meeting and same are placed on the website of the Company at <https://ir.majesco.com/financial-information/>. The copies of the minutes of the Board Meetings of subsidiary companies were tabled before the Board meeting.

There were no material listed subsidiaries during the year.

D. DISCLOSURES

(i) Disclosures of Related Party Transactions

The Company has formulated a policy on materiality of related party transactions and also on dealing related party transactions. This policy is available on the website <https://ir.majesco.com/policies/>. During the year 2016-2017, no material significant related party transactions have been entered into by the Company with the Promoters, Directors or Management or their relatives. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the

Company. Details of related party transactions are disclosed in the notes to the Accounts in the Annual Report as required under Accounting Standards (AS18) issued by the Institute of Chartered Accountants of India (ICAI).

All related party transactions were done with prior approval of Audit Committee.

(ii) Details of non-Compliance by the Company, penalties, Strictures imposed on the listed entity by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during last three years.

No penalties, Strictures imposed on the listed entity by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during last three years.

(iii) Accounting treatment in preparation of Financial Statements.

The guidelines/accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in preparation of the financial statements of the Company in all material aspect.

(iv) Vigil Mechanism / Whistle Blower Policy (WBP)

The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any.

The WBP Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

Pursuant thereto, a dedicated hotline is provided (+91-22 6150 1896) which can be directly reached and any Whistle Blower complaint can be registered. Calls to the Hotline during work hours will be directed by the Operator to any of the Ombudspersons or Compliance Committee members, as desired by the caller.

Complainants can also raise their concern through e-mails to the Ombudspersons or Compliance Committee members or Chairperson of Audit Committee (if the complaint is against a Director or by a Director). If, for any reason, the complainant does not wish to write to any of these entities, he/she can write to whistleblower@majesco.com. Emails addressed to this ID will be received by the Company Secretary, who will appropriately direct it to any of the Ombudspersons or Compliance Committee member/s or Chairperson of the Audit Committee, after ascertaining the nature and identity sensitivity of the concern raised.

(v) Code Of Conduct

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Company believes in "Zero Tolerance" to bribery and corruption in any form and the Board has laid down the "Anti-Bribery & Corruption Directive" which forms an Appendix to the Code.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on

matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management staff were required to complete an e-learning module in this regard.

- (vi) Details of compliance with mandatory requirements and adoption of the non-mandatory requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (LODR).

The Company has disclosed and complied with all mandatory requirements under SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015. The details of these compliances have been given in the relevant sections of this report.

Among the non-mandatory requirements of LODR, the Company has complied with the following:

Separate posts of Chairperson and CEO- The Chairman and Managing Director are two separate persons.

Reporting Internal Auditor- The Internal Auditors reports directly to the Audit Committee

Audit Qualification- The Company has unqualified financial statements.

- (vii) Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implement action of the Code.

- (viii) Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on SAP platforms and has a strong monitoring and reporting process resulting in financial discipline and account ability.

Reconciliation of Share Capital Audit

The 'Reconciliation of Share Capital Audit' was undertaken on a quarterly basis and the audit covers the reconciliation of the total admitted capital with NSDL and CDSL and the total issued and listed capital.

The audit has also confirmed that the aggregate of the total issued/ paid-up-capital is in agreement with the total number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL.

Secretarial Audit

During the Financial Year 2016-17 Secretarial Audit was conducted as required under the provisions of Section 204 of the Companies Act, 2013. Mr. Abhishek Bhate, Practicing Company Secretary, Membership Number: 27747; CP Number: 10230 conducted the audit, and the Secretarial Audit Report is in Annexure IV to the Director's Report.

Compliance with LODR

The Certificate obtained from M/s Abhishek Bhate & Co. Company Secretary in Practice (Membership Number: 27747; CP Number: 10230) is attached with the Corporate Governance Report in the Annual Report for compliance with LODR.

GOVERNANCE BY THE MANAGEMENT

Management Discussion and Analysis

As required by LODR, the Management Discussion and Analysis is provided separately in the Annual Report.

CFO Compliance Certificate

The Chief Financial Officer have issued Compliance Certificate pursuant to the Regulation 17(8) of LODR certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs.

The said certificate is annexed and forms part of the Annual Report.

Communication with the Member/ Shareholders

The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within two months from the close of the financial year as per the requirements of the LODR. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board. The results are thereafter given by way of a Press Release to various news agencies/ analysts and are published within forty- eight hours in leading English and Marathi daily newspapers. The audited financial statements form a part of the Annual Report which is sent to the members well in advance of the Annual General Meeting.

- i. The Company also informs by way of intimation to BSE and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in regard to the same.
- ii. The Annual Report of the Company, the quarterly / half yearly and the annual results and the press releases of the Company are also placed on the Company's website : <https://ir.majesco.com/financial-information/> and can be downloaded.
- iii. In compliance with Regulation 34(3) along with Schedule V of the LODR, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically on BSE's online portal website www.listing.bseindia.com. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal.

- iv. During the Financial Year 2016-17, the Company published its Financial Results in the following newspapers:

| Adoption of Quarterly/ Annual Results for the quarter/period ended | Date of Board Meetings | Date of publication | Name of Newspapers |
|--|------------------------|---------------------|--|
| June 30, 2016 (Quarterly Results) | August 10, 2016 | August 11, 2016 | The Free Press Journal (English) and Navshakti (Marathi) |
| September 30, 2016 (Quarterly Results) | November 1, 2016 | November 3, 2016 | The Free Press Journal (English) and Navshakti (Marathi) |
| December 31, 2016 (Quarterly Results) | February 1, 2017 | February 2, 2017 | The Free Press Journal (English) and Navshakti (Marathi) |
| March 31, 2017 (Annual Results) | May 09, 2017 | May 11, 2017 | The Free Press Journal (English) and Navshakti (Marathi) |

GENERAL SHAREHOLDER'S INFORMATION

Company Overview

Majesco was incorporated as Minefields Computers Private Limited on June 27, 2013 in the state of Maharashtra. It was converted into a public limited company on December 22, 2014. Pursuant to the Scheme of Arrangement approved by Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat, the name of the company was changed to Majesco Limited with effect from June 12, 2015.

The Registrar and Share Transfer Agent

All inquiries relating to the shareholder records, share transfers, transmission of shares, change of address, non-receipt of dividend, loss of share certificates, etc. should be addressed to:

The Registrar and Share Transfer Agent:

Karvy Computershare Private Limited,

Unit:- Majesco Limited

Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032, India

Telephone number: +91 40 6716 2222

Fax number: +91 40 2342 0814

E-mail: einward.ris@karvy.com

Website: www.karvycomputershare.com

Share Transfer System:

The Company processes shares sent for transfer, transmission etc. every month. Transfers/transmissions which are complete in all respects are registered and returned within 15 days of lodgment.

The Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities as per the requirement of Regulation 40(9) of the LODR.

The Company has obtained quarterly certificates for the timely dematerialization of shares of the Company as per the requirement of the SEBI (Depositories & Participants) Regulations, 1996.

These certificates have been submitted to the Stock Exchanges and the National Securities Depository Limited / Central Depository Services (India) Limited. The Company has also carried out Secretarial Audits for the Reconciliation of Share Capital as required under the LODR Guidelines every quarter and the quarterly Secretarial Audit

Reports issued by an independent Practicing Company Secretary have been regularly filed with the Stock Exchanges.

Fourth Annual General Meeting

Fourth Annual General Meeting (AGM) of the Company for the financial year 2016-17 is scheduled on August 4, 2017 at 11.00 a.m. at Fortune Select Exotica, Banquet Hall Apollo, Plot no. 16, Section 19 D, Palm Beach Road, Vashi, Navi Mumbai - 400 705.

Notice to Fourth AGM

Those of the Shareholders/ Members, who cannot attend the AGM in person, can appoint a proxy to represent them in the AGM, for which the Shareholder/ Member needs to fill in a proxy form and send it to the Company, to its Registered Office address, on or before 10.30 AM on August 2, 2017.

Financial Year

Financial Calendar: Financial Year from April 1, 2017 to March 31, 2018

| For the Financial year 2017-2018 | Tentative Date of Announcement of unaudited/ audited financial results |
|--|--|
| First quarter ended as on June 30, 2017 | August 3, 2017 |
| Second quarter and six months ended as on September 30, 2017 | November 3, 2017 |
| Third quarter and nine months ended as on December 31, 2017 | February 7, 2018 |
| Fourth quarter and Financial year ended March 31, 2018 | May 10, 2018 |

Book Closure Date

The dates of book closures shall be from July 29, 2017 to August 4, 2017 (both days inclusive)

Listing on Stock Exchanges

Your Company's equity shares are listed on the following Stock Exchanges as on March 31, 2017:

- BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001;
- National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

Listing fees for the financial year 2017-18 has been paid to both NSE and BSE wherein the equity shares of the Company are listed within the stipulated time.

Stock Exchange Symbol/Scrip ID Reuters Code

| Stock Exchange | Symbol/Scrip ID | Reuters Code |
|--|-----------------|--------------|
| National Stock Exchange of India Limited | MAJESCO | MAJC.NS |
| BSE Limited | MAJESCO/539289 | |

Corporate Identification Number (CIN)

The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs, Government of India, is L72300MH2013PLC244874 and the Company's Registration No. is 244874 of 2013.

Your Company is registered in the State of Maharashtra, India.

ISIN is an identification number for traded shares.

This number needs to be quoted in each transaction relating to the dematerialized equity shares of the Company. Your Company's ISIN number for its equity shares is INE898S01029

Capital Structure:

Authorized Capital

Equity ₹ 150,000,000/-

Issued, Subscribed and Equity ₹ 23,363,035/-

Paid-up Capital

Distribution of Shareholding

Distribution of shareholding as on March 31, 2017

| Range no. of shares | Shareholders Number | % | Value ₹ | % |
|---------------------|---------------------|---------------|---------------------|---------------|
| 1- 500 | 24732 | 90.84 | 1,13,87,995 | 9.75 |
| 501-1000 | 1319 | 4.84 | 50,52,930 | 4.33 |
| 1001-5000 | 941 | 3.46 | 97,75,245 | 8.37 |
| 5001-10000 | 109 | 0.40 | 39,69,020 | 3.40 |
| 10001 and above | 125 | 0.46 | 8,66,29,985 | 74.16 |
| Total | 27226 | 100.00 | 11,68,15,175 | 100.00 |

Distribution of shareholding as on March 31, 2016

| Range no. of shares | Shareholders Number | % | Value ₹ | % |
|---------------------|---------------------|---------------|--------------------|---------------|
| 1- 500 | 20325 | 91.17 | 17,06,487 | 7.40 |
| 501-1000 | 1047 | 4.70 | 8,06,145 | 3.50 |
| 1001-5000 | 696 | 3.12 | 15,24,105 | 6.61 |
| 5001-10000 | 99 | 0.44 | 7,30,080 | 3.17 |
| 10001 and above | 127 | 0.57 | 1,82,85,584 | 79.32 |
| Total | 22294 | 100.00 | 2,30,52,401 | 100.00 |

ANNUAL HIGH-LOW PRICE HISTORY FOR PREVIOUS THREE YEARS-

| Fiscal Year | BSE LIMITED | | NATIONAL STOCK EXCHANGE OF INDIA LIMITED | |
|-------------|-----------------------------|--------|--|--------|
| | Price per Equity Shares (₹) | | Price per Equity Shares (₹) | |
| | High | Low | High | Low |
| 2017 | 650.00 | 330.15 | 649.30 | 331.00 |
| 2016 | 789.00 | 288.60 | 789.00 | 286.80 |
| 2015 | N.A. | N.A. | N.A. | N.A. |

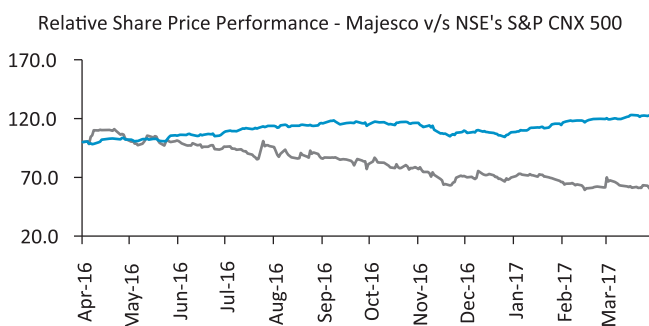
QUARTERLY HIGH-LOW PRICE HISTORY FOR PREVIOUS THREE YEARS

| Fiscal Year | BSE LIMITED | | NATIONAL STOCK EXCHANGE OF INDIA LIMITED | |
|-------------|-----------------------------|--------|--|--------|
| | Price per Equity Shares (₹) | | Price per Equity Shares (₹) | |
| | High | Low | High | Low |
| 2017 | | | | |
| 1st Quarter | 650.00 | 513.80 | 649.30 | 512.45 |
| 2nd Quarter | 575.00 | 426.00 | 576.30 | 401.55 |
| 3rd Quarter | 493.00 | 348.00 | 495.00 | 331.00 |
| 4th Quarter | 418.70 | 330.15 | 419.00 | 331.00 |
| 2016 | | | | |
| 1st Quarter | N.A | N.A. | N.A. | N.A. |
| 2nd Quarter | 358.80 | 288.60 | 362.80 | 286.80 |
| 3rd Quarter | 710.25 | 308.10 | 708.80 | 300.05 |
| 4th Quarter | 789.00 | 441.00 | 789.00 | 428.00 |
| 2015 | | | | |
| 1st Quarter | N.A | N.A. | N.A. | N.A. |
| 2nd Quarter | N.A | N.A. | N.A. | N.A. |
| 3rd Quarter | N.A | N.A. | N.A. | N.A. |
| 4th Quarter | N.A | N.A. | N.A. | N.A. |

MONTHLY VOLUMES AND PRICES : 2016-17

| Month and year | BSE Limited | | | National Stock Exchange of India Limited | | |
|----------------|-------------|---------|----------|--|---------|-----------|
| | High (₹) | Low (₹) | Volume | High (₹) | Low (₹) | Volume |
| April 2016 | 650.00 | 544.25 | 8,49,884 | 649.30 | 543.35 | 33,55,693 |
| May 2016 | 601.00 | 541.00 | 4,96,501 | 601.95 | 538.00 | 24,75,235 |
| June 2016 | 579.50 | 513.80 | 4,22,165 | 578.85 | 512.45 | 18,07,669 |
| July 2016 | 575.00 | 475.10 | 4,14,858 | 576.30 | 475.00 | 19,11,170 |
| August 2016 | 550.00 | 480.15 | 8,19,610 | 549.70 | 478.75 | 31,27,312 |
| September 2016 | 496.00 | 426.00 | 4,49,315 | 498.00 | 401.55 | 14,63,488 |
| October 2016 | 493.00 | 426.40 | 4,46,702 | 495.00 | 427.00 | 16,45,311 |
| November 2016 | 458.10 | 348.00 | 4,72,768 | 457.85 | 331.00 | 16,69,586 |
| December 2016 | 432.00 | 372.00 | 4,06,031 | 432.95 | 368.00 | 15,62,490 |
| January 2017 | 418.70 | 368.00 | 1,96,539 | 419.00 | 367.00 | 8,44,810 |
| February 2017 | 385.00 | 331.00 | 2,49,141 | 384.00 | 331.05 | 9,08,736 |
| March 2017 | 398.40 | 330.15 | 6,98,289 | 399.00 | 331.00 | 28,70,366 |

MAJESCO SHARE PRICE PERFORMANCE VERSUS NSE's S&P CNX 500



SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS

i. Share transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

ii. Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form from the Share Department of the Company. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

iii. Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee / s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

iv. Pending Investor Grievances

Any Member / Invest or whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary at the Registered Office with a copy of the earlier correspondence.

A. SHAREHOLDING PATTERN –**AS ON MARCH 31, 2017**

| Sr. no | Category | No. of Shares | % Holding |
|--------|---|--------------------|---------------|
| 1 | Indian Promoters | 1,12,94,104 | 48.34 |
| 2 | Mutual Fund and UTI | 13,25,697 | 5.67 |
| 3 | Financial Institutions / Banks | 32,069 | 0.14 |
| 4 | Insurance Companies | 11,08,216 | 4.74 |
| 5 | FII's | 5,63,858 | 2.41 |
| 6 | Bodies Corporate | 13,37,315 | 5.72 |
| 7 | Individuals Holding Nominal capital upto Rupees 1 Lakh | 55,79,927 | 23.88 |
| 8 | Individuals Holding Nominal capital more than Rupees 1 Lakh | 13,01,658 | 5.57 |
| 9 | NRI & Foreign Nationals | 810,918 | 3.47 |
| 10 | NBFC | 92,73 | 0.04 |
| | Grand Total | 2,33,63,035 | 100.00 |

AS ON MARCH 31, 2016

| Sr. no | Category | No. of Shares | % Holding |
|--------|--|--------------------|---------------|
| 1 | Indian Promoters | 1,15,06,660 | 49.92 |
| 2 | Mutual Funds And UTI | 9,96,286 | 4.32 |
| 3 | Financial Institutions/Banks | 1,30,875 | 0.57 |
| 4 | Insurance Companies | 11,08,216 | 4.81 |
| 5 | FII'S | 14,81,363 | 6.43 |
| 6 | Bodies Corporate | 15,34,010 | 6.65 |
| 7 | Individuals Holding Nominal Capital Upto ₹ 1 Lakh | 45,92,937 | 19.92 |
| 8 | Individuals Holding Nominal Capital More Than ₹ 1 Lakh | 9,80,470 | 4.25 |
| 9 | NRIS | 7,17,574 | 3.11 |
| 10 | NBFC | 4,010 | 0.01 |
| | Grand Total | 2,30,52,401 | 100.00 |

DETAILS ON PHYSICAL & ELECTRONIC MODE

| Date | Status of shares- Physical versus Electronic Mode | | |
|----------------|--|------------|------------|
| | Physical | Electronic | Total |
| March 31, 2017 | 211,678 | 23,151,357 | 23,363,035 |
| March 31, 2016 | 243,075 | 22,809,326 | 23,052,401 |

Shareholders with more than 1% holding as on March 31, 2017

| Sr. no | Description | Shares | % Holding |
|--------|---|--------------------|--------------|
| 1 | Ashank Desai | 30,99,552 | 13.27 |
| 2 | Sudhakar Venkatraman Ram | 26,34,763 | 11.28 |
| 3 | Ketan Mehta | 25,19,100 | 10.78 |
| 4 | Sundar Radhakrishnan | 13,90,161 | 5.95 |
| 5 | DSP Blackrock Micro Cap Fund | 13,07,989 | 5.60 |
| 6 | Life Insurance Corporation of India P & Gs Fund | 11,08,216 | 4.74 |
| 7 | Rupa Mehta | 4,80,800 | 2.06 |
| 8 | Usha Sundar | 4,60,000 | 1.97 |
| 9 | Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund | 4,50,000 | 1.93 |
| 10 | Ashish Kacholia | 3,83,340 | 1.64 |
| 11 | Arun Kumar Maheshwari | 2,40,000 | 1.03 |
| | TOTAL | 1,40,73,921 | 60.24 |

INFORMATION FOR SHAREHOLDERS ON THE INTERNET:

The Company actively communicates its strategy and the developments of its business to the financial markets. The Senior Executives of the Company along with M/s. Christensen Investor Relations (I) Private Limited - our Investor advisor regularly meet the analysts. The Press release, Analysts' conference calls as well as the presentations at analysts meetings are organized by M/s. Christensen Investor Relations (I) Private Limited - our Investor advisor. Decisions in such meetings are always limited to information that is already in the public domain. Please access the homepage at <http://www.majesco.com> and register yourself for regular updates.

OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS:

There are no outstanding GDRs/ADRs/warrants except the stock options granted to the employees of the Company and its subsidiaries. The options after vesting, when exercised, shall increase the equity share capital.

OFF-SHORE DEVELOPMENT CENTERS:

The Company has Off-Shore Software Development Centers at Millennium Business Park, Mahape and Pune.

COMPLIANCE OFFICER OF THE COMPANY:

Name : Nishant Shirke, Company Secretary

Address : Majesco Limited, MNDC, MBP-P-136, Mahape, Navi Mumbai

Phone No : + 91-22-61501800 Fax: +91-22-27781332.

PART – II REPORT OF THE COMMITTEES OF THE BOARD

1. AUDIT COMMITTEE

The Audit Committee of the Board consists of the following directors:

Ms. Madhu Dubhashi – Chairperson

Dr. Arun Maheshwari

Mr. Radhakrishnan Sundar

Mr. Venkatesh Chakravarty

The committee has, inter alia, the mandate to oversee the Company's financial reporting process and the disclosure of financial information in order to ensure that the financial statements are correct, sufficient and credible. The committee reviewed the independence of both the internal and the statutory auditors and expressed its satisfaction with the same. The Committee discussed the quality of the accounting principles as applied and significant judgments affecting the financial statements, with the management as well as the internal and the statutory auditors of the Company. The committee also discussed with the statutory auditors, without the presence of the management, the Company's financial disclosures and the quality of the Company's accounting principles as applied, underlying judgments affecting the financial statements, and other significant decisions made by the management in preparing the financial disclosures. The committee, relying on the review and discussions conducted with the management and the independent auditors, believes that the Company's financial statements are fairly presented in conformity with Indian Generally Accepted Accounting Principles in all material aspects. The committee had discussed with the internal and statutory auditors the internal controls to ensure that the accounts of the Company are properly maintained and that accounting transactions are in accordance with prevailing laws and regulations. The committee reviewed the annual audit program and discussed with the auditors their findings and with the management, the follow-up actions.

Nothing of a material nature was reported by the auditors.

The Committee reviewed the Foreign Exchange Exposure Status, Related Party Transactions and Legal Compliance Status on quarterly basis and expressed its satisfaction with the same.

The committee has recommended to the Board the ratification of appointment of Varma and Varma, Chartered Accountants, as Statutory Auditors of the Company for the financial year ending March 31, 2017 and that the necessary resolutions for ratification of appointing them as Statutory Auditors be placed before the shareholders.

Place: Navi Mumbai

Date: May 9, 2017

Madhu Dubhashi

Chairperson

2. INVESTOR GRIEVANCES AND STAKEHOLDERS RELATIONSHIP COMMITTEE

The Investor Grievance and Stakeholders Relationship Committee consists of the following directors:

Mr. Venkatesh Chakravarty - Chairman

Mr. Radhakrishnan Sundar

Mr. Farid Kazani

The committee is headed by Mr. Venkatesh Chakravarty, Non- Executive Director (Independent). The committee has the mandate to review and redress shareholder grievances and to attend to share transfers and allotment of shares on exercise of ESOP's. The committee reviewed the shareholder grievance, redressal of shareholder grievance, share transfers and expressed satisfaction with the same. The committee also noted that the shareholding in dematerialized mode as on March 31, 2017 was 98.95%.

Total Seven complaint were received during the year ended March 31, 2017 in respect of Annual Report and same were resolved.

Place: Navi Mumbai

Date: May 9, 2017

Venkatesh Chakravarty

Chairman

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

To the Members of Majesco Limited

This is to confirm that the Company has adopted Code of Conduct for the Board of Directors and Senior Management Personnel of the Company, which is available at www.majesco.com.

I declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company

Place: Navi Mumbai

Date: May 9, 2017

Farid Kazani
Managing Director

CERTIFICATE FROM PRACTISING COMPANY SECRETARY ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE V OF LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS:

I have examined the compliance of conditions of Corporate Governance by Majesco Limited, for the financial year ended March 31, 2017, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the Management, my examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In my opinion, and to the best of my information and according to the explanations given to me,

I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Abhishek Bhate & Co

CS Abhishek Bhate
ACS : 27747 CP : 10230

Date: May 9, 2017

Place: Navi Mumbai

MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Majesco Limited ("the Company") to the best of our knowledge and belief, certify that:

- 1) We have review financial statements and cash flow statements for the financial year ended March 31, 2017 and that to the best of our knowledge and belief, we state that:
 - a) these statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present, a true and fair view of the Company's affairs and are in compliance with existing accounting standards, laws and regulations.
- 2) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or which violates the Company's code of conduct.
- 3) We hereby declare that, all Board Members and Senior Managerial Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.
- 4) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company and have disclosed to the Auditors and the Audit Committee, deficiency in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 5) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - a) Significant changes, if any, in internal controls over financial reporting during the year
 - b) Significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours faithfully,

Farid Kazani
Managing Director

Kunal Karan
Chief Financial Officer

Date: May 9, 2017
Place: Navi Mumbai

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To,
The Members,
Majesco Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Majesco Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. While conducting the audit we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017 and its profit and its cash flows for the year ended on that date;

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ("Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in Paragraphs 3 and 4 of the said Order.
9. As required by section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
 - g) With respect to the other matters to be included in the Auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
 - iv. The Company has provided requisite disclosures in its note 36 of standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of account maintained by the Company.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Cherian K Baby
Partner
M No. 16043

Place: Mumbai
Date: May 9, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2017, we report that:

- i. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. The fixed assets of the company have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion frequency of verification is reasonable.
- c. As mentioned in Note 10.2, the title deeds of immovable properties is yet to be transferred in the name of company till March 31, 2017. The details are as stated below:

| SI No | Details of Property |
|-------|---|
| 1 | Building:- Marisoft Software Park, S. N. 15, 3rd Floor, Marisoft-III, E-Building East Wing, Kalyaninagar, Pune 411014 |
| 2 | Plot No. 136 & P136/1 at TTC Industrial Area, Millennium Business Park, Mahape, Navi Mumbai 400710 |

- ii. The Company is in the business of rendering software services and consequently does not hold any physical inventory. Therefore, the provisions of clause 3(ii) of the said Order are not applicable to the Company
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of clause 3(iii) (a) to 3(iii) (c) of the said Order are not applicable to the Company.
- iv. The company has given a corporate guarantee in connection with loan facility of USD 10 Million (Drawn down-USD 6.8 Million) availed by a foreign subsidiary from a bank against Standby Documentary Credit (SBDC) issued by bank against pledge of fixed deposits for ₹ 6,700 Lakhs with the said bank. The transactions has complied with the provisions of section 185 and 186 of the Act.
- v. The company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified.
- vi. Provisions of section 148 of the Act with regard maintenance of cost records are not applicable to the Company.
- vii. a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is generally regular in depositing of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, value added tax, service tax, cess as applicable, with the appropriate authorities.
- b. According to the information and explanations given to us and the records of the company examined by us, there are no statutory dues of income tax, service tax which have not been deposited on account of any dispute, except for below mentioned share in stamp duty demand on Mastek Ltd arising from demerger of the Company which have not been deposited on account of a dispute as mentioned below:

| Name of the Statue | Name of Dues | Amount in ₹ Lakhs | Period to which the amount relates | Forum where the dispute is pending |
|-----------------------------|----------------------------------|-------------------|------------------------------------|--|
| The Gujarat Stamp Act, 1958 | Demand of Stamp Duty on Demerger | 173.40 | F.Y. 2014-15 | Chief Controlling Revenue Authority, Gujarat |

- viii. The company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date. Hence, the provisions of Clause 3(viii) of the Order are not applicable to the company.
- ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us and the records of the company examined by us, the term loans availed by the company during the year are seen used for the purpose for which they were obtained except that a medium term loan of ₹ 2,400 Lakhs raised for maintenance of Capex was not utilised and the unused amount was kept in Fixed Deposit of ₹ 2,340 Lakhs. The entire loan was repaid in full during the year.

- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees, was noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. As the company is not a Nidhi company and Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the company.
- xiii. The company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures (excluding shares offered under Employees Stock Option Scheme) during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the company.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Cherian K Baby
Partner
M No. 16043

Place: Mumbai
Date: May 9, 2017

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Majesco Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Place: Mumbai
Date: May 9, 2017

Cherian K Baby
Partner
M No. 16043

BALANCE SHEET AS AT MARCH 31, 2017

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Note Ref | As at March 31, 2017 | As at March 31, 2016 |
|--|----------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 1,168.15 | 1,152.62 |
| Reserves and surplus | 4 | 24,759.81 | 24,163.77 |
| | | <u>25,927.96</u> | <u>25,316.39</u> |
| Non-current liabilities | | | |
| Other long-term liabilities | 5 | 499.99 | 419.94 |
| Long-term provisions | 6 | 49.10 | 51.67 |
| Current liabilities | | | |
| Trade payables | 7 | | |
| Micro small and medium enterprises | | 1.79 | - |
| Other than micro small and medium enterprises | | 57.80 | 46.75 |
| Other current liabilities | 8 | 938.40 | 541.38 |
| Short-term provisions | 9 | 17.00 | 16.64 |
| Total | | <u>27,492.04</u> | <u>26,392.77</u> |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 10 (i) | 374.45 | 300.93 |
| Intangible assets | 10 (ii) | 0.20 | - |
| Capital work-in-progress | | 173.31 | - |
| Non-current investments | 11 | 15,593.73 | 15,578.18 |
| Deferred tax assets | 12 | 291.56 | 239.52 |
| Long-term loans and advances | 13 | 606.49 | 156.98 |
| Current assets | | | |
| Current investments | 14 | 1,364.68 | 1,031.06 |
| Trade receivables | 15 | 378.41 | 431.23 |
| Cash and bank balances | 16 | 7,846.77 | 7,470.80 |
| Short-term loans and advances | 17 | 169.32 | 196.14 |
| Other current assets | 18 | 693.12 | 987.93 |
| Total | | <u>27,492.04</u> | <u>26,392.77</u> |
| Company overview and significant accounting policies | 1 & 2 | | |
| Other notes | 27 to 38 | | |

The accompanying notes are an integral part of these financial statements.

For and on behalf of the Board

Farid Kazani
Managing Director
DIN- 06914620

Venkatesh Chakravarty
Non-Executive Chairman and Independent Director
DIN- 01102892

Radhakrishnan Sundar
Executive Director
DIN- 00533952

Kunal Karan
Chief Financial Officer

Nishant S Shirke
Company Secretary

As per our report of even date

For Varma & Varma
Chartered Accountants
FRN: 0045325

Cherian K Baby
Partner
M No: 16043

Place : Navi Mumbai
Date : May 9, 2017

Place : Navi Mumbai
Date : May 9, 2017

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Note Ref | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|----------|------------------------------|------------------------------|
| Revenue from operations | 19 | 1,560.12 | 1,242.31 |
| Other income | 20 | 1,501.75 | 1,514.56 |
| Total Revenue | | 3,061.87 | 2,756.87 |
| Expenses | | | |
| Employee benefits expenses | 21 | 1,237.65 | 1,147.84 |
| Finance costs | 22 | 55.74 | 0.47 |
| Depreciation and amortization expenses | 23 | 81.40 | 23.49 |
| Other expenses | 24 | 1,270.00 | 598.01 |
| Total Expenses | | 2,644.79 | 1,769.81 |
| Profit before exceptional items and tax | | 417.08 | 987.06 |
| Exceptional items | 25 | 225.41 | 152.37 |
| Profit before tax | | 191.67 | 834.69 |
| Tax expense | | | |
| Current tax | | 61.24 | 228.30 |
| Deferred tax charge / (credit) | | (52.04) | (14.82) |
| Excess income tax provision of previous year reversed | | (54.19) | - |
| Profit for the year | | 236.66 | 621.21 |
| Earnings per Share (EPS) | | | |
| Equity share of par value ₹ 5/- each (Previous year ₹ 5/-) | 26 | | |
| Basic | | ₹ 1.02 | ₹ 2.72 |
| Diluted | | ₹ 0.96 | ₹ 2.52 |
| Company overview and significant accounting policies | 1 & 2 | | |
| Other notes | 27 to 38 | | |

The accompanying notes are an integral part of these financial statements.

For and on behalf of the Board

Farid Kazani
Managing Director
DIN- 06914620

Venkatesh Chakravarty
Non-Executive Chairman and Independent Director
DIN- 01102892

Radhakrishnan Sundar
Executive Director
DIN- 00533952

Kunal Karan
Chief Financial Officer

Nishant S Shirke
Company Secretary

As per our report of even date

For Varma & Varma
Chartered Accountants
FRN: 0045325

Cherian K Baby
Partner
M No: 16043

Place : Navi Mumbai
Date : May 9, 2017

Place : Navi Mumbai
Date : May 9, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|------------------------------|------------------------------|
| Cash flows from operating activities | | |
| Profit before exceptional item and tax | 417.08 | 987.06 |
| Adjustments for : | | |
| Rental income | (839.89) | (699.91) |
| Interest income on fixed deposits | (538.97) | (308.41) |
| Profit on sale of current investments (net) | (51.20) | (505.69) |
| Guarantee commission | (69.71) | - |
| Profit on sale of tangible assets (net) | - | (0.55) |
| Employee stock compensation expenses | 0.29 | 8.91 |
| Finance costs | - | 0.47 |
| Depreciation and amortization expenses | 81.40 | 23.49 |
| Provision for doubtful debts | | |
| Trade receivables | 50.52 | 22.93 |
| Reimbursable expenses receivable | - | 0.23 |
| Operating loss before working capital changes | (950.48) | (471.47) |
| Decrease/(increase) in trade receivables | 72.01 | (88.23) |
| Decrease/(increase) in loans and advances and other current and non current assets | 338.05 | (1,032.91) |
| Increase in trade payables, other liabilities and provisions | 417.71 | 443.78 |
| Cash used in operations | (122.71) | (1,148.83) |
| Income taxes paid | (456.81) | (351.68) |
| Net cash used in operating activities before exceptional items | (579.62) | (1,500.51) |
| Exceptional items | (225.41) | (152.37) |
| Net cash used in operating activities | (804.93) | (1,652.88) |
| Cash flows from investing activities | | |
| Purchase of fixed assets (net) | (343.99) | (53.70) |
| Capital advances | - | 0.27 |
| Interest received | 538.97 | 308.41 |
| purchase of current investments (net) | (282.42) | (525.38) |
| Proceeds from slump sale (Refer note no 31) | - | 2,200.00 |
| Investment in fixed deposits | (440.00) | (7,400.00) |
| Increase/(decrease) in margin money deposit | 19.80 | (22.00) |
| Rent deposit | 80.05 | 419.94 |
| Rental income | 839.89 | 699.91 |
| Net cash generated from/(used) in investing activities | 412.30 | (4,372.55) |
| Cash flows from financing activities | | |
| Proceeds from shares on account of exercise of ESOP | 348.41 | 273.91 |
| Interest paid on finance lease | - | (0.47) |
| Net cash generated from financing activities | 348.41 | 273.44 |
| Net (decrease) / increase in cash and cash equivalents during the year | (44.23) | (5,751.99) |
| Cash and cash equivalents at the beginning of the year | 48.80 | 1.90 |
| Cash and cash equivalents transferred pursuant to the scheme of arrangement (Refer note 31) | - | 5,798.89 |
| Cash and cash equivalents at the end of the year | 4.57 | 48.80 |

- 1 The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 2 Cash and cash equivalents - Refer note 16
- 3 Figures in brackets indicate cash outflow.
- 4 The above cash flow statement reflects cash flow movements after considering the impact of demerger. (Refer note 30)
- 5 Previous year figures have been regrouped or reclassified wherever necessary.

The accompanying notes are an integral part of these financial statements.

For and on behalf of the Board

Farid Kazani
Managing Director
DIN- 06914620

Venkatesh Chakravarty
Non-Executive Chairman and Independent Director
DIN- 01102892

Radhakrishnan Sundar
Executive Director
DIN- 00533952

Kunal Karan
Chief Financial Officer

Nishant S Shirke
Company Secretary

Place : Navi Mumbai
Date : May 9, 2017

As per our report of even date

For Varma & Varma
Chartered Accountants
FRN: 004532S

Cherian K Baby
Partner
M No: 16043

Place : Navi Mumbai
Date : May 9, 2017

NOTES TO THE AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

1 Company overview :

Majesco Limited is a public limited company domiciled in India and is listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is a provider of core platforms and technology solutions in Insurance (Life, Pensions and General). The company operates through its software development centre at Mahape and has a subsidiary in USA.

2 Significant accounting policies:

2.1 Basis of preparation

These financial statements have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets / inputs for processing and their realisation in cash and cash equivalents, the Company has ascertained its normal operating cycle as 12 months for the purpose of classification of assets and liabilities as current / non current.

2.2 Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

2.3 Tangible assets and depreciation

Tangible assets are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalized until the assets are ready for use and include inward freight, duties, taxes and expenses incidental to acquisition

and installation. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognized in the Profit and Loss Statement. Depreciation on tangible assets is provided on the straight line method, on a pro rata basis, over the estimated useful life of the assets. Based on the technical evaluation the Management estimates the useful life for the fixed assets as follows:-

| Assets | Useful Life |
|------------------------|--|
| Buildings | 28 years |
| Computers | 2 years |
| Plant and equipment | 2 - 5 years |
| Furniture and fixtures | 5 years |
| Vehicles | 5 years |
| Office equipment | 2 - 5 years |
| Leasehold land | Lease term ranging from 95-99 years |
| Leasehold improvements | 5 years or the primary period of lease whichever is less |

2.4 Intangible assets and amortization

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line method over their estimated economic lives as follows:

| Assets | Useful Life |
|-------------------|-------------|
| Goodwill | 3 - 5 years |
| Computer software | 1 - 5 years |

Expenditure on research is recognized as an expense when it is incurred. Development costs of products are also charged to the Profit and Loss Statement unless all the criteria for capitalisation as set out in paragraph 44 of AS 26 - 'Intangible Assets' have been met by the Company.

2.5 Impairment of assets

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, management estimates the recoverable amount. Recoverable amount is higher of an asset's net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Profit and Loss Statement to the extent carrying amount exceeds recoverable amount. Assessment is also done at each

Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or many have decreased.

2.6 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at cost or fair value, whichever is lower. Non-current investments are carried at cost. However, provision for other than temporary decline in value is made to recognise a decline, other than temporary, in the value of non-current investments, such reduction being determined and made for each investment individually. Investment property: Investment in buildings that are not intended to be occupied substantially for use by, or in the operations of, the Company, have been classified as investment property. Investment properties are carried at cost less accumulated depreciation upto March 31, 2017 being the date on which demerger was given effect to and accumulated impairment losses, if any.

2.7 Foreign currency transactions and translation

Foreign currency transactions of the Company and of its integral foreign branch are accounted at the exchange rates prevailing on the date of the transaction or at an average rate that approximates the actual rate at the date of the transaction. Monetary assets and liabilities are translated at the rate prevailing on the Balance Sheet date whereas non-monetary assets and liabilities are translated at the rate prevailing on the date of the transaction. Gains and losses resulting from the settlement of foreign currency monetary items and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Profit and Loss Statement. In the case of forward exchange contracts which are open on the Balance Sheet date and are backed by receivables, the premium or discount arising at the inception of such a forward exchange contract is amortized as expense or income over the life of the contract. The exchange difference on such contracts is computed by multiplying the foreign currency amount of the forward exchange contract by the difference between a) the foreign currency amount of the contract translated at the exchange rate at the reporting date or the settlement date where the transaction is settled during the reporting period, and b) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date. The exchange difference so computed on such contracts is recognized in the Profit and Loss Statement. Any profit or loss arising on cancellation or renewal of such forward exchange contracts is recognized as income or expense for the year.

2.8 Derivative instruments and hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company designates these hedging instruments as cash flow hedges.

The use of hedging instruments is governed by the policies of the Company which are approved by its Board of Directors.

The Company has adopted hedge accounting as per the Accounting Standard (AS) 30, "Financial Instruments: Recognition and Measurement" issued by the Institute of Chartered Accountants of India to the extent the adoption does not contradict with existing Accounting Standards and other authoritative pronouncements of the Company Law and other regulatory requirements. In respect of forward contracts that are designated as effective cash flow hedges, the gain or loss from the effective portion of the hedge is recorded and reported directly in reserves (under the Hedging reserve account) and is reclassified into the Profit and Loss Statement upon the occurrence of the hedged transactions.

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized directly in the hedging reserve and the ineffective portion is recognized immediately in the Profit and Loss Statement.

In respect of foreign exchange forward contract covered under Accounting Standard (AS) 11, "The Effects of Changes in Foreign Exchange Rates", the premium or discount arising at the inception of the contract is amortized as expense or income over the life of the contract. Gains/losses on settlement of transaction arising on cancellation or renewal of such a forward exchange contract are recognized as income or expense for the year.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instrument recognized in shareholders' funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in hedging reserve is transferred to the Profit and Loss Statement for the year.

2.9 Employee benefits

i) Long term employee benefits

Defined contribution plan

Employee benefits in the form of provident fund, family pension fund, superannuation fund and labour welfare fund, which are administered through Government

of India and /or Life Insurance Corporation of India are considered as defined contribution plans and the contributions are charged to the Profit and Loss Statement of the year when the contributions to the respective funds are due.

Defined benefit plan

The Company has defined benefit plans for post employment benefits in the form of gratuity for its employees in India. The gratuity scheme of the Company is administered through Life Insurance Corporation of India (LIC). Liability for defined benefit plans is provided on the basis of actuarial valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method. Actuarial gains and losses are recognized immediately in the Profit and Loss Statement as income or expense.

(ii) Other long-term employee benefits

Long term compensated absences and pension benefits are provided on the basis of an actuarial valuation as at the Balance Sheet date. Actuarial gains and losses comprising of experience adjustments and the effects of changes in actuarial assumptions are recognized in the Profit and Loss Statement for the year as income or expense.

(iii) Short-term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized in the year during which the employee rendered the services. These benefits comprise compensated absences such as paid annual leave and performance incentives.

(iv) Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or those arising from restructuring, are recognized in the Profit and Loss Statement when the Company has a present obligation as a result of past event, when a reliable estimate can be made of the amount of the obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations.

2.10 Revenue recognition

The Company derives revenues primarily from information technology services. Revenue is recognized in accordance with the terms of the contracts with customers as the service is performed by the proportionate completion method and when it is reasonably certain that the ultimate collection will be made. Revenues on time and material contracts are

recognized when services are rendered and related costs are incurred. Revenues on fixed price, fixed time bound contracts are recognized over the life of the contract measured by the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such contracts are made during the period in which a loss becomes probable and can be reasonably estimated. When the uncertainty, relating to the collectability arises subsequent to the rendering of the service, a separate provision is made to reflect the uncertainty and the amount of revenue originally recorded is not adjusted. Revenues from maintenance contracts are recognized on a straight line basis over the period of the contract. Revenues from sale of software and hardware are recognized upon delivery of products to the customer, when the significant risks and rewards of ownership are transferred to the buyer and the ultimate collection is reasonably certain.

Unbilled revenue included in 'Other current assets', represents amounts in respect of services performed in accordance with contract terms, not yet billed to customers at the year end. Unearned revenue included in 'Other current liabilities' represents amounts received/billed in excess of the value of work performed in accordance with the terms of the contracts with customers.

2.11 Other income

Dividend income from investments is recognized when the right to receive payment is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable rate of interest. Rental income is recognized on a straight line basis over the term of the lease as per the terms of the base contract or such other systematic method as considered appropriate.

2.12 Leases

Assets taken on leases which transfer substantially all the risks and rewards incidental to ownership of the assets to the lessee i.e. finance leases, in terms of provisions of Accounting Standard (AS) 19 – 'Leases', are capitalized. The assets acquired under finance leases are capitalised at the lower of the fair value at the inception of the lease and the present value of minimum lease payments and a liability is created for an equivalent amount. Such assets are disclosed as leased assets under tangible assets and are depreciated in accordance with the Company's depreciation policy described in note 2.3. Each lease rental paid on the finance lease is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. Other leases are classified as operating leases and rental payments in respect of such leases are charged to the Profit and Loss Statement on a straight line basis over the

lease term or such other systematic method as considered appropriate.

2.13 Earnings per share

Basic earnings per share (EPS) are calculated by dividing the net loss / profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by adjusting the number of shares used for basic EPS with the weighted average number of shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value i.e. average market value of outstanding shares. The number of shares and potentially dilutive shares are adjusted for share splits and bonus shares, as appropriate. In calculating diluted earnings per share, the effects of anti dilutive potential equity shares are ignored. Potential equity shares are anti-dilutive when on conversion to equity shares would increase earnings per share or decrease loss per share.

2.14 Income taxes

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws. Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unabsorbed depreciation or carry forward losses are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date for any write down or reversal, as considered appropriate. Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company

will pay normal income tax during the specified period. Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amount and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing the current tax and where the deferred tax assets and liabilities relate to taxes on income levied by the same governing taxation laws.

2.15 Accounting for employee stock options

Stock options granted to employees of Majesco Limited and its subsidiaries under the stock option schemes covered by Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014 are accounted using the intrinsic value method prescribed in the guidance note on Employees Share Based Payments issued by The Institute of Chartered Accountants of India. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is considered as deferred employee compensation. The expense on deferred employee compensation is recognized in Profit and Loss Statement on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to expense, equal to the amortized portion of value of lapsed portion.

2.16 Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset, only when such reimbursement is virtually certain.

2.17 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short term highly liquid investments with original maturities of three months or less.

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | | As at March 31, 2016 | |
|--|-------------------------|---------------------|-------------------------|---------------------|
| 3 Share capital | | | | |
| Authorised: | | | | |
| 30,000,000 equity shares of ₹ 5/- each | | 1,500.00 | | 1,500.00 |
| (Previous year 30,000,000) equity shares of ₹ 5/- each | | | | |
| Total | | 1,500.00 | | 1,500.00 |
| Issued, subscribed and fully paid up : | | | | |
| 23,363,035 equity shares of ₹ 5/- each | | 1,168.15 | | 1,152.62 |
| (Previous year 23,052,401) equity shares of ₹ 5/- each | | | | |
| Total | | 1,168.15 | | 1,152.62 |
| a. The Company has only one class of shares referred to as equity shares having a par value of ₹ 5/-. Each holder of equity shares is entitled to one vote per share. | | | | |
| b. The company declares and pays dividends in Indian rupees. | | | | |
| c. In the previous years | | | | |
| i) No shares were allotted as fully paid up by way of bonus shares. | | | | |
| ii) No shares were bought back. | | | | |
| d. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by them. | | | | |
| e. Reconciliation of the number of shares : | | | | |
| | No. of shares | Amount | No. of shares | Amount |
| Equity shares | | | | |
| Balance as at the beginning of the year | 23,052,401 | 1,152.62 | 50,000 | 5.00 |
| Add : Shares issued pursuant to the scheme of arrangement | - | - | 22,812,795 | 1,140.64 |
| Less: Shares cancelled during the year (Refer note 31 (a)) | - | - | (50,000) | (5.00) |
| Add : Shares issued on exercise of ESOP | 310,634 | 15.53 | 239,606 | 11.98 |
| Add : Shares issued during the year | - | - | - | - |
| Balance as at the end of the year | 23,363,035 | 1,168.15 | 23,052,401 | 1,152.62 |
| f. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company. | | | | |
| Equity shares of ₹ 5/- | No. of shares | % of holding | No. of shares | % of holding |
| (Previous year ₹ 5/-) each held by : | | | | |
| Ashank Desai | 3,099,552 | 13.27% | 3,099,552 | 13.45% |
| Sudhakar Venkatraman Ram | 2,634,763 | 11.28% | 2,791,680 | 12.11% |
| Ketan Mehta | 2,519,100 | 10.78% | 2,519,100 | 10.93% |
| Radhakrishnan Sundar | 1,390,161 | 5.95% | 1,445,800 | 6.27% |
| DSP Blackrock Micro | 1,307,989 | 5.60% | - | - |
| g. Shares reserved for issue under options : | | | | |
| Number of unexercised options under the employee stock option plan as at the end of the year (Refer note 30) | | 2,398,300 | | 3,072,633 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| 4 Reserves and surplus | | |
| Capital reserve | | |
| Balance as at the beginning of the year | - | - |
| Add: Transfer pursuant to the scheme of arrangement | - | 106.07 |
| Less: Transfer to General reserve (Refer note 31 (b)) | - | (106.07) |
| Balance as at the end of the year | - | - |
| Securities premium account | | |
| Balance as at the beginning of the year | 261.93 | - |
| Add : Addition on account of exercise of shares under ESOP | 332.88 | 261.93 |
| Add : Transfer from employee stock options outstanding account | 10.05 | - |
| Balance as at the end of the year | 604.86 | 261.93 |
| Employee stock options outstanding account | | |
| Balance as at the beginning of the year | 133.88 | - |
| Add: Transfer pursuant to the scheme of arrangement | - | 84.07 |
| Add : Addition on account of recognition of ESOP | 26.51 | 49.81 |
| Less : Transfer to securities premium account | (10.05) | - |
| Balance as at the end of the year (Refer note 30(f)) | 150.34 | 133.88 |
| General reserve | | |
| Balance as at the beginning of the year | 2,805.76 | - |
| Add: Transfer pursuant to the scheme of arrangement | - | 2,415.67 |
| Add: Transfer on account of deferred tax assets (net) (Refer note 31 (c)) | - | 284.02 |
| Add: Transfer from capital reserve | - | 106.07 |
| Balance as at the end of the year | 2,805.76 | 2,805.76 |
| Surplus / (deficit) in Profit and Loss Statement | | |
| Balance as at the beginning of the year | 20,962.19 | (3.03) |
| Add: Transfer pursuant to the scheme of arrangement | - | 20,344.01 |
| Profit for the year | 236.66 | 621.21 |
| Balance as at the end of the year | 21,198.85 | 20,962.19 |
| Total | 24,759.81 | 24,163.77 |
| 5 Other long-term liabilities | | |
| Rent deposit due to related parties (refer note 32, C,b,iv) | 419.94 | 419.94 |
| Other deposits | 80.05 | - |
| Total | 499.99 | 419.94 |
| 6 Long-term provisions | | |
| Provision for employee benefits | | |
| Provision for leave encashment (Refer note 29 (c)) | 49.10 | 51.67 |
| Total | 49.10 | 51.67 |
| 7 Trade payables | | |
| Outstanding dues of micro small and medium enterprises (Refer note 7.1) | 1.79 | - |
| Outstanding dues of creditors other than micro small and medium enterprises | 57.80 | 46.75 |
| | 59.59 | 46.75 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| 7.1 MSME disclosure | | |
| Principal amount remaining unpaid as at the end of accounting year | 1.79 | - |
| Interest due on above and remaning unpaid as at the end of accounting year | - | - |
| Amount of Interest paid alongwith amount of payment made to supplier beyond the appointed day | - | - |
| Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this act. | - | - |
| Interest accrued and remaining unpaid | - | - |
| Amount of Further Interest remaining due and payable in succeeding years | - | - |
| Total | 1.79 | - |
| <p>The Company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the available information, there are no other balances outstanding as payable to such supplier at the year end.</p> | | |
| 8 Other current liabilities | | |
| Accrued salaries and benefits payable | 97.44 | 102.52 |
| Accrued expenses | 447.29 | 132.22 |
| Credit balances in bank accounts | 12.88 | 135.00 |
| Unearned revenue | 45.38 | 32.34 |
| Statutory dues including provident fund and tax deducted at source | 106.17 | 52.63 |
| Advance from related party (Refer note no. 32 (C,b,iii)) | 122.24 | - |
| Capital creditors | - | 5.28 |
| Other payables | 107.00 | 81.39 |
| Total | 938.40 | 541.38 |
| 9 Short-term provisions | | |
| Provision for employee benefits | | |
| Provision for leave encashment (Refer note 29 (c)) | 17.00 | 16.64 |
| Total | 17.00 | 16.64 |

(All amounts in ₹ Lakhs, unless otherwise stated)

10 Fixed assets**(i) Tangible assets**

| | Gross Block (at cost) | | | | Depreciation | | | | Net Block (WDV) | |
|------------------------|-----------------------|---------------|-------------------------|----------------------|---------------------|---------------------------|-------------------------|----------------------|----------------------|----------------------|
| | As at April 1, 2016 | Additions | Deletions / Adjustments | As at March 31, 2017 | As at April 1, 2016 | Depreciation for the year | Deletions / Adjustments | As at March 31, 2017 | As at March 31, 2017 | As at March 31, 2016 |
| a. Own assets: | | | | | | | | | | |
| Buildings | 117.04 | 6.02 | - | 123.06 | 34.84 | 4.23 | - | 39.07 | 83.99 | 82.21 |
| Computers | 45.29 | 1.31 | - | 46.60 | 44.80 | 0.60 | - | 45.40 | 1.20 | 0.50 |
| Plant and equipment | 68.33 | 37.84 | 27.71 | 78.46 | 68.33 | 6.64 | 27.71 | 47.26 | 31.20 | - |
| Furniture and fixtures | 1,019.48 | 49.18 | 190.08 | 878.58 | 1,019.48 | 7.88 | 190.08 | 837.28 | 41.30 | - |
| Vehicles | 87.38 | 11.57 | - | 98.95 | 18.63 | 19.74 | - | 38.37 | 60.58 | 68.75 |
| Office equipment | 51.28 | 10.03 | 50.97 | 10.34 | 51.28 | 1.14 | 50.97 | 1.45 | 8.89 | - |
| Total (A) | 1,388.80 | 115.95 | 268.76 | 1,235.99 | 1,237.36 | 40.23 | 268.76 | 1,008.83 | 227.16 | 151.46 |
| b. Leased assets : | | | | | | | | | | |
| Leasehold land | 169.87 | - | - | 169.87 | 20.39 | 2.19 | - | 22.58 | 147.29 | 149.48 |
| Total (B) | 169.87 | - | - | 169.87 | 20.39 | 2.19 | - | 22.58 | 147.29 | 149.48 |
| Total (A + B) | 1,558.67 | 115.95 | 268.76 | 1,405.86 | 1,257.75 | 42.42 | 268.76 | 1,031.41 | 374.45 | 300.93 |

(ii) Intangible assets

| | Gross Block (at cost) | | | | Amortization | | | | Net Block (WDV) | |
|------------------------|-----------------------|-------------|-------------------------|----------------------|---------------------|---------------------------|-------------------------|----------------------|----------------------|----------------------|
| | As at April 1, 2016 | Additions | Deletions / Adjustments | As at March 31, 2017 | As at April 1, 2016 | Depreciation for the year | Deletions / Adjustments | As at March 31, 2017 | As at March 31, 2017 | As at March 31, 2016 |
| Computer software | - | 0.60 | - | 0.60 | - | 0.40 | - | 0.40 | 0.20 | - |
| Total (A + B) | - | 0.60 | - | 0.60 | - | 0.40 | - | 0.40 | 0.20 | - |

10.1. Considering the fact that substantial portion of the building has been let out for longer period of time, the portion of the building let out has been reclassified as investment property.

10.2. Mahape building which has been transferred pursuant to the scheme of arrangement, is pending to be registered in the name of Majesco Limited as at March 31, 2017. Additions during the year represents stamp duty paid.

10 Fixed assets (Previous year)**(i) Tangible assets**

| | Gross Block (at cost) | | | | | Depreciation | | | | | Net Block (WDV) |
|------------------------|--|--------------|---|----------------|----------------------|--|---|---------------------------|----------------|----------------------|----------------------|
| | Transfer pursuant to the scheme of arrangement (Net of slump sale) (Refer note 31) | Additions | Transfer to investment property (Refer note 10.1) | Deletion | As at March 31, 2016 | Transfer pursuant to the scheme of arrangement (Net of slump sale) (Refer note 31) | Transfer to investment property (Refer note 10.1) | Depreciation for the year | Deletions | As at March 31, 2016 | As at March 31, 2016 |
| a. Own assets : | | | | | | | | | | | |
| Buildings | 1,145.61 | - | (1,028.57) | - | 117.04 | 309.63 | (280.62) | 5.82 | - | 34.83 | 82.21 |
| Computers | 44.63 | 0.66 | - | - | 45.29 | 44.63 | - | 0.16 | - | 44.79 | 0.50 |
| Plant and equipment | 68.33 | - | - | - | 68.33 | 68.33 | - | - | - | 68.33 | - |
| Furniture and fixtures | 1,019.48 | - | - | - | 1,019.48 | 1,019.48 | - | - | - | 1,019.48 | - |
| Vehicles | 56.14 | 55.93 | - | (24.69) | 87.38 | 28.39 | - | 14.93 | (24.69) | 18.63 | 68.75 |
| Office equipment | 51.28 | - | - | - | 51.28 | 51.23 | - | 0.05 | - | 51.28 | - |
| Total (A) | 2,385.47 | 56.59 | (1,028.57) | (24.69) | 1,388.80 | 1,521.69 | (280.62) | 20.96 | (24.69) | 1,237.34 | 151.46 |
| b. Leased assets : | | | | | | | | | | | |
| Leasehold land | 169.87 | - | - | - | 169.87 | 18.56 | - | 1.82 | - | 20.39 | 149.48 |
| Vehicles | 5.29 | - | - | (5.29) | - | 2.26 | - | 0.71 | (2.97) | - | - |
| Total (B) | 175.16 | - | - | (5.29) | 169.87 | 20.82 | - | 2.53 | (2.97) | 20.39 | 149.48 |
| Total (A + B) | 2,560.63 | 56.59 | (1,028.57) | (29.98) | 1,558.67 | 1,542.51 | (280.62) | 23.49 | (27.66) | 1,257.73 | 300.94 |

10.1. Considering the fact that substantial portion of the building has been let out for longer period of time, the portion of the building let out has been reclassified as investment property.

10.2. Mahape building which has been transferred pursuant to the scheme of arrangement, is pending to be registered in the name of Majesco Limited as at March 31, 2016.

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| 11 Non-current investments | | |
| (a) Investment property (at cost less accumulated depreciation) (Refer note 10.2) | | |
| <u>Gross block</u> | | |
| Opening | 1,416.19 | - |
| Add : Transfer pursuant to the scheme of arrangement | - | 387.62 |
| Add : Addition during the year | 54.13 | - |
| Add : Reclassified from fixed assets (Refer note 10.1) | - | 1,028.57 |
| Closing | 1,470.32 | 1,416.19 |
| <u>Less : Accumulated depreciation</u> | | |
| Opening | (428.27) | - |
| Add : Transfer pursuant to the scheme of arrangement | - | (147.65) |
| Add : Reclassified from fixed assets (Refer note 10.1) | - | (280.62) |
| Depreciation for the year | (38.58) | - |
| Closing | (466.85) | (428.27) |
| Net block | 1,003.47 | 987.92 |
| (b) Investment in subsidiaries - fully paid equity shares (Quoted, at cost) | | |
| Majesco, USA | | |
| 2,55,30,125 (Previous year - 2,55,30,125) equity shares of US \$ 0.002 each, (Transfer pursuant to the scheme of arrangement) | 14,590.26 | 14,590.26 |
| Total | 14,590.26 | 14,590.26 |
| Total (a + b) | 15,593.73 | 15,578.18 |
| Aggregate value of quoted investments | 14,590.26 | 14,590.26 |
| Market value of quoted investments | 85,430.44 | 103,012.25 |
| 12 Deferred tax assets | | |
| Deferred tax assets in respect of: | | |
| Depreciation | 127.80 | 130.49 |
| Gratuity and leave encashment | 21.85 | 22.09 |
| Doubtful debts and advances | 29.15 | 12.47 |
| Other timing differences | 112.76 | 74.47 |
| Total | 291.56 | 239.52 |
| 13 Long-term loans and advances | | |
| Unsecured, considered good, unless otherwise stated | | |
| Security deposits | 32.48 | 32.48 |
| Prepaid expenses | 0.87 | 1.12 |
| Other loans and advances | | |
| Advance income tax , net of provision for tax | 573.14 | 123.38 |
| Total | 606.49 | 156.98 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| 14 Current investments | | |
| At cost or market value, whichever is less: | | |
| Investment in Mutual Funds (quoted): | | |
| Principal Cash Management Fund - Regular - Growth (13,950 units (previous year - 13,612 units) of ₹ 1,000/- each) | 220.00 | 200.00 |
| Franklin Templeton India Ultra Short Bond Fund - Super IP - Growth (1,050,403 units (previous year - Nil) of ₹ 10/- each) | 219.84 | - |
| Kotak Treasury Advantage Fund - Reg - Growth (8,83,288 units (previous year - Nil) of ₹ 10/- each) | 218.79 | - |
| Indiabulls Liquid Fund - Growth (14,239 units (previous year - Nil) of ₹ 1,000/- each) | 225.24 | - |
| ICICI Prudential Savings Fund Reg - Growth (100 units (previous year - Nil) of ₹ 100/- each) | 267.52 | - |
| DHFL Pramerica Ultra Short - Term Fund (10 units (previous year - Nil) of ₹ 10/- each) | 213.29 | - |
| Franklin Templeton India TMA - Super IP - Growth (Nil (previous year - 9,301 units) of ₹ 1,000/- each) | - | 210.00 |
| Birla Sun Life Cash Plus Fund - Growth (Nil (previous year - 86,584 units) of ₹ 100/- each) | - | 210.00 |
| HDFC Liquid Fund - Growth (Nil (previous year - 6,742) of ₹ 1,000/- each) | - | 200.74 |
| Kotak Floater Short Term Fund - Growth (Nil (previous year - 8,500 units) of ₹ 1,000/- each) | - | 210.32 |
| Total | 1,364.68 | 1,031.06 |
| Aggregate amount of quoted investments | 1,364.68 | 1,031.06 |
| Market value of quoted investments (NAV as at the end of the year) | 1,407.20 | 1,033.01 |
| 15 Trade receivables | | |
| Receivables outstanding for a period exceeding six months from the due date | | |
| Unsecured, considered good | - | 2.01 |
| Doubtful | 86.34 | 30.83 |
| Less: Provision for doubtful debts | (86.34) | (30.83) |
| Receivables outstanding for a period less than six months from the due date | | |
| Unsecured, considered good | 378.41 | 429.22 |
| Doubtful | 1.83 | 6.04 |
| Less: Provision for doubtful debts | (1.83) | (6.04) |
| Total | 378.41 | 431.23 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| 16 Cash and bank balances | | |
| Cash and cash equivalents | | |
| Bank balances | | |
| In current accounts | 4.57 | 48.80 |
| | <u>4.57</u> | <u>48.80</u> |
| Other bank balances | | |
| Fixed deposits (Refer (a) and (b) below) | 7,840.00 | 7,400.00 |
| Margin money deposit (Refer (c) below) | 2.20 | 22.00 |
| | <u>7,842.20</u> | <u>7,422.00</u> |
| Total | <u><u>7,846.77</u></u> | <u><u>7,470.80</u></u> |
| (a) ₹ 7,340 with HSBC bank (Previous year - ₹ 5,000) under lien for stand by documentary credit (SBDC) of US\$ 10 million (previous year US\$ 6.8 million) given by HSBC Bank, for the term loan availed by Majesco, USA, subsidiary of the Company. | | |
| (b) ₹ 500 with Yes bank (Previous year ₹ 2,400) for PCFC facility availed by Majesco Software and Solutions India Private Limited, step down subsidiary of the Company. | | |
| (c) Fixed deposit of ₹ 2.20 is held as security for bank guarantee of ₹ 2.20 given to Maharashtra Pollution Control Board (Previous year ₹ 22.00 was held as security for bank guarantee of which ₹ 20.00 given to Life Insurance Corporation of India in lieu of earnest money deposit.) | | |
| 17 Short-term loans and advances | | |
| Unsecured, considered good, unless otherwise stated: | | |
| Other loans and advances | | |
| Gratuity fund - excess of fund balance over obligation (Refer note 29(b)(iii)) | 12.58 | 1.50 |
| Prepaid expenses | 27.95 | 59.73 |
| Service tax credit receivable | 21.10 | 24.08 |
| Advances to employees | 2.16 | 2.08 |
| Advances to suppliers | 31.03 | 34.25 |
| Others advances (Refer (a) below) | 74.50 | 74.50 |
| Total | <u><u>169.32</u></u> | <u><u>196.14</u></u> |
| (a) Share of stamp duty against demand on Mastek Ltd. by the Office of the Superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme, paid under protest. | | |
| 18 Other current assets | | |
| Unsecured, considered good, unless otherwise stated: | | |
| Interest accrued on fixed deposits | 35.97 | 138.16 |
| Unbilled Revenue | 217.34 | 210.73 |
| Reimbursable expenses receivables | | |
| Considered good | 439.81 | 639.04 |
| Considered doubtful | - | 0.85 |
| Less: Provision for doubtful receivables | - | (0.85) |
| Total | <u><u>693.12</u></u> | <u><u>987.93</u></u> |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|------------------------------|------------------------------|
| 19 Revenue from operations | | |
| Information technology services | 1,527.07 | 1,238.38 |
| Other operating revenue | | |
| Reimbursement of expenses from customers | 32.98 | - |
| Doubtful debts recovered | 0.07 | 3.93 |
| Total | 1,560.12 | 1,242.31 |
| 20 Other income | | |
| Rental income | 839.89 | 699.91 |
| Interest income on fixed deposits | 538.97 | 308.41 |
| Profit on sale of current investments (net) | 51.20 | 505.69 |
| Profit on sale of tangible assets (net) | - | 0.55 |
| Guarantee commission (Refer note 32 (C) (iii)) | 69.71 | - |
| Miscellaneous income | 1.98 | - |
| Total | 1,501.75 | 1,514.56 |
| 21 Employee benefits expenses | | |
| Salaries, wages and performance incentives | 1,170.20 | 1,061.36 |
| Contribution to gratuity, provident and other funds (Refer note 29 (a) (b) (iv)) | 45.01 | 52.17 |
| Employee stock compensation expenses | 0.29 | 8.91 |
| Staff welfare expense | 22.15 | 25.40 |
| Total | 1,237.65 | 1,147.84 |
| 22 Finance costs | | |
| Interest on finance lease | - | 0.47 |
| Interest on others | 55.74 | - |
| Total | 55.74 | 0.47 |
| 23 Depreciation and amortization expenses | | |
| Depreciation on tangible assets | 42.42 | 23.49 |
| Amortization on intangible assets | 0.40 | - |
| Depreciation on investment property | 38.58 | - |
| Total | 81.40 | 23.49 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|------------------------------|------------------------------|
| 24 Other expenses | | |
| Professional fees (Refer (a) below) | 242.29 | 162.53 |
| Travelling and conveyance | 67.52 | 78.39 |
| Repairs and maintenance | | |
| Building | 91.27 | 50.83 |
| Others | 45.24 | 18.58 |
| Rates and taxes | 39.78 | 27.78 |
| Consultancy and sub-contracting charges (Refer note no 32 (C) (ii)) | 567.75 | 47.16 |
| Purchase of hardware and software | 64.11 | 37.28 |
| Provision for doubtful debts | | |
| Trade receivables | 50.52 | 22.94 |
| Reimbursable expenses receivables | - | 0.23 |
| Advertisement and publicity | 15.26 | 17.59 |
| Electricity | 20.29 | 25.12 |
| Insurance | 18.26 | 16.73 |
| Hire charges | 8.10 | 13.40 |
| Communication charges | 8.98 | 10.75 |
| CSR expenditure / donations | 7.50 | 10.16 |
| Stock Exchange listing fees | 4.02 | 7.96 |
| Rent | 0.25 | 1.51 |
| Recruitment and training expenses | 1.45 | 2.32 |
| Miscellaneous expenses | 17.41 | 46.75 |
| Total | 1,270.00 | 598.01 |
| (a) Professional and consultancy fees include payment to auditors (excluding service tax) : | | |
| i. Statutory audit | 8.25 | 7.50 |
| ii. Limited review | 5.78 | 5.25 |
| iii. Audit of consolidated financial statements | 5.50 | 5.00 |
| iv. Certification fees | 1.10 | 0.45 |
| v. Reimbursement of expenses | 1.01 | 0.30 |
| (b) Other expenses shown above are net of reimbursable expenses recovered from subsidiaries under appropriate line items. | | |
| 25 Exceptional items | | |
| Demerger expenses | | |
| Rates and taxes | 225.41 | 111.48 |
| Professional fees | - | 40.89 |
| Total | 225.41 | 152.37 |
| During the year ended March 31, 2017, the company has provided ₹ 225.41 on account of share of stamp duty against demand raised on Mastek Limited by the office of the Superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme. | | |
| 26 Earnings per share (EPS) | | |
| The components of basic and diluted earnings per share for total operations are as follows: | | |
| (a) Net profit attributable to equity shareholders | 236.66 | 621.21 |
| (b) Weighted average number of outstanding equity shares | | |
| Considered for basic EPS | 23,238,779 | 22,824,721 |
| Add : Effect of dilutive potential equity shares arising from outstanding stock options | 1,443,488 | 1,799,459 |
| Considered for diluted EPS | 24,682,267 | 24,624,180 |
| (c) Earnings per share | | |
| (Face value per share ₹ 5/- each (Previous year ₹ 5/-) each) | | |
| Basic | ₹ 1.02 | ₹ 2.72 |
| Diluted | ₹ 0.96 | ₹ 2.52 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| 27 Contingent liabilities and commitments | | |
| (a) Guarantee given for working capital facility availed by Majesco, USA, subsidiary of the Company from ICICI Bank | - | 1,523.86 |
| (b) Corporate guarantee secured by pledge of fixed deposit for ₹ 7,340 given to HSBC India for SBDC favouring HSBC bank USA National Association for extending a term loan to the extent of US\$ 10 mio. to Majesco USA, a subsidiary of the Company. | 6,485.00 | 4,505.34 |
| (c) Share of stamp duty against demand by the Office of the Superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme. | - | 171.50 |
| | 6,485.00 | 6,200.70 |
| 28 Capital and other commitments | | |
| Capital commitments : | | |
| a) Estimated amount of contract remaining to be excuted on capital account not provided for | 95.41 | - |
| | 95.41 | - |

29 Employee benefits

The disclosures required as per the revised Accounting Standard (AS) 15 - Employee Benefits (revised 2005) are as under:

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|---------------------------------|---------------------------------|
| (a) Defined contribution plans | | |
| The Company has recognized the following amounts in Profit and Loss Statement for the year: | | |
| Contribution to provident fund | 47.80 | 42.86 |
| Contribution to superannuation fund | 7.12 | 5.92 |
| Contribution to Employees' State Insurance Corporation | 1.10 | 0.23 |
| Contribution to Maharashtra Labour Welfare Fund | 0.06 | 0.06 |
| Total (Refer note 21) | 56.08 | 49.07 |
| (b) Defined benefit plan (Gratuity) | | |
| As per the independent actuarial valuation carried out as at March 31, 2017 | As at March 31, 2017 | As at March 31, 2016 |
| (i) Change in defined benefit obligations (DBO) : | | |
| Projected benefit obligation - opening | 111.04 | - |
| Service cost | 15.57 | 13.88 |
| Interest cost | 9.55 | 7.69 |
| Actuarial loss / (gain) | (28.31) | (10.79) |
| Benefits paid | (11.44) | (5.40) |
| Liability assumed as per the scheme of arrangement | - | 105.66 |
| Projected benefit obligation - closing | 96.41 | 111.04 |
| (ii) Change in fair value of assets: | | |
| Fair value of plan assets - opening | 112.54 | - |
| Expected return on plan assets | 9.76 | 7.79 |
| Employer's contribution | - | 4.60 |
| Assets transferred as per the scheme of arrangement | - | 105.66 |
| Benefit paid | (11.44) | (5.40) |
| Actuarial gain/(loss) | (1.87) | (0.11) |
| Fair value of plan assets - closing | 108.99 | 112.54 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|------------------------------|------------------------------|
| (iii) Amount recognized in the Balance Sheet | | |
| Present value of obligations | 96.40 | 111.04 |
| Less: Fair value of plan assets | (108.98) | (112.54) |
| Less: Unrecognized past service cost | - | - |
| Net (assets) / liability recognized | (12.58) | (1.50) |
| Included under: | | |
| Short-term loans and advances (Refer note 17) | 12.58 | 1.50 |
| (iv) Net gratuity cost for the year | | |
| Service cost | 15.57 | 13.88 |
| Interest cost | 9.55 | 7.69 |
| Expected return on plan assets | (9.76) | (7.79) |
| Net actuarial loss / (gain) recognized in the current year | (26.44) | (10.68) |
| Net gratuity cost (Refer note 21) | (11.08) | 3.10 |
| (v) Asset information | | |
| Life Insurance Corporation of India | 100% | 100% |
| (vi) Assumptions used in accounting for the gratuity plan: | | |
| Discount rate (p.a) | 7.45% | 8.00% |
| Return on Plan Assets (p.a) | 7.50% | 8.85% |
| Salary escalation rate (p.a) | 7.00% | 9.00% |
| Retirement age | 60 years | 60 years |
| The estimates of salary escalation, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market. | | |
| (vii) Expected contribution to the fund in the next year | | |
| Gratuity | 10.00 | 10.00 |
| (viii) Amounts recognized in current year and previous year: | | |
| Defined benefit obligation | (96.41) | (111.04) |
| Plan assets | 108.99 | 112.54 |
| Surplus / (deficit) | 12.58 | 1.50 |
| Experience adjustments | | |
| On plan liabilities | - | - |
| On plan assets | 1.87 | 0.11 |
| | As at March 31, 2017 | As at March 31, 2016 |
| (c) Other benefits provision for leave encashment | | |
| Opening balance | 68.31 | - |
| Add: Transfer as per the scheme of arrangement | - | 70.39 |
| Charge during the year | 10.53 | 9.23 |
| Amount paid during the year | (12.76) | (11.31) |
| Closing balance | 66.09 | 68.31 |
| Disclosed under long-term provisions (Refer note 6) | 49.10 | 51.67 |
| Disclosed under short-term provisions (Refer note 9) | 17.00 | 16.64 |

(All amounts in ₹ Lakhs, unless otherwise stated)

30 Employee Stock Option Scheme**(a) Nature and extent of employee share-based payment plans that existed during the year:****Plan I**

The company introduced the employee stock option scheme as a part of the scheme of arrangement, approved by the Hon'ble High Court of Gujarat and Hon'ble High Court of Bombay. The shareholders of Mastek Limited approved the Scheme of Arrangement in the Court Convened meeting held on March 05, 2015, and the shareholders of Majesco Limited approved the scheme of arrangement through consent letter.

The Company introduced the scheme for granting upto 8,000,000 stock options to the employees, each option representing one equity share of the Company. The exercise price is to be determined by the Nomination and Remuneration Committee ("Committee") and such price may be the face value of the share from time to time or may be the market price or any other price as may be decided by the Committee and will be governed by the Securities and Exchange Board of India (SEBI) (Share based employee benefits) Regulations, 2014 and accounted in accordance with the guidance note on Employees Share Based Payments issued by the Institute of Chartered Accountants of India using the intrinsic value. The first vesting of the stock options shall happen only on completion of one year from the date of grant and the options are exercisable within seven years from the date of vesting. As per the SEBI guidelines, the excess of market price of the underlying equity shares as of the date of the grant of the options over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period. Consequently, the amortized compensation cost for the exercisable option is ₹ 8.91 (net of reimbursement received from subsidiaries / Mastek) and have been charged to the Profit and Loss Statement during the year.

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|------------------------------|------------------------------|
| | (No of Options) | |
| Opening Balance | 3,072,633 | - |
| Granted pursuant to the scheme of arrangement | - | 2,575,177 |
| Granted during the year | 77,500 | 991,000 |
| Exercised during the year | (310,634) | (239,606) |
| Lapsed / reversed during the year | (100,483) | (37,397) |
| Cancelled during the year | (340,716) | (216,541) |
| Balance unexercised options | <u>2,398,300</u> | <u>3,072,633</u> |
| (b) The Company has adopted the intrinsic value method as permitted by the SEBI / Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of stock options granted. | | |
| The Company's net profit and earnings per share would have been as under, had the compensation cost for employees stock options been recognized based on the fair value at the date of grant in accordance with Black Scholes model. | | |
| Profit after taxation | 236.66 | 621.21 |
| Less: Employee stock compensation expenses based on fair value (excludes expenses relating to employee stock compensation granted to employees of subsidiaries / Mastek) | (132.86) | (64.92) |
| Add: Employee stock compensation expenses based on intrinsic value | 0.29 | 8.91 |
| Profit / (loss) after taxation as per fair value method | <u>104.09</u> | <u>565.20</u> |
| Basic earnings per share (EPS) | | |
| Number of shares | 23,238,779 | 22,824,721 |
| Basic EPS as reported (₹) | ₹ 1.02 | ₹ 2.72 |
| Proforma basic EPS (₹) | ₹ 0.45 | ₹ 2.48 |
| Diluted earnings per share (EPS) | | |
| Number of shares | 24,682,267 | 24,624,180 |
| Diluted EPS as reported (₹) | ₹ 0.96 | ₹ 2.52 |
| Proforma diluted EPS (₹) | ₹ 0.42 | ₹ 2.30 |
| (c) Stock options exercised during the year : | | |
| Number of options exercised during the year | 310,634 | 239,606 |
| Weighted average share price at the date of exercise (₹) | 112.16 | 111.20 |

(All amounts in ₹ Lakhs, unless otherwise stated)

- (d) For stock options outstanding at the end of the year, the range of exercise prices and weighted average remaining contractual life (vesting period + exercise period)

As at March 31, 2017

Range of Exercise Price (₹)

5-100

101-200

Above 200

Total

| Options outstanding | Weighted average exercise price (₹) | Weighted average remaining contractual life (years) |
|---------------------|-------------------------------------|---|
| 850,545 | 66.51 | 5.47 |
| 746,380 | 127.45 | 5.93 |
| 801,375 | 377.99 | 7.94 |
| 2,398,300 | 189.55 | 6.44 |

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|--|---------------------------|
| (e) Information on stock options granted during the year : | | |
| Number of options granted during the year | 77,500 | 991,000 |
| Option pricing model used | Market price as defined by SEBI / Discounted price as per the scheme | |
| Weighted average share price (₹) | 513.40 | 385.67 |
| Exercise price (₹) | 511.48 | 380.62 |
| Expected volatility (%) | 51.62% | 48.94% |
| Option life (vesting period + exercise period) | 6 years | 6 years |
| Expected dividend yield (%) | 0.00% | 0.00% |
| Risk free interest rate (%) | 7.19% | 7.75% |
| The risk free interest rates are determined based on the zero-coupon yield curve for government securities. The volatility is determined based on annualized standard deviation of stock price on NSE over the time to maturity of the option. The expected dividend yield is taken as Nil as there is no history of declaration of dividend by the Company. | | |
| (f) Effect of share-based payment plan on the Balance Sheet and Profit and Loss Statement: | | |
| Employee stock options outstanding account (Refer note 4) | 150.34 | 133.88 |
| Employee stock compensation expenses (Refer note 21) | 0.29 | 8.91 |

31 Demerger from Mastek Limited and slump sale to Majesco Software and Solutions India Private Limited

- (a) Pursuant to a Scheme of Arrangement (the "scheme") under section 391 to 394 read with Section 100 to 103 and other applicable provision of the Companies Act, 1956 and other applicable provision of the Companies Act, 2013, the Board of Directors of Mastek Limited ("Mastek"), at its meeting held on September 15, 2014, had approved the demerger of the Insurance Products and Services business of Mastek, into the Company (Formerly known as Minefields Computers Limited), followed by transfer by the Company of the offshore insurance operations business in India to Majesco Software and Solution India Private Ltd ("MSSIPL") a wholly owned subsidiary of Majesco Software and Solution Inc., USA ("MSSUS") a step down subsidiary of the Company, retaining the domestic operations with the Company. The appointed date of the scheme was April 1, 2014 and the appointed date for transfer of the offshore insurance operation business transfer was November 1, 2014. Mastek obtained necessary approvals for the scheme under clause 24(f) of the Listing Agreement with the BSE and NSE from SEBI on December 9, 2014. The scheme has also been approved by the Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat and on filing with the Registrar of Companies ("ROC") the said scheme became effective from June 1, 2015. As specified in the scheme, Mastek shareholders have been issued one equity share in the Company for every share held in Mastek, while retaining their existing Mastek share. Existing 50,000 equity shares of ₹ 10/- each of the Company (Formerly known as Minefields Computers Limited) were cancelled on June 1, 2015.

(All amounts in ₹ Lakhs, unless otherwise stated)

The shares of the Company were listed on August 19, 2015 on the BSE and NSE, where Mastek is listed. The demerger has resulted in the transfer of the assets, liabilities, other reserves and surplus, employee stock options outstanding account and hedging reserve account related to the demerged entity from Mastek and accordingly have been given effect to in these financial statements. The difference in book value of the above assets net of liabilities and specific reserves and net of transfer to MSS IPL as on March 31, 2015 aggregating to ₹ 20,344.01 lakhs have been credited to surplus in Profit and Loss Statement.

- (b) Consequent to transfer of the offshore insurance business in India to MSS IPL, the business with reference to which the Capital Reserve was created stand transferred and is no longer with the Company. Hence the capital reserve of ₹ 106.07 lakhs has been transferred to General Reserve
- (c) The deferred tax assets arising from difference between the book value of depreciable fixed assets and of their written down value for tax purpose and timing difference of certain expenses relating to the period prior to April 1, 2015 aggregating to ₹ 284.02 lakhs has been credited to General Reserve.

32 Related Party Disclosures

A. Enterprises where control exists

| Name of the Related Party | Country | Relationship |
|---|----------------|----------------------|
| 1 Majesco | USA | Subsidiary |
| 2 Majesco Software and Solutions Inc. (Formerly - MajescoMastek Insurance Software and Solutions Inc.) | USA | Step down subsidiary |
| 3 Majesco (UK) Ltd. (Formerly - MajescoMastek UK) | United Kingdom | Step down subsidiary |
| 4 Majesco Software and Solutions India Private Ltd. | India | Step down subsidiary |
| 5 Majesco Canada Ltd. (Formerly - MajescoMastek Canada Ltd.) | Canada | Step down subsidiary |
| 6 Majesco Sdn Bhd. (Formerly - Mastek MSC Sdn. Bhd.) | Malaysia | Step down subsidiary |
| 7 Majesco (Thailand) Co. Ltd. (Formerly - Mastek MSC (Thailand) Co. Ltd.) | Thailand | Step down subsidiary |
| 8 Majesco Asia Pacific Pte Ltd. (Formerly - Mastek Asia Pacific Pte Ltd.) | Singapore | Step down subsidiary |
| 9 Cover-All Systems Inc. | USA | Step down subsidiary |

B. Other related parties with whom the Company had transactions during the year

List of key management personnel:

| | |
|---|--------------------------------|
| Farid Kazani (Managing Director) | Appointed effective 01/06/2015 |
| Radhakrishnan Sundar (Executive Director) | Appointed effective 01/06/2015 |
| Kunal Karan (Chief Financial Officer) | Appointed effective 01/06/2015 |
| Nishant Shirke (Company Secretary) | Appointed effective 01/06/2015 |

C. Disclosure of transactions between the Company and related parties and the status of outstanding balance

- (a) The Company has entered into transactions with the following related parties:

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|------------------------------|------------------------------|
| i. Rental Income Majesco Software and Solutions India Private Ltd. | 839.88 | 699.91 |
| ii. Consultancy and sub-contracting charges Majesco Software and Solutions India Private Ltd. | 551.67 | - |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|------------------------------|------------------------------|
| iii. Guarantee commission | | |
| Majesco | 69.71 | - |
| iv. Reimbursable / other expenses recovered | | |
| Majesco | 142.49 | 102.49 |
| Majesco Software and Solutions Inc. | 8.52 | 17.40 |
| Majesco (UK) Ltd. | 4.41 | 8.99 |
| Majesco Software and Solutions India Private Ltd. | 737.93 | 573.42 |
| v. Reimbursable expenses paid | | |
| Majesco Software and Solutions India Private Ltd. | 0.69 | - |
| vi. Remuneration to key management personnel | | |
| Farid Kazani | 148.32 | 147.77 |
| Radhakrishnan Sundar | 27.28 | 27.21 |
| Kunal Karan | 41.39 | 27.11 |
| Nishant Shirke | 11.20 | 8.07 |
| vii. Consideration received on exercise of options | | |
| Kunal Karan | 2.01 | - |
| Farid Kazani | - | 10.28 |
| (b) Balances : | | |
| i. Reimbursable expenses receivable | | |
| Majesco | - | 102.49 |
| Majesco Software and Solutions Inc. | 2.29 | 17.40 |
| Majesco (UK) Ltd. | 1.18 | 8.99 |
| Majesco Software and Solutions India Private Ltd. | 553.52 | 485.21 |
| ii. Trade payables | | |
| Majesco Software and Solutions India Private Ltd. | 0.15 | - |
| iii. Advances received | | |
| Majesco | 122.24 | - |
| iv. Other long-term liabilities | | |
| Security and other deposits | | |
| Majesco Software and Solutions India Private Ltd. | 419.94 | 419.94 |

33 Segment reporting

The Company has presented data relating to its segments in its consolidated financial statements which are presented in the same annual report as Majesco Limited. In terms of provisions of Accounting Standard (AS) 17 – ‘Segment Reporting’, no disclosures related to segments are therefore presented in these stand-alone financial statements.

| | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| 34 Lease | | |
| i. Lease income | | |
| (a) Future minimum lease income under non-cancellable operating leases (in respect of properties): | | |
| Due within one year | 839.89 | 839.88 |
| Due later than 1 year but not later than 5 years | 2,071.72 | 2,911.61 |
| Total minimum lease income | <u>2,911.61</u> | <u>3,751.49</u> |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|------------------------------|------------------------------|
| 35 Other disclosures | | |
| (a) | | |
| i Earnings in foreign currency Guarantee commission | 69.71 | - |
| ii Expenditure in foreign currency Travelling and conveyance | 6.43 | 10.90 |

(b) Unhedged foreign currency

| Particular | Currency | As at March 31, 2017 | | Inter Company adjustments | | Others | |
|-------------------------------|----------|----------------------|-----------------|---------------------------|-----------------|---------------------|-----------------|
| | | Foreign currency | Equivalent ₹ | Foreign currency | Equivalent ₹ | Foreign currency | Equivalent ₹ |
| I. Assets | | | | | | | |
| Trade receivable | | | | | | | |
| | USD | 0.04 | 2.62 | 0.04 | 2.29 | 0.01 | 0.33 |
| | GBP | 0.06 | 4.70 | 0.06 | 4.70 | | |
| Total Trade receivable | | 0.10 | 7.32 | 0.10 | 6.99 | 0.01 | 0.33 |
| Unhedged receivables | | 0.10 | 7.32 | 0.10 | 6.99 | 0.01 | 0.33 |
| II. Liabilities | | | | | | | |
| Payable (trade & others) | | | | | | | |
| | USD | 1.82 | 122.57 | 1.82 | 122.24 | 0.01 | 0.33 |
| Total Trade payable | | 1.82 | 122.57 | 1.82 | 122.24 | 0.01 | 0.33 |
| Unhedged payable | | 1.82 | 122.57 | 1.82 | 122.24 | 0.01 | 0.33 |

36 Disclosure on specified bank notes (SBN's)

During the year, the Company had held "Specified bank notes", as defined by Reserve Bank of India. Further, as per MCA Notification G.S.R. 308('E) dated March 31, 2017, details of the Specified Bank Notes (SBN) held and transacted during the year from November 8, 2016 to December 30, 2016 are given below:

(Amount in ₹)

| Particulars | Specified Bank Notes | Other Denomination Notes | Total |
|--|-------------------------|-----------------------------|--------|
| Closing cash in hand as on November 8, 2016 | 2,500 | - | 2,500 |
| Add : Permitted receipts | - | 25,000 | 25,000 |
| Less : Permitted payments | - | 6,365 | 6,365 |
| Less : Amount deposited in banks | 2,500 | - | 2,500 |
| Closing Cash in hand as on December 30, 2016 | - | 18,635 | 18,635 |

(All amounts in ₹ Lakhs, unless otherwise stated)

37 Indian accounting standards

The Ministry of Corporate Affairs (MCA), through its notification in Official Gazette a dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of Companies. Ind AS would replace the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, with a transition date of April 1, 2017.

The Company has evaluated the effect of transition from Indian GAAP to Ind AS and following are the areas which would have an impact of account of the transition on the Group :

Fair valuation of certain financial instruments.

Employee costs pertaining to defined benefit obligations and stock option.

Discounting of certain long term liabilities.

Further, there would be a change in the presentation of financial statements including additional disclosures.

38 Previous year figures have been regrouped or reclassified wherever necessary to correspond with current year's classification / disclosure.

(Signatures to Note 1 to 38)

For and on behalf of the Board

Farid Kazani
Managing Director
DIN- 06914620

Radhakrishnan Sundar
Executive Director
DIN- 00533952

Place : Navi Mumbai
Date : May 9, 2017

Venkatesh Chakravarty
Non-Executive Chairman and Independent Director
DIN- 01102892

Kunal Karan
Chief Financial Officer

Nishant S Shirke
Company Secretary

As per our report of even date

For Varma & Varma
Chartered Accountants
FRN: 004532S

Cherian K Baby
Partner
M No: 16043

Place : Navi Mumbai
Date : May 9, 2017

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members,
Majesco Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Majesco Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated balance sheet as at March 31, 2017, the consolidated statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

8. a) We have audited the special purpose financial statements of 5 foreign subsidiaries prepared for the purposes of consolidation which have been considered in these consolidated financial statements. We are not Statutory Auditors of these companies.

- b) We did not audit the financial information of 3 subsidiaries, whose financial information reflect total assets of Rs 1,413.77 Lakhs and net assets of Rs 1,344.10 Lakhs as at March 31, 2017, total revenue of Rs 2,482.79 Lakhs, net profit of 31.05 Lakhs and net cash flows amounting to Rs 356.51 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries (not incorporated in India) is based solely on the reports of the other auditors.
- c) Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

9. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, including relevant records for preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of Holding Company and reports of other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, including relevant records relating to the preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Holding Company and its Subsidiaries in India is disqualified as on March 31, 2017 from being appointed as a director in terms of sub-section 2 of Section 164 of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts; and
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary companies incorporated in India during the year ended March 31, 2017.
 - iv. The Company has provided requisite disclosures in note no 47 of its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Cherian K Baby
Partner
M No. 16043

Place: Mumbai
Date: May 9, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") referred to in Para 9 of our report for the year ended March 31, 2017.

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31 2017, we have audited the internal financial controls over financial reporting of Majesco Limited ("the Holding Company") and one of its subsidiary company which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and one of its subsidiary company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Cherian K Baby
Partner
M No. 16043

Place: Mumbai
Date: May 9, 2017

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Note Ref | As at March 31, 2017 | As at March 31, 2016 |
|--|----------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 1,168.15 | 1,152.62 |
| Reserves and surplus | 4 | 27,625.44 | 26,440.89 |
| | | 28,793.59 | 27,593.51 |
| Minority interest | | | |
| | | 7,519.27 | 7,228.14 |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 5,555.63 | 4,585.09 |
| Other long-term liabilities | 6 | 2,816.45 | 3,321.71 |
| Long-term provisions | 7 | 2,108.20 | 1,872.04 |
| Current liabilities | | | |
| Short-term borrowings | 8 | 1,660.58 | 4,605.18 |
| Trade payables | 9 | | |
| Micro small and medium enterprises | | 1.79 | - |
| Other than micro small and medium enterprises | | 1,427.29 | 1,806.26 |
| Other current liabilities | 10 | 13,770.01 | 15,472.89 |
| Short-term provisions | 11 | 844.50 | 883.45 |
| Total | | 64,497.31 | 67,368.27 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 12 (i) | 3,489.09 | 3,258.53 |
| Intangible assets | 12 (ii) | 2,755.58 | 3,375.03 |
| Goodwill on consolidation (net of impairment (refer note 41)) | | 18,797.63 | 19,248.39 |
| Capital work in progress | | 173.31 | 53.28 |
| Non-current investments | 13 | 231.19 | 239.97 |
| Deferred tax assets | 14 | 4,044.84 | 3,801.36 |
| Long-term loans and advances | 15 | 1,270.93 | 1,044.82 |
| Other non-current assets | 16 | 33.82 | 29.70 |
| Current assets | | | |
| Current investments | 17 | 1,711.51 | 1,196.40 |
| Trade receivables | 18 | 8,300.47 | 15,195.02 |
| Cash and bank balances | 19 | 15,808.56 | 11,523.38 |
| Short-term loans and advances | 20 | 2,323.00 | 2,392.54 |
| Other current assets | 21 | 5,557.38 | 6,009.85 |
| Total | | 64,497.31 | 67,368.27 |
| Company overview and significant accounting policies | 1 & 2 | | |
| Other notes | 30 to 49 | | |

The accompanying notes are an integral part of the consolidated financial statements.

For and on behalf of the Board

Farid Kazani
Managing Director
DIN- 06914620

Venkatesh Chakravarty
Non-Executive Chairman and Independent Director
DIN- 01102892

Radhakrishnan Sundar
Executive Director
DIN- 00533952

Kunal Karan
Chief Financial Officer

Nishant S Shirke
Company Secretary

As per our report of even date

For Varma & Varma
Chartered Accountants
FRN: 004532S

Cherian K Baby
Partner
M No: 16043

Place : Navi Mumbai
Date : May 9, 2017

Place : Navi Mumbai
Date : May 9, 2017

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Note Ref | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|----------|------------------------------|------------------------------|
| Revenue from operations | 22 | 82,750.54 | 75,715.26 |
| Other income | 23 | 899.56 | 908.14 |
| Total Revenue | | 83,650.10 | 76,623.40 |
| Expenses | | | |
| Employee benefits expenses | 24 | 54,519.84 | 50,557.21 |
| Finance costs | 25 | 555.60 | 428.18 |
| Depreciation and amortization expenses | 26 | 2,607.06 | 1,784.94 |
| Other expenses | 27 | 23,742.34 | 24,167.08 |
| Total Expenses | | 81,424.84 | 76,937.41 |
| Profit / (loss) before exceptional items and tax | | 2,225.26 | (314.01) |
| Exceptional items | 28 | 266.11 | 457.59 |
| Profit / (loss) before tax | | 1,959.15 | (771.60) |
| Tax expense / (credits) : | | | |
| Current tax | | 313.69 | 720.36 |
| Deferred tax (credit) (Refer note 32) | | (262.35) | (1,517.35) |
| Income tax refund / excess income tax provision of previous year reversed (Refer note 32) | | (31.56) | (705.37) |
| Profit for the year | | 1,939.37 | 730.77 |
| Minority interest | | 512.09 | 41.95 |
| Profit for the year attributable to the shareholders of the Company | | 1,427.28 | 688.82 |
| Earnings per Share (EPS) | | | |
| Equity share of par value ₹ 5/- (Previous Year ₹ 5/-) each | 29 | | |
| Basic (₹) | | 6.14 | 3.02 |
| Diluted (₹) | | 5.78 | 2.80 |
| Company overview and significant accounting policies | 1 & 2 | | |
| Other notes | 30 to 49 | | |

The accompanying notes are an integral part of the consolidated financial statements.

For and on behalf of the Board

Farid Kazani
Managing Director
DIN- 06914620

Venkatesh Chakravarty
Non-Executive Chairman and Independent Director
DIN- 01102892

Radhakrishnan Sundar
Executive Director
DIN- 00533952

Kunal Karan
Chief Financial Officer

Nishant S Shirke
Company Secretary

As per our report of even date

For Varma & Varma
Chartered Accountants
FRN: 004532S

Cherian K Baby
Partner
M No: 16043

Place : Navi Mumbai
Date : May 9, 2017

Place : Navi Mumbai
Date : May 9, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|------------------------------|------------------------------|
| Cash flows from operating activities | | |
| Profit / (loss) before exceptional item and tax | 2,225.26 | (314.01) |
| Adjustments for : | | |
| Interest income on fixed deposits | (561.09) | (322.23) |
| Profit on sale of current investments | (111.62) | (536.39) |
| Profit on sale of tangible assets (net) | (4.44) | (2.02) |
| Employee stock compensation expenses | 21.81 | 49.18 |
| Finance costs | 555.60 | 428.18 |
| Depreciation and amortization | 2,647.76 | 1,784.94 |
| Provision for doubtful debts | 556.32 | 160.01 |
| Provision for customer claim | - | 229.74 |
| Unrealised foreign exchange loss | 74.42 | 2.08 |
| Operating profit before working capital changes | 5,404.03 | 1,479.49 |
| Decrease / (increase) in trade receivables | 5,615.62 | (9,862.31) |
| Decrease / (increase) in loans and advances and other assets | 374.99 | (6,694.72) |
| (Decrease) / increase in trade payables, other liabilities and provisions | (1,849.84) | 14,054.32 |
| Cash generated from / (used in) operations | 9,544.80 | (1,023.23) |
| Income taxes paid, net | (511.42) | (16.67) |
| Net cash generated from / (used in) operating activities before exceptional items | 9,033.39 | (1,039.90) |
| Exceptional items | (266.11) | (457.59) |
| Net cash generated from / (used in) operating activities | 8,767.28 | (1,497.49) |
| Cash flows from investing activities | | |
| Proceeds from sale of tangible assets | 69.34 | 10.19 |
| Purchase of fixed assets | (2,466.99) | (3,769.15) |
| Capital advances | - | (41.45) |
| Investment in fixed deposits | (440.00) | (7,400.00) |
| Decrease / (increase) in other deposits | 164.92 | (60.85) |
| Interest income on fixed deposits | 561.09 | 322.23 |
| Payment for acquisition of Mastek Asia Pacific Pte. Limited | - | (180.39) |
| Purchase of current investment (net) | (403.49) | (660.01) |
| Net cash used in investing activities | (2,515.13) | (11,779.43) |
| Cash flows from financing activities | | |
| Proceeds from shares on account of exercise of ESOP | 358.47 | 273.90 |
| (Repayment) / proceeds from working capital loan (net) | (1,845.00) | 6,198.43 |
| Interest paid on loans and on finance lease | (555.60) | (428.18) |
| Net cash generated from financing activities | (2,042.13) | 6,044.15 |
| Effect of changes in exchange rates for cash and cash equivalents | (199.94) | (256.17) |
| Net (decrease) / increase in cash and cash equivalents during the year | 4,010.09 | (7,488.94) |
| Cash and cash equivalents at the beginning of the year | 3,860.61 | 1.90 |
| Cash and cash equivalents transferred pursuant to the scheme of arrangement | - | 9,306.29 |
| Cash and cash equivalents in subsidiaries on date of acquisition during the year | - | 2,041.36 |
| Cash and cash equivalents at the end of the year | 7,870.70 | 3,860.61 |

- 1 The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 2 Cash and cash equivalents - Refer note 19
- 3 Figures in brackets indicate cash outflow.
- 4 The above cash flow statement is after considering the merger with Cover-All Systems Inc. (Refer note 40)
- 5 Previous year figures have been regrouped or reclassified wherever necessary.

The accompanying notes are an integral part of the consolidated financial statements.

For and on behalf of the Board

Farid Kazani
Managing Director
DIN- 06914620

Venkatesh Chakravarty
Non-Executive Chairman and Independent Director
DIN- 01102892

Radhakrishnan Sundar
Executive Director
DIN- 00533952

Kunal Karan
Chief Financial Officer

Nishant S Shirke
Company Secretary

Place : Navi Mumbai
Date : May 9, 2017

As per our report of even date

For Varma & Varma
Chartered Accountants
FRN: 004532S

Cherian K Baby
Partner
M No: 16043

Place : Navi Mumbai
Date : May 9, 2017

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

1 General Information :

Majesco Limited (the 'Company') and its subsidiaries (collectively referred hereinunder as "the Group") are providers of software solutions for the insurance industry.

The Group offers core software solutions for property and casualty ("P&C") and life and annuity ("L&A") providers, allowing them to manage policy administration, claims management and billing function.

The Group has operations in U.S., Canada, U.K., India, Malaysia, Thailand and Singapore and has its offshore software development centres in India at Mahape, Pune and Chennai.

The details of subsidiaries including step-down subsidiaries, considered in these consolidated financial statements are:

| Name of the Company | Country of Incorporation | % of effective voting power held as at March 31, 2017 | % of effective voting power held as at March 31, 2016 |
|---|--------------------------|---|---|
| Subsidiary | | | |
| Majesco (Formerly - MajescoMastek) | USA | 69.9% | 70.1% |
| Step down subsidiaries | | | |
| Majesco Software and Solutions Inc. (Formerly - MajescoMastek Insurance Software and Solutions Inc.) | USA | 69.9% | 70.1% |
| Majesco Canada Ltd. (Formerly - MajescoMastek Canada Ltd.) | Canada | 69.9% | 70.1% |
| Cover-All Systems Inc. * | USA | 69.9% | 70.1% |
| Majesco (UK) Ltd. | United kingdom | 69.9% | 70.1% |
| Majesco Software and Solutions India Private Ltd. | India | 69.9% | 70.1% |
| Majesco Sdn Bhd. (Formerly - Mastek MSC Sdn. Bhd.) | Malaysia | 69.9% | 70.1% |
| Majesco (Thailand) Co. Ltd. (Formerly - Mastek MSC (Thailand) Co. Ltd.) | Thailand | 69.9% | 70.1% |
| Majesco Asia Pacific Pte Ltd. # (Formerly - Mastek Asia Pacific Pte Ltd.) | Singapore | 69.9% | 70.1% |

* Acquired with effect from June 26, 2015

Acquired with effect from November 1, 2015

2 Summary of significant accounting policies:

2.1 Basis of preparation of financial statements

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) in India under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements are prepared in accordance

with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, "Consolidated Financial Statements". The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra group balances and transactions and resulting unrealised gain / loss. The consolidated financial statements have been prepared using uniform accounting policies in use at the group. Minority interests have been excluded. Minority interest represents that part of net profit or loss and net assets of subsidiaries that are not, directly or indirectly owned or controlled by the Company. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets and their realisation in cash and cash equivalents, the Group has ascertained its normal operating cycle as 12 months for the purpose of classification of assets and liabilities as current / non-current.

2.2 Use of estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires that the management make to estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made, and, if material, their effects are disclosed in the notes to the consolidated financial statement.

2.3 Tangible assets and depreciation

Tangible assets are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalized until the assets are ready for use and include inward freight, duties, taxes and expenses incidental to acquisition and installation. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognized in the Profit and Loss Statement.

Depreciation on tangible assets is provided on the straight line method, on a pro rata basis, over the estimated useful lives of assets, in order to reflect the period over which the depreciable asset is expected to be used by the Company. The management estimates the useful lives for the other fixed assets as follows.

| Assets | Useful Life |
|------------------------|--|
| Buildings | 28 years |
| Computers | 2 years |
| Plant and equipment | 2 - 5 years |
| Furniture and fixtures | 5 years |
| Vehicles | 5 years |
| Office equipment | 2 - 5 years |
| Leasehold land | Lease Term ranging from 95-99 years |
| Leasehold improvements | 5 years or the primary period of lease whichever is less |

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of schedule III of the Companies Act, 2013.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

2.4 Intangible assets including goodwill and amortization

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition less accumulated amortization and impairment, if any. Goodwill comprises the excess of purchase consideration over the parent's portion of equity of the subsidiary at the date on which investments in the subsidiary is made. Goodwill arising on consolidation is not amortised but is tested for impairment. Intangible assets are amortised on a straight line method over their estimated useful lives as follows:

| Assets | Useful Life |
|-------------------|-------------|
| Goodwill | 3 - 5 years |
| Computer software | 1 - 5 years |

Expenditure on research is recognized as an expense when it is incurred. Development costs of products are also charged to the Profit and Loss Statement unless all the criteria for capitalisation as set out in paragraph 44 of AS 26 - 'Intangible Assets' have been met by the Group.

2.5 Impairment of assets

At each Balance Sheet date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, management estimates the recoverable

amount. Recoverable amount is higher of an asset's net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Profit and Loss Statement to the extent carrying amount exceeds recoverable amount. Assessment is also done at each Balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

2.6 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non-current investments. Current investments are carried at cost or fair value, whichever is lower. Non-current investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the non-current investments, such reduction being determined and made for each investment individually. Investment property: Investment in buildings that are not intended to be occupied substantially for use by, or in the operations of, the Company, have been classified as investment property. Investment properties are carried at cost less accumulated depreciation upto June 1, 2015, being the date on which demerger was given effect to and accumulated impairment losses, if any.

2.7 Foreign currency transactions and translations

- (i) The consolidated financial statements are prepared in Indian Rupees. The Indian Rupee is the functional currency of Majesco Limited. However, U.S. Dollar, Pound Sterling, Malaysian Ringgits, Thai Baht, Singapore Dollar and Canadian Dollar are the functional currencies for its non-integral subsidiaries located in United States of America, United Kingdom, Malaysia, Thailand, Singapore and Canada, respectively. Translation of foreign currency into Indian Rupees has been carried out as under :
 - (a) Both monetary and non-monetary foreign currency assets and liabilities including contingent liabilities are translated at closing exchange rates as at the balance sheet date.
 - (b) Income and expenditure of non-integral foreign operations are translated at annual closing average exchange rates.
 - (c) All resulting exchange differences on translation are taken directly to reserves under Foreign Currency Translation Reserve until the disposal of the investment in subsidiaries.
- (ii) Foreign currency transactions of the Company are accounted at the exchange rates prevailing on the date of the transaction or at an average rate that approximates the actual rate at the date of the transaction. Gains and losses resulting from the

settlement of foreign currency monetary items and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Profit and Loss Statement.

- (iii) In case of forward exchange contracts which are open on the balance sheet date and are backed by receivables, the premium or discount arising at the inception of such a forward exchange contract is amortized as expense or income over the life of the contract. The exchange difference on such contracts is computed by multiplying the foreign currency amount of the forward exchange contract by the difference between a) the foreign currency amount of the contract translated at the exchange rate at the reporting date or the settlement date where the transaction is settled during the reporting period, and b) the same foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. The exchange difference so computed on such contracts is recognized in the Profit and Loss Statement. Any profit or loss arising on cancellation or renewal of such forward exchange contracts is recognized as income or expense for the year.

2.8 Derivative instruments and hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company designates these hedging instruments as cash flow hedges. The use of hedging instruments is governed by the policies of the Company which are approved by its Board of Directors. Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized directly in the hedging reserve and the ineffective portion is recognized immediately in the Profit and Loss Statement. In respect of foreign exchange forward contract covered under Accounting Standard (AS) 11, "The Effects of Changes in Foreign Exchange Rates", the premium or discount arising at the inception of the contract is amortized as expense or income over the life of the contract. Gains/losses on settlement of transaction arising on cancellation or renewal of such a forward exchange contract are recognized as income or expense for the year. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instrument recognized in shareholders' funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in hedging reserve is transferred to the Profit and Loss Statement for the year.

2.9 Employee benefits

(i) Long-term employee benefits

(a) Defined contribution plans

The Group has defined contribution plans for post employment benefits in the form of provident fund, employees' state insurance, labour welfare fund and superannuation fund in India which are administered through Government of India and/or Life Insurance Corporation of India (LIC). The Group also makes contributions towards defined contribution plans in respect of its subsidiaries, as applicable. Under the defined contribution plans, the Group has no further obligation beyond making the contributions. Such contributions are charged to the Profit and Loss Statement as incurred.

The Group also make payments to defined contribution plans established and maintained in accordance with the local laws of the United States, Canada and United Kingdom and of the jurisdictions in which the subsidiaries are located. The monthly contributions to all of these plans are charged to Profit and Loss Statement in the year they are incurred and there are no further obligations under these plans beyond those monthly contributions.

(b) Defined benefit plans - Gratuity

The Company has defined benefit plans for post employment benefits in the form of gratuity for its employees in India. The gratuity scheme of the Company is administered through Life Insurance Corporation of India (LIC). Liability for defined benefit plans is provided on the basis of actuarial valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method. Actuarial gains and losses are recognized immediately in the Profit and Loss Statement as income or expense.

(c) Compensated Absences

The employees of the Group are also entitled for other long-term benefit in the form of compensated absences as per the policy of the Group. Leave encashment vests to employees on an annual basis for leave balance above the upper limit as per the Group's policy. At the time of retirement, death while in employment or on termination of employment leave encashment vests equivalent to salary payable for number of days of accumulated leave balance subject to an upper limit as per the Group's policy. Liability for such benefit is provided on the basis of actuarial valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method. Actuarial gains and losses are recognized immediately in the Profit and Loss Statement as income or expense.

(ii) Short-term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized in the year during which the employee rendered the services. These benefits comprise compensated absences such as paid annual leave and performance incentives.

(iii) Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or those arising from restructuring, are recognized in the Profit and Loss Statement when the Group has a present obligation as a result of past event, when a reliable estimate can be made of the amount of the obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations.

2.10 Revenue recognition

The Group derives revenues primarily from information technology and related services and from the licensing of software products. Arrangements with customers for software development and related services are either on a fixed price, fixed time frame or on a time and material basis. Revenue is recognized in accordance with the terms of the contracts with customers as the service is performed by the proportionate completion method and when it is reasonably certain that the ultimate collection will be made.

Revenues on time and material contracts are recognized as the related services are rendered and related costs are incurred. Revenue from the end of last billing to the balance sheet date is recognized as unbilled revenues. Revenues on fixed price and fixed time bound contracts are recognized over the life of the contract measured by the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known.

Provisions for estimated losses on such contracts are made during the period in which a loss becomes probable and can be reasonably estimated. When the uncertainty, relating to the collectability arises subsequent to the rendering of the service, a separate provision is made to reflect the uncertainty and the amount of revenue originally recorded is not adjusted.

Revenues from maintenance contracts are recognized on a straight line basis over the period of the contract.

Revenues from resale of software and hardware are recognized upon delivery of products to the customer, when the significant risks and rewards of ownership are transferred to the buyer and the ultimate collection is reasonably certain.

Accrued revenue included in 'Other current assets', represents amounts in respect of services performed in accordance with contract terms, not yet billed to customers

at the year end. Unearned revenue included in 'Other current liabilities' represents amounts received/billed in excess of the value of work performed in accordance with the terms of the contracts with customers.

"Revenues from sale of software are recognized upon delivery of products to the customer, when the significant risks and rewards of ownership are transferred to the buyer and the ultimate collection is reasonably certain. Unbilled revenue included in 'Other current assets', represents amounts in respect of services performed in accordance with contract terms, not yet billed to customers at the year end. Unearned revenue included in 'Other current liabilities' represents amounts received/billed in excess of the value of work performed in accordance with the terms of the contracts with customers."

2.11 Other income

Dividend income from investments is recognized when the right to receive payment is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable rate of interest. Rental income is recognized on a straight line basis over the term of the lease as per the terms of the base contract or such other systematic method as considered appropriate.

2.12 Leases

Assets taken on leases which transfer substantially all the risks and rewards incidental to ownership of the assets to the lessee i.e. finance leases, in terms of provisions of Accounting Standard (AS) 19 – 'Leases', are capitalised. The assets acquired under finance leases are capitalized at the lower of the fair value at the inception of the lease and the present value of minimum lease payments and a liability is created for an equivalent amount. Such assets are disclosed as leased assets under tangible assets and are depreciated in accordance with the Group's depreciation policy described in note 2.3. Each lease rental paid on the finance lease is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. Other leases are classified as operating leases and rental payments in respect of such leases are charged to the Profit and Loss Statement on a straight line basis over the lease term.

2.13 Earnings per share

Basic earnings per share (EPS) are calculated by dividing the net loss / profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by adjusting the number of shares used for basic EPS with the weighted average number of shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value i.e. average market value of outstanding shares.

The number of shares and potentially dilutive shares are adjusted for share splits and bonus shares, as appropriate. In calculating diluted earnings per share, the effects of anti dilutive potential equity shares are ignored. Potential equity shares are anti-dilutive when their conversion to equity shares would increase earnings per share or decrease loss per share.

2.14 Income taxes

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws. Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unabsorbed depreciation or carry forward losses are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each balance sheet date for any write down or reversal, as considered appropriate. Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period. Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amount and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing the current tax and where the deferred tax assets and liabilities relate to taxes on income levied by the same governing taxation laws.

2.15 Onerous contracts

Provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at lower of the expected cost of terminating the contract and the expected cost of fulfilling the contract.

2.16 Segment reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating

activities of the segment. Expenses, net of income, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Common unallocable charges, net".

2.17 Accounting for employee stock options

Stock options granted to employees of Majesco Limited and its subsidiaries under the stock option schemes covered by Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014 and those issued by the subsidiary in USA are accounted using the intrinsic value method prescribed in the guidance note on Employees Share Based Payments issued by The Institute of Chartered Accountants of India. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is considered as deferred employee compensation. The expense on deferred employee compensation is recognized in Profit and Loss Statement on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to expense, equal to the amortized portion of value of lapsed portion.

2.18 Provisions and contingent liabilities

Provisions are recognized when the Group has a present legal obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. When no reliable estimate can be made, a disclosure is made as a contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset, only when such reimbursement is virtually certain.

2.19 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short term highly liquid investments with original maturities of three months or less.

(All amounts in ₹ Lakhs, unless otherwise stated)

| | | As at March 31, 2017 | As at March 31, 2016 | |
|--|---------------|-------------------------|-------------------------|--------------|
| 3 | Share capital | | | |
| Authorised: | | | | |
| 3,00,00,000 equity shares of ₹ 5/- each | | 1,500.00 | 1,500.00 | |
| (Previous year 3,00,00,000 equity shares of ₹ 5/- each) | | | | |
| Total | | 1,500.00 | 1,500.00 | |
| Issued, subscribed and fully paid up : | | | | |
| 23,363,035 equity shares of ₹ 5/- each | | 1,168.15 | 1,152.62 | |
| (Previous year 23,052,401 equity shares of ₹ 5/- each) | | | | |
| Total | | 1,168.15 | 1,152.62 | |
| a. The Company has only one class of shares referred to as equity shares having a par value of ₹ 5/-. Each holder of equity shares is entitled to one vote per share. | | | | |
| b. The company declares and pays dividends in Indian rupees. | | | | |
| c. In the previous years | | | | |
| i) No shares were allotted as fully paid up by way of bonus shares. | | | | |
| ii) No shares were bought back. | | | | |
| d. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by them. | | | | |
| e. Reconciliation of the number of shares : | | | | |
| | No. of shares | Amount | No. of shares | Amount |
| Equity shares | | | | |
| Balance as at the beginning of the year | 23,052,401 | 1,152.62 | 50,000 | 5.00 |
| Add : Shares issued pursuant to the scheme of arrangement | - | - | 22,812,795 | 1,140.64 |
| Less: Shares cancelled during the year (Refer note 39) | - | - | (50,000) | (5.00) |
| Add : Shares issued on exercise of ESOP | 310,634 | 15.53 | 239,606 | 11.98 |
| Balance as at the end of the year | 23,363,035 | 1,168.15 | 23,052,401 | 1,152.62 |
| f. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company | | | | |
| Equity shares of ₹ 5/- | No. of shares | % of holding | No. of shares | % of holding |
| (Previous year ₹ 5/-) each held by : | | | | |
| Ashank Desai | 3,099,552 | 13.27% | 3,099,552 | 13.45% |
| Sudhakar Venkatraman Ram | 2,634,763 | 11.28% | 2,791,680 | 12.11% |
| Ketan Mehta | 2,519,100 | 10.78% | 2,519,100 | 10.93% |
| Radhakrishnan Sundar | 1,390,161 | 5.95% | 1,445,800 | 6.27% |
| DSP Blackrock Micro Cap Fund | 1,307,989 | 5.60% | - | - |
| Total | 10,951,565 | 46.88% | 9,856,132 | 42.76% |
| g. Shares reserved for issue under options : | | | | |
| Number of unexercised options under the employee stock option plan as at the end of the year (Refer note 34 (d)) | | 2,398,300 | 3,072,633 | |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| 4 Reserves and surplus | | |
| Capital reserve on consolidation | | |
| Balance as at the beginning of the year | 5,219.41 | - |
| Add: Transfer pursuant to the scheme of arrangement | - | 5,219.41 |
| Balance as at the end of the year | 5,219.41 | 5,219.41 |
| Securities premium account | | |
| Balance as at the beginning of the year | 261.92 | - |
| Add : Addition on account of exercise of shares under ESOP | 332.89 | 261.92 |
| Add : Transfer from Employee Stock options outstanding account | 10.05 | - |
| Balance as at the end of the year | 604.86 | 261.92 |
| Employee Stock options outstanding account | | |
| Balance as at the beginning of the year | 133.88 | - |
| Add: Transfer pursuant to the scheme of arrangement | - | 84.07 |
| Add: Employee stock compensation expenses | 26.51 | 49.81 |
| Less: Transfer to securities premium account | (10.05) | - |
| Balance as at the end of the year (Refer Note 34 (f)) | 150.34 | 133.88 |
| General reserve | | |
| Balance as at the beginning of the year | 4,177.24 | - |
| Add: Transfer pursuant to the scheme of arrangement | - | 2,805.76 |
| Add: Transfer on account of deferred tax assets (net) (Refer note 39 (b)) | - | 284.03 |
| Add: On account of merger with Cover-All Inc. (Refer note 40) | - | 1,087.45 |
| Add: Adjustment for minority interest | 95.26 | - |
| Balance as at the end of the year | 4,272.50 | 4,177.24 |
| Hedging reserve account | | |
| Balance as at the beginning of the year | 116.85 | - |
| Add: Transfer pursuant to the scheme of arrangement | - | 340.45 |
| Add: Changes in the fair value of the effective cash flow hedges | (59.07) | (223.60) |
| Add: Adjustment for minority interest | 17.76 | - |
| Balance as at the end of the year | 75.54 | 116.85 |
| Foreign currency translation reserve | | |
| Balance as at the beginning of the year | 2,901.25 | - |
| Add: Transfer pursuant to the scheme of arrangement | - | 689.59 |
| Add : Exchange gain on translation during the year | (938.20) | 2,211.66 |
| Add: Adjustment for minority interest | 282.12 | - |
| Balance as at the end of the year | 2,245.17 | 2,901.25 |
| Surplus in Profit and Loss Statement | | |
| Balance as at the beginning of the year | 13,630.34 | (3.03) |
| Add : Transfer pursuant to the scheme of arrangement | - | 16,650.72 |
| Less : Transferred to minority interest arising on merger with Cover-All Inc. (Refer note 40) | - | (3,706.17) |
| Profit for the year attributable to the shareholders of the Company | 1,427.28 | 688.82 |
| Balance as at the end of the year | 15,057.62 | 13,630.34 |
| Total | 27,625.44 | 26,440.89 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| 5 Long-term borrowings | | |
| Secured : | | |
| Term loan from bank (Refer (a) below) | 5,404.17 | 4,505.34 |
| Long term maturities of finance lease obligations. (Refer note 31 (ii)) | 151.46 | 79.75 |
| Total | 5,555.63 | 4,585.09 |

Nature of security

(a) Secured by SBDC given by HSBC Bank on the security of bank deposits of sanctioned amount of USD 10 million.

(b) Finance lease obligations are secured by hypothecation of assets underlying the leases.

(c) The rate of interest for HSBC loan is LIBOR plus 1.5% , average base rate of interest for finance lease from Sundaram Finance Limited is 9.425% and finance lease from Oracle for purchase of software is 5.633 %

(d) There has been no continuing default as on Balance Sheet date in repayment of loans and interest.

Terms of repayment

Commencing January 1,2018 and on each January 1 and July 1 thereafter, instalments of principal in the amount of USD 1.67 million shall be due and payable semi-annually, and all principal and interest outstanding shall be due and payable by March 1 , 2021.

Monthly payment of equated monthly instalments beginning from the month subsequent to taking the lease.

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| 6 Other long-term liabilities | | |
| Unearned revenue | 2,816.45 | 2,564.19 |
| Deferred consideration payable on business acquisition (Refer note 42) | - | 757.52 |
| Total | 2,816.45 | 3,321.71 |
| 7 Long-term provisions | | |
| Provision for employee benefits | | |
| Provision for leave encashment (Refer note 33 (c)) | 2,101.58 | 1,872.04 |
| Other Provisions | | |
| Provision for mark-to-market losses on outstanding derivative contracts (Refer note 36) | 6.62 | - |
| Total | 2,108.20 | 1,872.04 |
| 8 Short-term borrowings | | |
| Secured: | | |
| Working capital loan from ICICI Bank (Refer note (c)) | - | 1,523.86 |
| PCFC facility from Yes Bank Ltd (Refer (a) and (b) below) | 1,268.90 | 3,081.32 |
| Working capital loan from HSBC Bank (Refer (d) below) | 391.68 | - |
| Total | 1,660.58 | 4,605.18 |

(a) Majesco Software and Solutions India Pvt. Ltd. ("MSSIPL"), a step down subsidiary entered into a secured Pre Shipment in Foreign Currency and Post Shipment in Foreign Currency ("PCFC") facility with Yes Bank. The maximum borrowing limit is ₹ 3,000.00. The interest rate on this PCFC facility is LIBOR plus 300 basis points. This PCFC facility has a first pari passu charge over the book debts of MSSIPL.

(b) MSSIPL has entered into a Facility Letter with Standard Chartered Bank for pre-shipment financing and overdraft facilities. The maximum borrowing limit is ₹ 500.00. Interest rate on this facility is based on a base rate or LIBOR plus a margin to be determined at the time of each draw by the lender. The outstanding balance as on March 31, 2017 under this facility is Nil.

(c) MSSIPL has entered into a Credit Arrangement Letter with ICICI Bank for packing credit in foreign currency post shipment in foreign currency. The maximum borrowing limit is ₹ 1,150.00. Interest rate on this facility is based on a base rate or LIBOR plus a margin to be determined at the time of each draw by the lender. The outstanding balance as on March 31, 2017 under this facility is Nil.

(d) On January 13, 2017, subsidiary Majesco, USA and step down subsidiaries, Majesco Software and Solutions Inc and Cover-All Systems, jointly and severally entered into the Receivable Purchase Agreement with HSBC. Under the Receivable Purchase Agreement, HSBC may advance funds against the Receivables at an agreed advance rate. The outstanding aggregate amount of all advances shall not exceed the Facility Limit. The facility also bears interest at two (2%) per cent plus the ninety (90) day LIBOR rate. The term of the Receivable Purchase Agreement is for a minimum period of twelve (12) months and shall continue unless terminated by either party. As of March 31, 2017, outstanding balance under this facility amounted to ₹ 391.68

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| 9 Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises (Refer note 9.1) | 1.79 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,427.29 | 1,806.26 |
| Total | 1,429.08 | 1,806.26 |
| 9.1 MSME disclosure | | |
| Principal amount remaining unpaid as at the end of accounting year | 1.79 | - |
| Interest due on above and remaning unpaid as at the end of accounting year | - | - |
| Amount of Interest paid alongwith amount of payment made to supplier beyond the appointed day | - | - |
| Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this act. | - | - |
| Interest accrued and remaining unpaid | - | - |
| Amount of Further Interest remaining due and payable in succeeding years | - | - |
| Total | 1.79 | - |
| The Company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the available information, there are no other balances outstanding as payable to such supplier at the year end. | | |
| 10 Other current liabilities | | |
| Current maturities of finance lease obligations in respect of vehicles (Refer note 31(ii)) | 236.56 | 105.65 |
| Current maturities of long term borrowings (Refer note 5 (a)) | 1,080.83 | - |
| Unearned revenue | 4,350.45 | 5,231.66 |
| Credit balances in bank accounts | 238.03 | 135.00 |
| Other payables | | |
| Accrued salaries and benefits | 3,377.94 | 4,900.29 |
| Accrued expenses | 2,302.97 | 2,858.29 |
| Advance from customers | 0.01 | 310.10 |
| Interest accrued and not due | 151.73 | 49.78 |
| Deferred consideration payable on business acquisition (Refer note 42) | 741.45 | 750.89 |
| Payable for purchase of fixed assets | 48.36 | 239.74 |
| Statutory dues including provident fund and tax deducted at source | 1,059.57 | 793.75 |
| Others | 182.11 | 97.74 |
| Total | 13,770.01 | 15,472.89 |
| (a) There is no amount due for payment to Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end. | | |
| 11 Short-term provisions | | |
| Provision for employee benefits | | |
| Provision for leave encashment (Refer note 33 (c)) | 679.99 | 471.57 |
| Other provisions | | |
| Provision for cost overrun on contracts | 1.61 | 138.31 |
| Provision for taxes, net of advance tax | 162.90 | 271.23 |
| Provision for mark-to-market losses on outstanding derivative contracts (Refer note 36) | - | 2.34 |
| Total | 844.50 | 883.45 |
| (a) The management does not foresee any material warranty cost, based on previous experience and hence no provision has been carried in this regard. | | |

(All amounts in ₹ Lakhs, unless otherwise stated)

12 Fixed assets

(i) Tangible assets

| | Gross Block (at cost) | | | | Depreciation and amortization | | | | Net Block (WDV) | |
|---------------------------|-----------------------|-----------------|-------------------------|--|-------------------------------|-----------------|-------------------------|--|----------------------|----------------------|
| | As at April 1, 2016 | Additions | Deletions / Adjustments | Foreign exchange translation adjustments | As at March 31, 2017 | For the year | Deletions / Adjustments | Foreign exchange translation adjustments | As at March 31, 2017 | As at March 31, 2016 |
| a. Own assets : | | | | | | | | | | |
| Buildings | 1,145.61 | 60.15 | - | - | 1,205.76 | 34.03 | - | - | 380.19 | 799.45 |
| Computers | 3,019.65 | 919.28 | (70.68) | (74.74) | 3,793.51 | 814.15 | (30.27) | (58.92) | 2,877.40 | 867.21 |
| Plant and equipment | 547.56 | 378.55 | (27.71) | (16.60) | 881.80 | 112.09 | (27.71) | (10.58) | 425.43 | 195.93 |
| Furniture and fixtures | 2,229.66 | 61.76 | (190.08) | (15.36) | 2,085.98 | 238.19 | (190.08) | (11.68) | 1,605.86 | 660.23 |
| Vehicles | 146.43 | 34.21 | (14.35) | 2.67 | 168.96 | 39.08 | (2.78) | (0.59) | 79.00 | 103.14 |
| Office equipment | 337.79 | 100.68 | (51.09) | (1.02) | 386.36 | 67.18 | (51.09) | (0.27) | 147.42 | 206.19 |
| Total (a) | 7,426.70 | 1,554.63 | (353.91) | (105.05) | 8,522.37 | 1,304.72 | (301.93) | (82.04) | 5,515.30 | 2,832.15 |
| b. Leased assets : | | | | | | | | | | |
| (Refer note 31) | | | | | | | | | | |
| Leasehold land | 169.95 | - | - | - | 169.95 | 2.19 | - | - | 22.66 | 149.48 |
| Leasehold improvements | 281.69 | 105.22 | - | (6.86) | 380.05 | 55.11 | - | (2.41) | 101.81 | 232.58 |
| Vehicles | 56.92 | 46.43 | (31.48) | - | 71.87 | 21.34 | (18.56) | - | 15.38 | 44.32 |
| Total (b) | 508.56 | 151.65 | (31.48) | (6.86) | 621.87 | 78.64 | (18.56) | (2.41) | 139.85 | 426.38 |
| Total (a + b) | 7,935.26 | 1,706.28 | (385.39) | (111.91) | 9,144.24 | 1,383.36 | (320.49) | (84.45) | 5,655.15 | 3,258.53 |

(ii) Intangible assets

| | Gross Block (at cost) | | | | Depreciation and amortization | | | | Net Block (WDV) | |
|-------------------------------|-----------------------|-----------------|-------------------------|--|-------------------------------|-----------------|-------------------------|--|----------------------|----------------------|
| | As at April 1, 2016 | Additions | Deletions / Adjustments | Foreign exchange translation adjustments | As at March 31, 2017 | For the year | Deletions / Adjustments | Foreign exchange translation adjustments | As at March 31, 2017 | As at March 31, 2016 |
| Own assets (acquired): | | | | | | | | | | |
| Goodwill | 4,758.24 | - | - | (100.90) | 4,657.34 | 884.95 | - | (59.97) | 2,302.47 | 3,280.75 |
| Computer software | 2,489.47 | 640.68 | (75.48) | (95.10) | 2,959.57 | 329.97 | (75.48) | (90.82) | 2,558.86 | 94.28 |
| Total | 7,247.71 | 640.68 | (75.48) | (196.00) | 7,616.91 | 1,214.92 | (75.48) | (150.79) | 4,861.33 | 3,375.03 |
| Total (i + ii) | 15,182.97 | 2,346.96 | (460.87) | (307.91) | 16,761.15 | 2,598.28 | (395.97) | (235.24) | 10,516.48 | 6,633.56 |

12.1 Additions of ₹ 60.15 to the building represents liability towards stamp duty paid for Mahape building which has been transferred pursuant to the scheme of demerger and is pending to be registered as at March 31, 2017

12.2 Deletions/Adjustments on computer software include:- Adjustments of ₹ 63.64 are on account of reclassification of computer software subscriptions as current assets.

12 Fixed assets for previous year ended March 31, 2016

(ii) Tangible assets

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Gross Block (at cost) | | | | Depreciation and amortization | | | | | | Net Block (WDV) | |
|---------------------------|--|--------------------------------|-----------------|----------------|--|----------------------|--|--------------------------------|---------------|----------------|--|----------------------|
| | Transfer pursuant to the scheme of arrangement (Refer note 39) | On acquisition of subsidiaries | Additions | Deletions | Foreign exchange translation adjustments | As at March 31, 2016 | Transfer pursuant to the scheme of arrangement (Refer note 39) | On acquisition of subsidiaries | For the year | Deletions | Foreign exchange translation adjustments | As at March 31, 2016 |
| a. Own assets : | | | | | | | | | | | | |
| Buildings | 1,145.61 | - | - | - | - | 1,145.61 | 309.63 | - | 36.53 | - | - | 346.16 |
| Computers | 1,800.50 | 178.32 | 944.42 | - | 96.41 | 3,019.65 | 1,459.25 | 164.69 | 443.44 | - | 85.05 | 2,152.44 |
| Plant and equipment | 328.41 | 53.24 | 149.15 | - | 16.76 | 547.56 | 240.23 | 53.24 | 45.29 | - | 12.87 | 351.63 |
| Furniture and fixtures | 1,362.44 | 465.67 | 375.65 | - | 25.90 | 2,229.66 | 1,142.88 | 266.94 | 141.80 | - | 17.81 | 1,569.43 |
| Vehicles | 77.24 | 27.95 | 70.74 | (30.98) | 1.48 | 146.43 | 39.05 | 3.00 | 28.96 | (28.10) | 0.38 | 103.14 |
| Office equipment | 111.51 | 28.97 | 196.03 | - | 1.28 | 337.79 | 60.36 | 20.08 | 50.26 | - | 0.90 | 131.60 |
| Total (a) | 4,825.71 | 754.15 | 1,735.99 | (30.98) | 141.83 | 7,426.70 | 3,251.40 | 507.95 | 746.28 | (28.10) | 117.01 | 4,594.55 |
| b. Leased assets : | | | | | | | | | | | | |
| (Refer note 31) | | | | | | | | | | | | |
| Leasehold land | 169.95 | - | - | - | - | 169.95 | 18.56 | 0.08 | 1.82 | - | - | 20.47 |
| Leasehold improvements | 8.11 | 65.99 | 204.22 | - | 3.37 | 281.69 | 7.79 | 23.31 | 16.45 | - | 1.57 | 232.58 |
| Vehicles | 53.04 | - | 11.56 | (7.67) | - | 56.92 | 2.26 | - | 14.73 | (4.40) | - | 44.32 |
| Total (b) | 231.10 | 65.99 | 215.78 | (7.67) | 3.37 | 508.56 | 28.61 | 23.39 | 33.00 | (4.40) | 1.57 | 82.18 |
| Total (a + b) | 5,056.81 | 820.14 | 1,951.77 | (38.65) | 145.20 | 7,935.26 | 3,280.01 | 531.34 | 779.28 | (32.50) | 118.58 | 4,676.73 |
| | | | | | | | | | | | | 3,258.53 |

(ii) Intangible assets

| | Gross Block (at cost) | | | | | Depreciation and amortization | | | | | Net Block (WDV) | |
|-------------------------------|--|--------------------------------|-----------------|----------------|--|-------------------------------|--|--------------------------------|-----------------|----------------|--|----------------------|
| | Transfer pursuant to the scheme of arrangement (Refer note 39) | On acquisition of subsidiaries | Additions | Deletions | Foreign exchange translation adjustments | As at March 31, 2016 | Transfer pursuant to the scheme of arrangement (Refer note 39) | On acquisition of subsidiaries | For the year | Deletions | Foreign exchange translation adjustments | As at March 31, 2016 |
| Own assets (acquired): | | | | | | | | | | | | |
| Goodwill | 3,132.43 | - | 1,583.68 | - | 42.13 | 4,758.24 | 749.30 | - | 676.82 | - | 51.37 | 3,280.75 |
| Computer software | 1,241.73 | 960.07 | 180.43 | - | 107.24 | 2,489.47 | 998.73 | 960.07 | 328.84 | - | 107.55 | 94.28 |
| Total | 4,374.16 | 960.07 | 1,764.10 | - | 149.37 | 7,247.71 | 1,748.03 | 960.07 | 1,005.66 | - | 158.92 | 3,375.03 |
| Total (i) + (ii) | 9,430.97 | 1,780.21 | 3,715.87 | (38.65) | 294.57 | 15,182.97 | 5,028.04 | 1,491.41 | 1,784.94 | (32.50) | 277.50 | 6,633.56 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| 13 Non-current investments | | |
| Investment property (at cost less accumulated depreciation) (Refer note 12.1) | | |
| <u>Gross block</u> | | |
| Opening | 387.62 | - |
| Add : Transfer pursuant to the scheme of arrangement | - | 387.62 |
| Closing | 387.62 | 387.62 |
| <u>Less : Accumulated depreciation</u> | | |
| Opening | 147.65 | - |
| Add : Transfer pursuant to the scheme of arrangement | - | 147.65 |
| Add : Depreciation for the year | 8.78 | - |
| Closing | 156.43 | 147.65 |
| Net block | 231.19 | 239.97 |
| Aggregate amount of investment property | 231.19 | 239.97 |
| 14 Deferred tax assets | | |
| Deferred tax assets: | | |
| Doubtful debts and advances | 199.86 | 62.55 |
| Gratuity and leave encashment | 1,017.49 | 868.90 |
| Net operating loss | 2,110.88 | 3,131.60 |
| Research and development carryforward / carryback | 616.87 | 427.39 |
| Other timing differences | 835.41 | 264.69 |
| Less: Deferred tax liabilities | | |
| Depreciation and amortization | (735.67) | (953.77) |
| Total | 4,044.84 | 3,801.36 |
| 15 Long-term loans and advances | | |
| Unsecured, considered good, unless otherwise stated: | | |
| Capital advances | - | 54.08 |
| Security deposits | 378.42 | 423.54 |
| Prepaid expenses | 83.00 | 172.77 |
| Other loans and advances | | |
| Advance income tax, net of provision for tax | 809.51 | 394.43 |
| Total | 1,270.93 | 1,044.82 |
| 16 Other non-current assets | | |
| Balance held with bank as margin money against bank guarantee | 33.82 | 29.70 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| 17 Current investments | | |
| At cost or market value, whichever is less: | | |
| Investment in mutual funds (quoted): | | |
| Indiabulls Liquid Fund – Growth (23,532 units of ₹ 1,000/- each , previous year - nil) | 372.07 | - |
| ICICI Prudential Savings Fund - Regular - Growth (1,11,827 units of ₹ 100/- each , previous year - nil) | 267.52 | - |
| Principal Cash Management Fund - Regular - Growth (13,950 units of ₹ 1,000/- each, previous year - 16,718 units of ₹ 1,000) | 220.00 | 245.34 |
| Franklin Templeton India Ultra Short Bond Fund - Super IP - Growth (10,50,403 units of ₹ 10/- each, previous year - nil) | 219.84 | - |
| Kotak Treasury Advantage Fund - Reg - Growth (8,83,288 units of ₹ 10/- each , previous year - nil) | 218.79 | - |
| DHFL Pramerica Ultra Short-Term Fund (11,38,077 units of ₹ 10/- each, previous year - nil) | 213.29 | - |
| Reliance Medium Term Fund Growth (5,97,439 units of ₹ 10/- each , previous year - nil) | 200.00 | - |
| Birla Sun Life Cash Plus Fund - Growth (Nil, previous year - 1,19,673 units of ₹ 100/- each) | - | 290.00 |
| HDFC Liquid Fund - Growth (Nil, previous year - 6,742 units of ₹ 1,000/- each) | - | 200.75 |
| Kotak Floater Short Term Fund - Growth (Nil, previous year - 10,113 units of ₹ 1,000/- each) | - | 250.31 |
| Franklin Templeton India TMA - Super IP - Growth (Nil, previous year - 9,301 units of ₹ 1,000/- each) | - | 210.00 |
| Total | 1,711.51 | 1,196.40 |
| Aggregate amount of quoted investments | 1,711.51 | 1,196.40 |
| Market value of quoted investments (NAV as at the end of the year) | 1,758.12 | 1,199.07 |
| 18 Trade receivables | | |
| Receivables outstanding for a period exceeding six months from the due date | | |
| Unsecured, considered good | 145.88 | 2.01 |
| Doubtful | 483.83 | 180.26 |
| Less: Provision for doubtful debts | (483.83) | (180.26) |
| Receivables outstanding for a period less than six months from the due date | | |
| Unsecured, considered good | 8,154.59 | 15,193.01 |
| Doubtful | 334.49 | 105.43 |
| Less: Provision for doubtful debts | (334.49) | (105.43) |
| Total | 8,300.47 | 15,195.02 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| 19 Cash and bank balances | | |
| Cash and cash equivalents | | |
| Cash on hand | 0.28 | - |
| Bank balances | | |
| In current accounts | 7,679.94 | 3,606.06 |
| Fixed deposits (with original maturity of less than 3 months) | 190.49 | 254.55 |
| | 7,870.71 | 3,860.61 |
| Other bank balances | | |
| Fixed deposits (maturity more than 3 months but less than 12 months) | | |
| - Restricted (Refer (a) and (b) below) | 7,840.00 | 7,400.00 |
| - Others | 94.90 | 100.26 |
| Margin money deposit (Refer (c) below) | 2.95 | 162.51 |
| | 7,937.85 | 7,662.77 |
| Total | 15,808.56 | 11,523.38 |
| (a) ₹ 7,340 with HSBC bank (Previous year - ₹ 5,000) under lien for stand by documentary credit (SBDC) of US\$ 10 million (previous year US\$ 6.8 million) given by HSBC Bank India, for the term loan availed by Majesco, USA, subsidiary of the Company. | | |
| (b) ₹ 500 with Yes bank (Previous year ₹ 2,400) for PCFC facility availed by Majesco Software and Solutions India Private Limited, step down subsidiary of the Company. | | |
| (c) Fixed deposit of ₹ 2.20 is held as security for bank guarantee of which ₹ 2.20 given to Maharashtra Pollution Control Board (Previous year ₹ 22.00 was held as security for bank guarantee of which ₹ 20.00 given to Life Insurance Corporation of India in lieu of earnest money deposit.) | | |
| (d) Bank deposits with more than 12 months maturity are included under other non current assets (refer note 16) | | |
| 20 Short-term loans and advances | | |
| Unsecured, considered good, unless otherwise stated: | | |
| Other loans and advances | | |
| Gratuity fund - excess of fund balance over obligation (Refer note 33 (b) (iii)) | 141.96 | 39.75 |
| Service tax credit receivable | 480.63 | 424.73 |
| Advances to suppliers | 306.84 | 495.37 |
| Advances to employees | 78.10 | 56.85 |
| Security deposits | | |
| Considered good | 34.93 | 115.89 |
| Considered doubtful | 7.70 | 7.87 |
| Less: Provision for doubtful | (7.70) | (7.87) |
| Prepaid expenses | 1,206.04 | 1,185.45 |
| Others (Refer (a) below) | 74.50 | 74.50 |
| Total | 2,323.00 | 2,392.54 |
| (a) Share of stamp duty against demand raised on Mastek Limited by the Office of the Superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme, paid under protest. | | |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| 21 Other current assets | | |
| Unsecured, considered good, unless otherwise stated: | | |
| Interest accrued on fixed deposits | 38.32 | 138.16 |
| Unbilled revenue | | |
| Considered good | 5,370.38 | 5,403.97 |
| Considered doubtful | 379.28 | - |
| Less : Provision for doubtful unbilled revenue | (379.28) | - |
| Mark-to-market gains receivable on outstanding derivative contracts (Refer note 36) | 64.40 | 119.19 |
| Reimbursable expenses receivables | | |
| Considered good | 84.28 | 348.53 |
| Considered doubtful | - | 23.53 |
| Less: Provision for doubtful receivables | - | (23.53) |
| Total | 5,557.38 | 6,009.85 |
| 22 Revenue from operations | | |
| Information technology services (Refer note (a) below) | 81,334.57 | 73,957.92 |
| Other operating revenue | | |
| Reimbursement of expenses from customers | 1,281.62 | 1,737.30 |
| Doubtful debts recovered | 134.35 | 20.04 |
| Total | 82,750.54 | 75,715.26 |
| 23 Other income | | |
| Interest income on fixed deposits | 561.09 | 322.23 |
| Share of profit on open forward contracts | 139.46 | - |
| Profit on sale of current investments (net) | 111.62 | 536.39 |
| Profit on sale of tangible assets (net) | 4.44 | 2.02 |
| Miscellaneous income | 82.95 | 47.50 |
| Total | 899.56 | 908.14 |
| 24 Employee benefits expenses | | |
| Salaries, wages and performance incentives | 49,609.11 | 45,924.85 |
| Contribution to provident and other funds | 2,980.33 | 2,777.92 |
| Employee stock compensation expenses (Refer note 34) | 21.81 | 49.18 |
| Staff welfare expense | 1,908.59 | 1,805.26 |
| Total | 54,519.84 | 50,557.21 |
| 25 Finance costs | | |
| Interest expense on working capital facility | 346.69 | 288.12 |
| Interest on term loan | 101.39 | 93.85 |
| Interest on finance lease | 7.36 | 7.54 |
| Other finance charges | 100.16 | 38.67 |
| Total | 555.60 | 428.18 |
| 26 Depreciation and amortization expenses | | |
| Depreciation on tangible assets | 1,383.36 | 779.28 |
| Amortization of intangible assets | 1,214.92 | 1,005.66 |
| Depreciation on investment property | 8.78 | - |
| Total | 2,607.06 | 1,784.94 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|--|-------------------------|-------------------------|
| 27 Other expenses | | |
| Travelling and conveyance | 4,882.01 | 5,696.03 |
| Consultancy and sub-contracting charges | 5,588.44 | 5,545.05 |
| Professional fees (Refer (a) and (b) below) | 3,485.79 | 3,781.17 |
| Hardware and software expenses | 1,581.49 | 1,500.52 |
| Repairs and maintenance | | |
| Buildings | 321.35 | 207.00 |
| Others | 1,226.96 | 1,112.98 |
| Rent (Refer note 31 (i) (b)) | 1,404.47 | 1,130.60 |
| Advertisement and publicity | 707.14 | 903.41 |
| Communication charges | 696.90 | 685.17 |
| Recruitment and training expenses | 322.90 | 667.31 |
| Rates and taxes | 143.73 | 197.31 |
| Insurance | 617.07 | 479.73 |
| Electricity | 344.47 | 338.00 |
| Membership and subscription | 418.90 | 242.30 |
| Provision for doubtful debts | 556.32 | 160.01 |
| Printing and stationery | 160.92 | 221.31 |
| Hire Charges | 207.64 | 259.12 |
| Stock exchange listing fees | 9.05 | 91.65 |
| CSR expenditure / Donations | 7.27 | 23.70 |
| Loss on foreign currency transactions and translation (net) | 74.42 | 2.08 |
| Provision for doubtful debts and other advances | - | - |
| Miscellaneous expenses | 985.10 | 922.62 |
| Total | 23,742.34 | 24,167.08 |
| (a) Professional fees include payment to auditors : | | |
| i. Statutory audit (including audit of consolidated financial statements) | 23.78 | 23.50 |
| ii. Limited review | 11.78 | 9.75 |
| iii. Special purpose financials | 7.00 | 7.00 |
| iv. Certification fees | 1.10 | 0.45 |
| v. Reimbursement of expenses | 1.64 | 0.84 |
| (b) Payments to other auditors of subsidiaries | | |
| i. Statutory audit | 130.87 | 137.99 |
| 28 Exceptional items | | |
| Restructuring and demerger expenses | | |
| Professional fees | - | 346 |
| Rates and taxes (Refer (a) below) | 225.41 | 111 |
| Impairment of goodwill on consolidation (Refer note 41) | 40.70 | - |
| Total | 266.11 | 457.59 |
| (a) During the year ended March 31, 2017, the company has provided ₹ 225.41 on account of share of stamp duty against demand raised on Mastek Limited by the office of the Superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme. (Refer note 39) | | |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|------------------------------|------------------------------|
| 29 Earnings per share (EPS) | | |
| The components of basic and diluted earnings per share for total operations are as follows: | | |
| (a) Net profit attributable to equity shareholders | 1,427.28 | 688.82 |
| (b) Weighted average number of outstanding equity shares | | |
| Considered for basic EPS | 23,238,779 | 22,824,721 |
| Add : Effect of dilutive potential equity shares arising from outstanding stock options | 1,443,488 | 1,799,459 |
| Considered for diluted EPS | 24,682,267 | 24,624,180 |
| (c) Earnings per share | | |
| (Face value per share ₹ 5/- (Previous year ₹ 5/-) each) | | |
| Basic (₹) | 6.14 | 3.02 |
| Diluted (₹) | 5.78 | 2.80 |

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| 30 Contingent liabilities and commitments | | |
| (i) Outstanding guarantees and counter guarantees to banks in respect of the bank guarantee given in favour of STPI Authorities in India | 31.12 | 27.00 |
| (ii) B-17 Bond furnished to Customs Department in India | 776.47 | 538.56 |
| (iii) Guarantee given for working capital facility availed by Majesco, USA, subsidiary from ICICI Bank | - | 1,523.86 |
| (iv) Corporate guarantee secured by pledge of fixed deposit for ₹ 7,340 given to HSBC India for issue of SBDC favoring HSBC Bank, USA National association for extending as term loan to the extent of USD 10 Mn to Majesco, USA, a subsidiary of the Company | 6,485.00 | 4,505.34 |
| (v) Performance guarantees given by Majesco Software and Solutions India Private Limited, a step down subsidiary of the Company on behalf of the following fellow subsidiaries : | | |
| (a) Majesco Canada Ltd. | 7,521.54 | 7,684.50 |
| (b) Majesco (Thailand) Co. Ltd | 1,621.25 | 1,656.38 |
| (vi) Contingent consideration in respect of acquisition of business of Agile Technologies, LLC, USA | 490.26 | 392.83 |
| (vii) Share of stamp duty against demand by the office of the Superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme. | - | 171.50 |
| Capital and other commitments | | |
| (i) Capital commitments | | |
| Estimated amount of contracts remaining to be executed on capital account not provided for | 377.61 | 557.85 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | As at March 31, 2017 | As at March 31, 2016 |
|---|------------------------------|------------------------------|
| 31 Leases | | |
| (i) Operating leases | | |
| (a) Future minimum lease payments under non – cancellable operating leases: | | |
| Due within one year | 1,126.97 | 1,130.56 |
| Due later than 1 year but not later than 5 years | 2,585.16 | 3,070.40 |
| Due later than 5 years | 454.32 | 655.80 |
| Total minimum lease payments | <u>4,166.45</u> | <u>4,856.76</u> |
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| (b) Operating lease rentals recognized in the Profit and Loss Statement (Refer note 27) | 1,404.47 | 1,130.60 |
| (c) Description of significant operating lease arrangements: | | |
| The Group has given refundable interest free security deposits under the lease agreements. All agreements contain provision for renewal at the option of either parties. The agreement provides restriction on sub lease. | | |
| (ii) Finance leases | | |
| Total minimum finance lease payments outstanding : | | |
| Due within one year | 257.32 | 113.55 |
| Due later than 1 year but not later than 5 years | 158.81 | 86.80 |
| Total minimum lease payments | <u>416.13</u> | <u>200.35</u> |
| Less: Interest not due | 28.11 | 14.95 |
| Present value of net minimum leases payments | <u>388.02</u> | <u>185.40</u> |
| Disclosed under: | | |
| Long-term borrowings (Refer note 5) | 151.46 | 79.75 |
| Other current liabilities (Refer note 10) | 236.56 | 105.65 |
| | <u>388.02</u> | <u>185.40</u> |

32 Income taxes

The Group has accounted for the tax liabilities of its foreign subsidiaries in accordance with their respective tax legislations.

During the previous year, Majesco, USA the subsidiary has obtained tax refunds relating to earlier periods and is certain of obtaining similar refunds/ benefits for the balance earlier periods and current period. It will also be eligible for certain deductions and amortizations after determining its tax liability under US tax laws. Since virtual certainty has been established presently deferred tax assets have been recognized in the current year in respect of all these amounts to the extent considered appropriate.

33 Employee benefits

The disclosures required as per the revised Accounting Standard (AS) 15 -Employee Benefits (revised 2005) are as under:

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|------------------------------|------------------------------|
| (a) Defined contribution plans | | |
| The Company has recognized the following amounts in the Profit and Loss Statement for the year: | | |
| Contribution to provident fund | 724.05 | 626.06 |
| Contribution to Employees' State Insurance Corporation | 10.73 | 6.25 |
| Contribution to Maharashtra Labour Welfare Fund | 1.06 | 0.96 |
| Contribution to Superannuation fund | 35.29 | 27.26 |
| Contribution as per 401K | 109.98 | 330.59 |
| Other Funds | 2,099.22 | 1,738.95 |
| Total (Refer note 24) | 2,980.33 | 2,730.07 |
| (b) Defined benefit plan (Gratuity) | | |
| As per the independent actuarial valuation carried out as at March 31, 2017 | As at March 31, 2017 | As at March 31, 2016 |
| (i) Change in defined benefit obligations (DBO) : | | |
| Projected benefit obligation - opening | 2,060.75 | - |
| Service cost | 287.50 | 223.07 |
| Interest cost | 182.37 | 145.23 |
| Actuarial loss / (gain) | (425.72) | (176.52) |
| Benefits paid | (252.02) | (94.74) |
| Liability assumed as per the scheme of arrangement | - | 1,963.71 |
| Projected benefit obligation - closing | 1,852.88 | 2,060.75 |
| (ii) Change in fair value of assets: | | |
| Fair value of plan assets - opening | 2,100.49 | - |
| Expected return on plan assets | 189.13 | 144.82 |
| Employer's contribution | 0.04 | 87.60 |
| Assets acquired as per the scheme of arrangement | - | 1,963.71 |
| Benefit paid | (252.02) | (94.74) |
| Actuarial gain/(loss) | (42.80) | (0.89) |
| Fair value of plan assets - closing | 1,994.84 | 2,100.50 |
| (iii) Amount recognized in the Balance Sheet : | | |
| Present value of obligations | 1,852.88 | 2,060.75 |
| Less: Fair value of plan assets | (1,994.84) | (2,100.50) |
| Less: Unrecognized Past service cost | - | - |
| Net (assets) / liability recognized | (141.96) | (39.75) |
| Included under: | | |
| Short-term loans and advances (Refer note 20) | 141.96 | 39.75 |
| Total | 141.96 | 39.75 |
| (iv) Net gratuity cost for the year : | | |
| Service cost | 287.50 | 223.07 |
| Interest cost | 182.37 | 145.23 |
| Expected return on plan assets | (189.13) | (144.82) |
| Net actuarial loss / (gain) recognized in the current year | (382.92) | (175.63) |
| Net gratuity cost | (102.18) | 47.85 |

(All amounts in ₹ Lakhs, unless otherwise stated)

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|------------------------------|------------------------------|
| (v) Asset information : | | |
| Life Insurance Corporation of India | 100% | 100% |
| (vi) Assumptions used in accounting for the gratuity plan: | | |
| Discount rate (p.a.) | 7.45% | 8.00% |
| Return on plan assets (p.a.) | 7.50% | 8.85% |
| Salary escalation rate (p.a.) | 7.00% | 9.00% |
| Retirement age | 60 years | 60 years |
| The estimates of salary escalation, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market. | | |
| (vii) Expected contribution to the fund in the next year | | |
| Gratuity | 210.00 | 210.00 |
| | As at March 31, 2017 | As at March 31, 2016 |
| (viii) Amounts recognized in current year and previous year: | | |
| Defined benefit obligation | (1,852.88) | (2,060.75) |
| Plan assets | 1,994.84 | 2,100.50 |
| Surplus / (deficit) | 141.96 | 39.75 |
| Experience adjustments | | |
| On plan liabilities | - | - |
| On plan assets | 42.80 | 0.89 |
| (c) Other benefits provision for leave encashment | | |
| Opening balance | 2,343.62 | - |
| Add: Transfer as per the scheme of arrangement | - | 1,946.22 |
| Charge during the year | 949.05 | 981.07 |
| Amount paid during the year | (511.10) | (583.67) |
| Closing balance | 2,781.57 | 2,343.62 |
| Disclosed under long-term provisions (Refer note 7) | 2,101.58 | 1,872.04 |
| Disclosed under short-term provisions (Refer note 11) | 679.99 | 471.57 |

34 Employee Stock Option Scheme

(a) Nature and extent of employee share-based payment plans that existed during the year:

Plan I

The company introduced the employee stock option scheme as a part of the scheme of arrangement, approved by the Hon'ble High Court of Gujarat and Hon'ble High Court of Bombay. The shareholders of Mastek Limited approved the Scheme of Arrangement in the Court Convened meeting held on March 05, 2015, and the shareholders of Majesco Limited approved the scheme of arrangement through consent letter.

(All amounts in ₹ Lakhs, unless otherwise stated)

The Company introduced the scheme for granting upto 8,000,000 stock options to the employees, each option representing one equity share of the Company. The exercise price is to be determined by the Nomination and Remuneration Committee ("Committee") and such price may be the face value of the share from time to time or may be the market price or any other price as may be decided by the Committee and will be governed by the Securities and Exchange Board of India (SEBI) (Share based employee benefits) Regulations, 2014 and accounted in accordance with the guidance note on Employees Share Based Payments issued by the Institute of Chartered Accountants of India using the intrinsic value. The first vesting of the stock options shall happen only on completion of one year from the date of grant and the options are exercisable within seven years from the date of vesting. As per the SEBI guidelines, the excess of market price of the underlying equity shares as of the date of the grant of the options over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period. Consequently, the amortized compensation cost for the exercisable option is ₹ 21.81 (previous year - ₹ 49.18) (net of reimbursement received from Mastek) and have been charged to the Profit and Loss Statement during the year.

| | As at March 31, 2017 | As at March 31, 2016 |
|---|------------------------------|------------------------------|
| | (No of Options) | |
| Opening Balance | 3,072,633 | - |
| Granted pursuant to the scheme of arrangement | - | 2,575,177 |
| Granted during the year | 77,500 | 991,000 |
| Exercised during the year | (310,634) | (239,606) |
| Lapsed / reversed during the year | (100,483) | (37,397) |
| Cancelled during the year | (340,716) | (216,541) |
| Balance unexercised options | <u>2,398,300</u> | <u>3,072,633</u> |
| (b) The Company has adopted the intrinsic value method as permitted by the SEBI Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of stock options granted. | | |
| The Company's net profit and earnings per share would have been as under, had the compensation cost for employees stock options been recognized based on the fair value at the date of grant in accordance with Black Scholes model. | | |
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Profit after taxation | 1,427.28 | 688.82 |
| Less : Employee stock compensation expenses based on fair value (Includes expenses relating to employee stock options granted to employees of Mastek) | (745.52) | (674.36) |
| Add: Employee stock compensation expenses based on intrinsic value | 21.81 | 49.18 |
| Profit after taxation as per fair value method | <u>703.57</u> | <u>63.64</u> |
| Basic earnings per share (EPS) | | |
| Number of shares | 23,238,779 | 22,824,721 |
| Basic EPS as reported (₹) | 6.14 | 3.02 |
| Proforma basic EPS (₹) | 3.03 | 0.28 |
| Diluted earnings per share (EPS) | | |
| Number of shares | 24,682,267 | 24,624,180 |
| Diluted EPS as reported (₹) | 5.78 | 2.80 |
| Proforma diluted EPS (₹) | 2.85 | 0.26 |
| (c) Stock options exercised during the year : | | |
| Number of options exercised during the year | 310,634 | 239,606 |
| Weighted average share price at the date of exercise (₹) | 112.16 | 111.20 |

(All amounts in ₹ Lakhs, unless otherwise stated)

- (d) For stock options outstanding at the end of the year, the range of exercise prices and weighted average remaining contractual life (vesting period + exercise period)

As at March 31, 2017

| | Options outstanding | Weighted average exercise price (₹) | Weighted average remaining contractual life (years) |
|-----------------------------|------------------------|--|--|
| Range of Exercise Price (₹) | | | |
| 5-100 | 850,545 | 66.51 | 5.47 |
| 101-200 | 746,380 | 127.45 | 5.93 |
| Above 200 | 801,375 | 377.99 | 7.94 |
| Total | 2,398,300 | 189.55 | 6.45 |

As at March 31, 2016

| | | | |
|-----------------------------|------------------|---------------|-------------|
| Range of Exercise Price (₹) | | | |
| 5-100 | 1,059,846 | 68.65 | 7.78 |
| 101-200 | 1,053,287 | 132.27 | 7.75 |
| Above 200 | 959,500 | 378.34 | 10.25 |
| Total | 3,072,633 | 187.16 | 8.54 |

- (e) Information on stock options granted during the year :

Number of options granted during the year

77,500

991,000

Option pricing model used

Market price as defined by SEBI /
Discounted price as per the scheme

Weighted average share price (₹)

513.40

385.67

Exercise price (₹)

511.48

380.62

Expected volatility (%)

51.62%

48.94%

Option life (vesting period + exercise period)

6 years

6 years

Expected dividend yield (%)

0.00%

0.00%

Risk free interest rate (%)

7.19%

7.75%

The risk free interest rates are determined based on the zero-coupon yield curve for government securities. The volatility is determined based on annualized standard deviation of stock price on NSE over the time to maturity of the option. The expected dividend yield is taken as Nil as there is no history of declaration of dividend by the Company.

- (f) Effect of share-based payment plan on the Balance Sheet and Profit and Loss Statement:

Employee stock options outstanding account (Refer note 4)

150.34

133.88

Employee stock compensation expenses (Refer note 24)

21.81

49.18

(All amounts in ₹ Lakhs, unless otherwise stated)

- 35 The Company has accounted net foreign exchange loss from transactions and translations under “Other expenses” in accordance with the Guidance Note on Schedule III to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India. Further, ‘Income from operations’ includes net realised foreign exchange 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 on the Groups profit for the year.

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|------------------------------|------------------------------|
| Loss on foreign currency transactions and translation (net) | 74.42 | 2.08 |
| Net realised foreign exchange gain arising from hedging accounted under Income from operations - Information technology services | 180.18 | 156.28 |

36 Derivative financial instruments

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to hedge against foreign currency exposures relating to highly probable forecast transactions. The Company does not enter into any derivative instruments for trading or speculative purposes. The counter party is generally a bank. These contracts are for periods between one day and two years.

The following “sell” foreign exchange forward contracts are outstanding

| Foreign Currency (FC) | As at March 31, 2017 | | | As at March 31, 2016 | | |
|--------------------------|----------------------|---|--|----------------------|---|--|
| | No. of Contracts | Amount of Forward contracts (FC in Lakhs) | Amount of Forward contracts (₹ in Lakhs) | No. of Contracts | Amount of Forward contracts (FC in Lakhs) | Amount of Forward contracts (₹ in Lakhs) |
| USD | - | - | - | 37.00 | 106.60 | 7,381.18 |
| GBP | 24.00 | 20.80 | 1,835.29 | - | - | - |

| | As at March 31, 2017 | As at March 31, 2016 |
|---|-------------------------|-------------------------|
| Mark-to-market losses | - | - |
| Mark-to-market losses provided for | - | - |
| Mark-to-market (gains) reported in hedging reserve account (Refer note 4) | (57.78) | (116.85) |
| Mark-to-market (gains) / losses (net) | <u>(57.78)</u> | <u>(116.85)</u> |
| Classified as Long term provision (Refer note 7) | 6.62 | - |
| Classified as Short term provision (Refer note 11) | - | 2.34 |
| Classified as Other current assets (Refer note 21) | 64.40 | 119.19 |

Foreign exchange exposure not hedged by derivative instruments or otherwise (net):

| Particular | Currency | As at March 31, 2017 | | As at March 31, 2016 | |
|-------------------------------|----------|----------------------|--------------|----------------------|-----------------|
| | | FC in lakhs | ₹ in lakhs | FC in lakhs | ₹ in lakhs |
| I. Assets | | | | | |
| Trade receivable | USD | 0.10 | 0.33 | - | - |
| | CAD | - | - | - | - |
| | GBP | - | - | - | - |
| | MYR | - | - | - | - |
| Total Trade receivable | | 0.10 | 0.33 | - | - |
| Unhedged receivables | | 0.10 | 0.33 | - | - |
| II. Liabilities | | | | | |
| Payables (trade & others) | USD | 0.01 | 0.33 | 1.07 | 71.13 |
| Borrowings (PCFC) | USD | 0.20 | 12.69 | 46.51 | 3,081.32 |
| Total payables | | 0.21 | 13.02 | 47.58 | 3,152.45 |
| Unhedged payables | | 0.21 | 13.02 | 47.58 | 3,152.45 |

(All amounts in ₹ Lakhs, unless otherwise stated)

37 Related Party Disclosures**Key Management Personnel**

| | |
|----------------------|---|
| Ketan Mehta | Chief Executive Officer |
| Radhakrishnan Sundar | Executive Director |
| Farid Kazani | Managing Director |
| Lori Stanley | General Counsel, North America |
| Edward Ossie | Chief Operating Officer |
| Manish Shah | President and CEO |
| Prateek Kumar | Executive Vice President - Global Sales |
| William Freitag | Executive Vice President - Insurance Consulting |
| Chad Hersh | Executive Vice President - Life and Annuity |
| Tilakraj Panjabi | Executive Vice President - P&C Delivery |
| Vidyesh V Khanolkar | Vice President - UK |
| Kunal Karan | Chief Financial Officer |
| Nishant Shirke | Company Secretary |

Disclosure of transactions with key management personnel during the year :

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|---|------------------------------|------------------------------|
| i. Total remuneration paid/payable : | | |
| Ketan Mehta | 239.83 | 234.05 |
| Radhakrishnan Sundar | 27.28 | 27.21 |
| Farid Kazani | 148.32 | 147.77 |
| Lori Stanley | 139.93 | 135.44 |
| Edward Ossie | 231.15 | 235.13 |
| Manish Shah | 232.02 | 221.99 |
| Prateek Kumar | 387.47 | 274.78 |
| William Freitag | 227.56 | 220.41 |
| Chad Hersh | 207.22 | 203.22 |
| Tilakraj Panjabi | 69.64 | 27.52 |
| Vidyesh V Khanolkar | 137.80 | 194.18 |
| Kunal Karan | 41.39 | 27.11 |
| Nishant Shirke | 11.20 | 8.07 |
| ii. Consideration received on exercise of options | | |
| Farid Kazani | - | 10.28 |
| Vidyesh V Khanolkar | - | 8.87 |
| Kunal Karan | 2.01 | - |

(All amounts in ₹ Lakhs, unless otherwise stated)

38 Segment reporting

Group follows AS 17, 'Segment Reporting' issued by the Institute of Chartered Accountants of India, which requires disclosures of financial and descriptive information about Majesco's reportable segments, both primary and secondary. The Group has identified geographic segments as primary segments and industry verticals as secondary segments.

Group's operations relate to providing IT services, delivered to customers globally. The organisational and reporting structure of the Group is based on Strategic Business Units (SBU) concept. The SBU's are primarily geographical segments. SBU's are the operating segments for which separate financial information is available and for which operating results are evaluated regularly by management in deciding how to allocate resources and in assessing performance. These SBU's provide end-to-end information technology solutions on time and material contracts or fixed bid contracts, entered into with customers.

The Group's primary reportable segments consist of the following SBUs, which are based on the risks and returns in different geographies and the location of the customers: North America Operations, UK Operations, and Others. 'Others' include operations of the Group in other parts of the world including India.

a. Primary geographical segmental reporting on the basis of location of customers :

| | Year ended March 31, 2017 | Year ended March 31, 2016 |
|--|------------------------------|------------------------------|
| Segment Revenue | | |
| North America | 73,135.39 | 66,149.07 |
| UK | 5,585.98 | 5,864.69 |
| Others | 4,029.17 | 3,701.50 |
| Total | 82,750.54 | 75,715.26 |
| Segment Result | | |
| North America | 4,913.06 | 1,309.77 |
| UK | 1,705.31 | 1,395.85 |
| Others | 426.26 | 434.13 |
| Total | 7,044.63 | 3,139.75 |
| Common unallocable charges, net | 5,163.33 | 3,933.72 |
| Finance costs | 555.60 | 428.18 |
| Other income | (899.56) | (908.14) |
| Profit/ (loss) before exceptional item and tax | 2,225.26 | (314.01) |
| Exceptional items | 266.11 | 457.59 |
| Profit / (loss) before tax | 1,959.15 | (771.60) |

Revenues and expenses directly attributable to segments are reported under each reportable segment. All other costs i.e. corporate costs and support function costs, which are not directly attributable or allocable to segments have been disclosed as common unallocable charges.

A major portion of the Group's tangible fixed assets are primarily located at its off shore centres in India and are commonly used by various SBUs. These fixed assets are therefore not directly identifiable to any particular reportable segment and have been allocated to SBUs on the basis of man-months used by these SBUs. Consequently, capital expenditure incurred and depreciation and amortization are similarly allocated to SBUs.

(All amounts in ₹ Lakhs, unless otherwise stated)

Other Primary Segment information :

| | As at March 31, 2017 | As at March 31, 2016 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Segment Assets | | |
| North America | 47,614.00 | 49,342.52 |
| UK | 2,558.37 | 2,508.09 |
| Others | 2,374.87 | 2,634.99 |
| Segmental Assets | 52,547.24 | 54,485.60 |
| Unallocated Corporate Assets | 11,950.07 | 12,882.67 |
| Total Assets | 64,497.31 | 67,368.27 |
| Segment Liabilities | | |
| North America | 25,195.80 | 25,979.04 |
| UK | 984.66 | 1,068.55 |
| Others | 610.97 | 656.46 |
| Segmental Liabilities | 26,791.43 | 27,704.05 |
| Unallocated Corporate Liabilities | 1,393.02 | 4,842.57 |
| Total Liabilities | 28,184.45 | 32,546.61 |
| | Year ended March 31, 2017 | Year ended March 31, 2016 |
| Capital expenditure incurred | | |
| North America | 2,052.75 | 3,538.91 |
| UK | 54.45 | 46.72 |
| Others | 173.96 | 75.85 |
| Unallocated | 65.80 | 54.37 |
| Total | 2,346.96 | 3,715.85 |
| Depreciation and amortization | | |
| North America | 2,451.76 | 1,711.29 |
| UK | 46.97 | 26.27 |
| Others | 25.98 | 26.92 |
| Unallocated | 82.35 | 20.46 |
| Total | 2,607.06 | 1,784.94 |

39 Demerger from Mastek Limited and slump sale to Majesco Software and Solutions India Private Limited

- (a) Pursuant to a Scheme of Arrangement (the “scheme”) under section 391 to 394 read with Section 100 to 103 and other applicable provision of the Companies Act, 1956 and other applicable provision of the Companies Act, 2013, the Board of Directors of Mastek Limited (“Mastek”), at its meeting held on September 15, 2014, had approved the demerger of the Insurance Products and Services business of Mastek, into the Company (Formerly known as Minefields Computers Limited), followed by transfer by the Company of the offshore insurance operations business in India to Majesco Software and Solution India Private Ltd (“MSSIPL”) a wholly owned subsidiary of Majesco Software and Solution Inc., USA (“MSSUS”) a subsidiary of the company, retaining the domestic operations with the Company. The appointed date of the scheme was April 1, 2014 and the appointed date for transfer of the offshore insurance operation business transfer was November 1, 2014. Mastek obtained necessary approvals for the Scheme under clause 24(f) of the Listing Agreement with the BSE and NSE from SEBI on December 9, 2014. The Scheme has also been approved by the Hon’ble High Court of Bombay and Hon’ble High Court of Gujarat and on filing with the Registrar of Companies (“ROC”) the said scheme become effective from June 1, 2015. As specified in the scheme, Mastek shareholders have been issued one equity share in the Company for every share held in Mastek, while retaining their existing Mastek share. Existing 50,000 equity shares of ₹ 10/- each of the Company (Formerly known as Minefields Computers Limited) were cancelled on June 1, 2015.

(All amounts in ₹ Lakhs, unless otherwise stated)

The shares of the Company were listed on August 19, 2015 on the BSE and NSE, where Mastek is listed.

The demerger has resulted in the transfer of the assets, liabilities, other reserves and surplus, employee stock options outstanding account and hedging reserve account related to the demerged entity from Mastek and accordingly have been given effect to in these consolidated financial statements.

The difference in book value of the above assets net of liabilities and specific reserves and the Capital Reserve on Consolidation as on March 31, 2015 aggregating to ₹ 16,650.72 have been credited to Surplus in Profit and Loss Account.

- (b) The deferred tax assets arising from difference between the book value of depreciable fixed assets and of their written down value for tax purpose and timing difference of certain expenses relating to the period prior to April 1, 2015 aggregating to ₹ 284.02 has been credited to General Reserve.

40 Acquisition of Cover-All Technologies Inc. , USA

On December 14, 2014, Majesco USA a subsidiary of Majesco Limited ("the Company" or Majesco) entered into a definitive agreement plan of merger with Cover-All Technologies Inc. ("Cover-All") pursuant to which Cover-All will merge with and into Majesco USA, with Majesco USA surviving the merger in a 100% stock for stock transaction pursuant to which Cover-All's stock holders will receive 16.50% of the outstanding shares in the combined company. During the time, Cover-All common stock was listed on the NYSE MKT in the USA. The shareholders of Cover-All approved the merger at the meeting of shareholders held on June 22, 2015. Majesco USA consummated the merger on June 26, 2015 and its common stock got listed on NYSE MKT and began trading on June 29, 2015. For the purpose of these consolidated financial statements Majesco has accounted for the acquisition of Cover-All using the pooling of interest method as required under Accounting Standard "14 – Accounting for Amalgamation" wherein the assets, liabilities and reserves of Cover-All are recorded at their existing carrying amounts, after making adjustments for significant differences in the account policies followed by Cover-All and Majesco to align the accounting policy of the company.

41 Acquisition of Mastek Asia Pacific Pte. Limited

On October 31, 2015, Majesco SDN BHD, a company incorporated under the laws of Malaysia ("Majesco Malaysia") a step down subsidiary of Majesco Limited ("the Company" or Majesco) entered into a share purchase agreement with Mastek Limited (Mastek), pursuant to which Majesco Malaysia agreed to purchase from Mastek all of the issued and outstanding shares of Mastek Asia Pacific Pte. Limited, a company incorporated under the laws of Singapore for a total cash purchase consideration of 381,800 Singapore Dollars (₹ 180.39). The acquisition was completed on November 1, 2015 and goodwill of ₹ 39.00 has been recognized on consolidation. Mastek Asia Pacific Pte. Limited has been remaned as Majesco Asia Pacific Pte. Limited During the year ended March 31, 2017, Majesco Sdn Bhd, a step down subsidiary of the company, in its consolidated financials has provided loss of ₹ 40.70 on account of impairment of goodwill of Majesco Asia Pacific Pte Ltd as a result of lower than expected performance of Majesco Asia Pacific Pte Ltd. The same has been disclosed as adjustment to goodwill on consolidation in the consolidated balance sheet. Considering the nature and amount of loss provided it has been disclosed as an exceptional item.

42 Acquisition of business of Agile Technologies, LLC

During the year ended March 31, 2015, Majesco USA, a subsidiary of Majesco Limited had acquired the insurance industry focused IT consulting business of Agile technologies, LLC ("Agile") with effect from January 01, 2015. On acquisition, goodwill of USD 3.89 million (₹ 2,577.32) was recognized in the book and amortized equally over a period of five years. In addition, the terms of purchase provides for payment of contingent consideration to the selling shareholders, payable over three years and calculated based on achievement of specific targets.

The contingent consideration is payable in cash and cannot exceed USD 4.20 million (₹ 2,625.00).

During the prevoius year, Majesco USA, settled contingent consideration for first year and paid an amount of USD 1.01 million (₹ 664.63) which is added to the goodwill.

Majesco USA in the previous year also signed an amendment to the initial agreement and converted 50% of the remaining contingent consideration into deferred consideration and capitalized additional USD 1.17 million (₹ 772.98) as goodwill. Balance contingent consideration as estimated by management is disclosed in note 30

(All amounts in ₹ Lakhs, unless otherwise stated)

43 New Zealand Branch

On March 23, 2016, the US subsidiary has incorporated a branch in New Zealand. There are no revenue generated through branch for the year ended March 31, 2016 and March 31, 2017 respectively

44 Mexico Branch

On June 22, 2016, the US subsidiary has incorporated a branch in Mexico. Impact of its operations and balances are included in consolidated financial statements

45 Minority Interest

As at March 31, 2017, the Company held 69.93% (previous year 70.10%) of the shares of its subsidiary "Majesco, USA". Accordingly minority interest has been computed and shown separately in the consolidated financial statements of the company. Majesco, USA had adopted the Majesco 2015 Equity Incentive Plan during the financial year 15-16, under which option may be granted to the employees, consultants and directors. As of March 31, 2017, 627,675 (previous year 163,390) options were exercisable. Majesco USA has also issued warrants to purchase its shares to the lenders of Cover- All (subsidiary of the Company) and advisor to Majesco. As at March 31, 2017, 334,064 (previous year 309,064) excisable warrants were outstanding. On exercise of the option and warrants the share of minority interest of the Group will increase.

46 Indian accounting standards

The Ministry of Corporate Affairs (MCA), through its notification in Official Gazette dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS would replace the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014. For Majesco Limited and its subsidiaries, Ind AS would be applicable for the accounting periods beginning April 1, 2017, with a transition date of April 1, 2016. The company has evaluated the effect of transition from Indian GAAP to Ind AS and following are the areas which would have an impact on account of the transition on the Group

- Business combinations including recording of intangibles and deferred taxes
- Fair valuation of certain financial instruments
- Employee costs pertaining to defined benefit obligations
- Discounting of certain long term liabilities
- Share-based payments

Further, there would be a change in the presentation of financial statements including additional disclosures.

47 Disclosure on specified bank notes (SBN's)

During the year, the Group had held "Specified bank notes", as defined by Reserve Bank of India. Further, as per MCA Notification G.S.R. 308(E) dated March 31, 2017, details of the Specified Bank Notes (SBN) held and transacted during the year from November 8, 2016 to December 30, 2016 are given below:

| (Amount in ₹) | | | |
|--|----------------------|--------------------------|--------|
| Particulars | Specified Bank Notes | Other Denomination Notes | Total |
| Closing cash in hand as on November 8, 2016 | 17,500 | 10,000 | 27,500 |
| Add : Permitted receipts | - | 44,000 | 44,000 |
| Less : Permitted payments | - | 6,365 | 6,365 |
| Less : Amount deposited in banks | 17,500 | - | 17,500 |
| Closing Cash in hand as on December 30, 2016 | - | 47,635 | 47,635 |

(All amounts in ₹ Lakhs, unless otherwise stated)

48 Disclosures mandated by Schedule III of Companies Act, 2013 by way of additional information
Net Assets

| Name of the entity | As at March 31, 2017 | | As at March 31, 2016 | |
|--|---------------------------------|------------------|---------------------------------|------------------|
| | As % of consolidated net assets | Amount | As % of consolidated net assets | Amount |
| Parent Entity | | | | |
| Majesco Limited | 89.94% | 25,897.25 | 91.44% | 25,232.19 |
| Subsidiary | | | | |
| Indian | | | | |
| Majesco Software And Solutions India Private Ltd. | 2.56% | 736.26 | 1.44% | 397.84 |
| Foreign | | | | |
| Majesco | -56.71% | (16,328.29) | -11.52% | (3,179.77) |
| Majesco Software and Solutions Inc. | 10.08% | 2,901.95 | 10.98% | 3,029.24 |
| Cover-All Systems Inc. | 13.49% | 3,883.90 | 9.26% | 2,555.86 |
| Majesco Canada Ltd. | -6.69% | (1,926.39) | -6.26% | (1,727.07) |
| Majesco (UK) Ltd. | 0.28% | 80.15 | 0.86% | 236.97 |
| Majesco Sdn Bhd. | -0.49% | (142.17) | 0.14% | 37.76 |
| Majesco (Thailand) Co. Ltd. | -2.40% | (690.49) | -2.28% | (628.20) |
| Majesco Asia Pacific Pte Ltd. | -0.14% | (39.36) | 0.00% | 0.13 |
| Minority Interest | -26.11% | (7,519.27) | -26.20% | (7,228.14) |
| Intercompany elimination and consolidation adjustments | 76.20% | 21,940.06 | 32.13% | 8,866.70 |
| Total | 100.00% | 28,793.59 | 100.00% | 27,593.51 |

Share in Profit / (Loss)

| Name of the entity | Year ended March 31, 2017 | | Year ended March 31, 2016 | |
|--|-------------------------------------|-----------------|-------------------------------------|---------------|
| | As % of consolidated profit or loss | Amount | As % of consolidated profit or loss | Amount |
| Parent Entity | | | | |
| Majesco Limited | 16.58% | 236.65 | 87.89% | 605.42 |
| Subsidiary | | | | |
| Indian | | | | |
| Majesco Software And Solutions India Private Ltd. | 28.90% | 412.42 | -10.89% | (75.03) |
| Foreign | | | | |
| Majesco | -218.93% | (3,124.78) | -273.73% | (1,885.46) |
| Majesco Software and Solutions Inc. | -6.37% | (90.86) | 38.12% | 262.55 |
| Cover-All Systems Inc. | 327.32% | 4,671.82 | 203.67% | 1,402.87 |
| Majesco Canada Ltd. | -13.95% | (199.15) | 43.17% | 297.38 |
| Majesco (UK) Ltd. | 4.50% | 64.18 | 27.32% | 188.22 |
| Majesco Sdn Bhd. | 5.98% | 85.29 | 13.27% | 91.38 |
| Majesco (Thailand) Co. Ltd. | -4.36% | (62.30) | -4.43% | (30.50) |
| Majesco Asia Pacific Pte Ltd. | -2.29% | (32.64) | -1.11% | (7.63) |
| Minority Interest | -35.88% | (512.09) | -0.15% | (41.95) |
| Intercompany elimination and consolidation adjustments | -1.49% | (21.27) | -17.19% | (118.43) |
| Total | 100.00% | 1,427.28 | 100.00% | 688.82 |

(All amounts in ₹ Lakhs, unless otherwise stated)

49 Previous year's figures have been regrouped or reclassified wherever necessary.

(Signatures to Note 1 to 49)

For and on behalf of the Board

Farid Kazani
Managing Director
DIN- 06914620

Radhakrishnan Sundar
Executive Director
DIN- 00533952

Place : Navi Mumbai
Date : May 9, 2017

Venkatesh Chakravarty
Non-Executive Chairman and Independent Director
DIN- 01102892

Kunal Karan
Chief Financial Officer

Nishant S Shirke
Company Secretary

As per our report of even date

For Varma & Varma
Chartered Accountants
FRN: 004532S

Cherian K Baby
Partner
M No: 16043

Place : Navi Mumbai
Date : May 9, 2017

KEY STATISTICS - MAJESCO LTD. CONSOLIDATED

(₹ in lakhs)

| Particulars | 2016-2017 | 2015-2016 |
|---|-----------|-----------|
| Total Revenue | 83,650 | 76,623 |
| Operating Profit (EBIDT) | 4,561 | 1,119 |
| Operating Profit Margin (%) | 5.45 | 1.46 |
| Net Profit | 1,939 | 731 |
| EPS (Rs/share) | 6.14 | 3.02 |
| DPS (Rs/share) | 5.78 | 2.80 |
| Growth in Revenue | 9.3 | NA |
| Net Profit Margin | 2.32% | 0.95% |
| Effective Depreciation rate | 16% | 12% |
| Interest Cover (Times) | 8.21 | 2.61 |
| Return on Net Worth | 4.96% | 2.50% |
| Debt/Equity | 0.25 | 0.33 |
| Current Ratio | 1.90 | 1.60 |
| Debtors Turnover (No. of Days) | 37 | 73 |
| Depreciation/ Average Gross Block | 0.16 | 0.12 |
| Dividend Payout | NA | NA |
| Dividend Yield | NA | NA |
| Operating Cashflows | 8,767 | (1,497) |
| Capital Expenditure in Fixed Assets | 2,467 | 3,769 |
| Current Investments and Cash and Bank balances | 17,520 | 12,720 |
| Current Investments and Cash and Bank balances as % of total assets | 27% | 19% |
| Book Value of Shares (Rs/ Share) | 123.24 | 119.70 |
| Market Value of Share (Rs/ Share) as at the year end | 332.60 | 568.50 |
| Price Earning Multiple | 54 | 188 |
| Group Employees as at the year end | 2,163 | 2,465 |
| Offshore(Numbers) | 1,751 | 1,961 |
| Onsite (Numbers) | 412 | 504 |
| Dividend -Equity (Incl tax) | NA | NA |

NOTICE

MAJESCO LIMITED

(Formerly known as Minefields Computers Limited)

Regd. Office: MNDC, MBP-P-136, Mahape, Navi Mumbai 400710

Corporate Identification Number (CIN): L72300MH2013PLC244874

website: www.majesco.com; Phone: +91-22-6150 1800 ;

Fax +91 22-2278 1332

NOTICE TO MEMBERS

NOTICE is hereby given that the 4th Annual General Meeting (AGM) of **MAJESCO LIMITED** will be held on Friday, August 4, 2017 at **Fortune Select Exotica, Banquet Hall: Appollo, Plot no. 16, Sector-19D, Palm Beach Road, Vashi, Navi Mumbai - 400705** at 11.00 a.m. to transact the following business

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt,
 - a. the Audited Financial Statement of the Company as on March 31, 2017 together with Reports of the Directors and Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year 2016-2017.
2. To appoint a Director in place of Mr. Radhakrishnan Sundar (DIN: 00533952), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. Varma & Varma, Chartered Accountants, (Firm Registration No. 004532S), Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the next AGM and fix their remuneration and pass the following resolution, with or without modification as an **ORDINARY RESOLUTION**:

“RESOLVED THAT, pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, the appointment of M/s Varma and Varma, Chartered Accountants (Firm Registration No. 004532S), be and is hereby ratified by the members of the Company, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts, deeds and things as may be considered necessary, proper or expedient in order to give effect to the above resolution.”

SPECIAL BUSINESS:

4. **RE-APPOINTMENT OF MR. FARID KAZANI (DIN: 06914620) AS MANAGING DIRECTOR OF THE COMPANY.**

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-

enactment thereof) read with Schedule V of the Companies Act, 2013, the relevant provisions of the Memorandum of Association and Articles of Association of the Company, and statutory approvals, if necessary, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Farid Kazani, as Managing Director of the Company with effect from July 4, 2017, till July 3, 2020 upon the terms and conditions including remuneration as set out herein below, with liberty to the Board (which term shall include any committee constituted or to be constituted by the Board) to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors and Mr. Farid Kazani and as may be permissible under the applicable laws:

Annual Gross Salary

The Annual gross salary comprises of Base Salary (Basic, HRA, Special Allowance, Ad-hoc Allowance, NPS, Other Allowances, Leave Travel Allowance, Car Facility, Medical Benefits, Superannuation, and other perquisites, as specified below, Company's Contribution towards Provident Fund and Employee Pension Scheme) and Incentives (as per the company policy)

Basic Salary:

Basic Salary of ₹ 3,20,000/- (Rupees Three Lakhs Twenty Thousand only) per month.

House Rent Allowance:

The Company will pay 50% (fifty percent) of the Monthly Basic Salary as Monthly House Rent Allowance (HRA).

Special Allowance:

Special Allowance of ₹ 2,60,000/- (Rupees Two Lakhs Sixty Thousand only) per month.

Other Allowances

Lunch Coupons – ₹ 2,200/- (Rupees Two Thousand Two hundred only) per month

Medical Allowance – ₹ 1,250/- (Rupees One Thousand Two Hundred Fifty only) per month

Conveyance Reimbursement – ₹ 1600/- (Rupees One Thousand Six hundred only) per month

Children Education Allowance – ₹ 200/- (Rupees Two hundred only) per month

Ad-hoc Allowance

Ad-hoc Allowance of ₹ 2,18,000 (Rupees Two Lakh Eighteen Thousand only) per month.

National Pension Scheme (NPS)

The Company will pay 10% (ten percentage) of the monthly basic salary as monthly NPS contribution.

Provident Fund Contribution:

Company's contribution towards provident fund as per rules of the Company, but not exceeding 12% of Monthly Basic Salary.

Leave Travel Allowance

₹ 60,000/- (Rupees Sixty Thousand only) per annum

Superannuation

The Company will pay an amount of 15% (fifteen percent) of the Monthly Basic Salary as Superannuation Contribution into Majesco Superannuation Scheme

Car Facility:

Company shall provide a Car as per Company Policy to Mr. Kazani

Gratuity:

As per rules of the Company

Medical Benefits

As per rules of the Company

Incentive:

Annual Incentive would be as per the company policy. The payout would be based on the individual and company performance for the year. The entitlement is 30% of the Base salary or such amount as may be decided based on performance evaluation by the Board of Directors and Nomination and Remuneration Committee.

Club Fees:

Reimbursement of Club Fees up to maximum one club.

Telephone and Broadband:

Reimbursement of Expenses towards Telephone and broadband facility at his residence to be used for the business of the Company.

Annual Increment:

This will be subject to annual increments as may be decided by the Nomination and Remuneration Committee and/or the Board of Directors of the Company, from time to time.

Perquisites:

As may be permitted as per the policy of the Company or by the Board of Directors of the Company and/or the Nomination and Remuneration Committee from time to time.

Employment Stock Options (ESOPs):

As may be decided by the Nomination and Remuneration Committee and/or the Board of Directors of the Company

Termination

The Agreement may be terminated by either party by giving three month's notice to the other party. In the event, this agreement is terminated by the Company; Mr. Farid Kazani shall be entitled to compensation, which would be equivalent to six month's of gross salary. In the event of termination by Mr. Kazani, he shall pay to the Company an amount equivalent to three month's basic salary in lieu of Notice.

In the event of change in management of Majesco Limited or restructuring of the Company or any other event which will result in exit of Mr. Farid Kazani, Mr. Farid Kazani shall be entitled to compensation, which would be equivalent to twelve month's of gross annual salary subject to compliance of the provisions of Companies Act, 2013.

Further, all the unvested options of Mr. Kazani under the ESOP Scheme of the Company shall get vested in his name immediately on such event becoming effective subject to compliance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT pursuant to all the applicable provisions of the Companies Act, 2013, the remuneration, as set out above, be paid as minimum remuneration to Mr. Farid Kazani, in the event of absence or inadequacy of profits in any financial year during the tenure of his appointment.

RESOLVED FURTHER THAT the any one of the Board of Director or Company Secretary be and is hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

By the order of the Board of Directors

For **Majesco Limited**

Nishant S. Shirke

Company Secretary

Place:- Navi Mumbai

Date:- July 3, 2017

Majesco Limited:

Registered Office Address:-

MNDC, MBP-P-136, Mahape, Navi Mumbai, Maharashtra, India.

Corporate Identity Number (CIN): L72300MH2013PLC244874

NOTES:

1. **A MEMBER ENTITLED TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED NOT LESS THAN 48 HOURS (FORTY EIGHT) BEFORE THE ANNUAL GENERAL MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.**
2. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company will remain closed from July 29, 2017 to August 4, 2017 (both days inclusive) for the purpose of Annual General Meeting.
3. Members are requested to immediately notify any change in their address and E-mail IDs to the Registrar and Share Transfer Agent of the Company at the following address:
 Karvy Computershare Private Limited,
 Unit:- Majesco Limited
 Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad,
 Telangana – 500 032, India
 Telephone number: +91 40 6716 2222
 Fax number: +91 40 2342 0814
 E-mail: einward.ris@karvy.com
 Website: www.karvycomputershare.com
4. Members are requested to bring the duly filled Attendance slip along with their copy of the Annual Report at the time of attending the Meeting. Please note that Annual Report copies shall not be available/ distributed at the AGM Hall.
5. Members may note that Annual Report for 2016-17 including Notice of the fourth Annual General Meeting will also be available on the Company's website <https://ir.majesco.com/financial-information/annual-reports/> for their download.
6. The brief resume/details of the Director being, re-appointed is annexed hereto.
7. Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and administration)

Rules, 2014 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("LODR"), the Company is providing its members with the option of voting by electronic means.

- (a) Each member can cast his vote electronically from <https://evoting.karvy.com>
- (b) The login details and password for electronically voting shall be provided by Karvy Computershare Private Limited.
- (c) In both the cases, the e-voting has to be done online by all the shareholders. Once the vote on a resolution is cast by the member electronically, he/she shall not be allowed to change it subsequently.
- (d) The Board of Directors have appointed M/s. Abhishek Bhate & Co., Practicing Company Secretary, who shall scrutinize the electronic voting process at the fourth Annual General Meeting and provide its report to the Chairman by August 5, 2017. As per Rule 20(4) (vi) of the Companies (Management and Administration) Rules, 2014, the facility for remote e-voting shall close at 5.00 p.m. on the date preceding the date of general meeting, i.e. in the instant case, e-voting shall close on August 3, 2017. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (e) The results of resolutions passed shall be declared on the basis of report of M/s. Abhishek Bhate & Co., Practicing Company Secretary and voting at fourth Annual general Meeting. The Result of voting shall be placed at the Company's web site viz. <https://ir.majesco.com/investor-communications/>

8. PROCEDURE AND INSTRUCTIONS FOR E-VOTING

The instructions for remote e-voting are as under:

- A. In case a Member receiving an email of the AGM Notice from Karvy [for Members whose email IDs are registered with the Company/ Depository Participant(s)]:
 - i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii) Enter the login credentials (i.e., User ID and password mentioned below). Event No. followed

by Folio No. / DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

- iii) After entering these details appropriately, Click on "LOGIN"
- iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v) You need to login again with the new credentials.
- vi) On successful login, the system will prompt you to select the "EVENT" i.e., (name of the Company).
- vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned therein. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.
- ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x) You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any numbers of times till they have voted on the Resolution(s).

xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail pcsabhishekbhate@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO."

xiii) In case a person has become the Member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. July 28, 2017, may write to the Karvy on the email Id: : eiwnard.ris@karvy.com or to Mr. V K Jayaraman, Contact No. 040-67161630, at [Unit: Majesco Limited] Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No.(i) to (xii) as mentioned in (A) above, to cast the vote.

B. In case of Members receiving physical copy of the AGM Notice by Post [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:

- i). User ID and initial password is provided, as follows at the bottom of Attendance Slip.

| EVEN (E- Voting Event Number) | USER ID | PASSWORD/ PIN |
|-------------------------------------|---------|------------------|
| | | |

- ii). Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.

C. The remote e-voting period commences on August 1, 2017 at 9:00 A.M. and ends on August 3, 2017, at 5.00 P.M. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being July 28, 2017, may cast their vote by electronic means in the manner and process set out hereinabove. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not vote by way of poll, if held at the Meeting.

- D. In case of any query pertaining to remote e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com>. (Karvy's website).
 - E. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date being July 28, 2017.
 - F. The Company has appointed Mr. Abhishek Bhate Practicing Company Secretary (Membership No.A27747) as a Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
 - G. The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than 3 days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company.
 - H. The results on resolutions shall be declared on or after the Annual General Meeting of the Company and the resolution(s) will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolution(s).
 - I. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company, <https://ir.majesco.com/investorcommunications/> and Service Provider's website (<https://evoting.karvy.com>) and the communication will be sent to the BSE Limited and the National Stock Exchange of India Limited.
9. Guidelines for attending the Fourth Annual General Meeting (AGM) of the Company:
 - a) Members/ Proxies are requested to affix their signature at the space provided in the attendance slip and handover the same at the entrance of the venue of the fourth Annual General Meeting.
 - b) Corporate Member(s) intending to send their authorized representative to attend are requested to send a certify copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.
 - c) Member(s) are requested to bring the copy/ notes of Annual Report to the AGM
 - d) The identity/ signature of the Members holding shares in demat form are liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the Depository Participant (DP ID), account number (Client ID) and the relevant identity card to the AGM for easier identification and recording of attendance at the AGM.
 10. All documents as mentioned in the resolutions are available for inspection to the Members at the registered office of the Company from 10.00 AM to 12.00 noon on any working day and will also available at the venue of the fourth AGM.
 11. The certificate issued by Varma & Varma, Chartered Accountants, Statutory Auditors of the Company certifying that the Company's Stock Option Plans are being implementing in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 is available for inspection by the Members at the venue of the fourth AGM and also at the registered office of the Company from 10.00 AM to 12.00 Noon on any working day.
 12. Member(s) must quote their Folio Number/DP ID & Client ID and contact details such as email address, contact no. etc, in all correspondence with the Company/ Share Transfer Agent.
 13. Securities and Exchange Board of India ("SEBI") has made mandatory to quote Permanent Account Number (PAN) for transfer/transmission of shares in physical form and hence, the transferee/legal heir(s) is required to furnish copy of his/ her PAN to the Company/ Share Transfer Agent.
 14. Member(s) holding shares in physical form is/are requested to notify immediately any change of their respective addresses and bank account details. Please note that request for change of address, if found incomplete in any respect shall be rejected. In case of shares held in electronic mode, the request for change of address should be made to the respective DPs with whom the Member(s) holding the demat account.
 15. Members may please note that no gifts/ gift coupons shall be distributed at the venue of the Annual General Meeting.

16. Additional information on Directors recommended for re-appointment required under Regulations 36 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is as follows:

| Particulars | Farid Kazani | Radhakrishnan Sundar |
|--|---|--|
| DIN | 06914620 | 00533952 |
| Date of Birth | April 4, 1967 | July 1, 1956 |
| Age | 50 | 61 |
| Category of the Director | Managing Director | Executive Director |
| Educational Qualifications | Bachelors of Commerce from Mumbai University and holds qualifications as a Member of the Institute of Cost Accountants of India (Grad. CWA) and the Institute of Chartered Accountants of India (ACA) | B.E. in electronics , PGDM from the Indian Institute of Management, Ahmedabad |
| Expertise in specific functional areas | Strategic business planning, Treasury and Fund Management, Forex, Mergers and Acquisitions and divestments. | Mr. Sundar has extensive experience in software industry |
| Date of Appointment on the Board | September 15, 2014 | June 1, 2015 |
| Remuneration details | Refer Corporate Governance Report. | Refer Corporate Governance Report. |
| Number of shares held in the Company as on date | 94,016 | 13,90,161 |
| List of Directorships held in other companies | 1) Majesco Software and Solutions India Private Limited 2) Wise Apps Private Limited 3) Cashless Technologies India Private Limited | Majesco Software and Solutions India Private Limited |
| Chairmanship / Membership of Audit and Stakeholders' Relationship Committees | Investors Grievances and Stakeholder Relationship Committee- Member | 1) Audit Committee- Member 2) Investor Grievances & Stakeholders Relationship Committee- Member |
| Relationship between Directors inter se | Mr. Farid Kazani is not related to any director of the Company | Mr. Ketan Mehta and Mr. Radhakrishnan Sundar are Promoter Directors |
| Number of meetings of the Board attended during the Financial year | 6 of 6 | 6 of 6 |

By Order of the Board of Directors,
For **Majesco Limited**

Nishant S. Shirke
Company Secretary

Date: July 3, 2017
Place:- Navi Mumbai

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**ITEM NO. 4**

The Members of the Company had appointed Mr. Farid Kazani to hold the office as Managing Director up to May 31, 2018. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors has, by a resolution passed at its meeting held on July 3, 2017, re-appointed him as the Managing Director for a further term of [3] years with effect from July 4, 2017 till July 3, 2020.

Keeping in view that Mr. Farid Kazani has rich and varied experience in the industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Farid Kazani as the Managing Director.

Mr. Farid Kazani has over 25 years of professional experience in the field of corporate finance. He earned a Bachelor's of Commerce from Mumbai University and holds qualifications as a Member of the Institute of Cost Accountants of India (Grad. CWA) and the Institute of Chartered Accountants of India (ACA).

I. General Information:

- (1) Nature of Industry: Software Industry
- (2) Date or Expected date of commencement of commercial production: The Company commenced its business operations from June 1, 2015 being the effective date of Scheme of Arrangement approved by Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat. The Appointed date for the scheme was April 1, 2014.
- (3) Financial Performance for the year ended March 31, 2016 and March 31, 2017:

₹ in Lakhs

| Particulars | FY 2015-16 | FY 2016-17 |
|---------------------------|--------------------------------|--------------------------------|
| Turnover | 2,756.87 | 3,061.87 |
| EBIDTA | 550.24 | (210.16) |
| PAT/(Loss) | 621.21 | 236.66 |
| EPS | Basic - 2.72 Diluted - 2.52 | Basic - 1.02 Diluted - 0.96 |
| Net Block of Fixed Assets | 300.93 | 374.65 |
| Net Worth | 25,316.39 | 25,927.96 |

- (4) Foreign Investment or collaborations, if any
The Company does not have any Direct Foreign Investments or foreign collaborations.

II. Information about the appointee:**(1) Background details:**

Mr. Farid Kazani earned a Bachelor's of Commerce from Mumbai University and holds qualifications as a Member of the Institute of Cost Accountants of India (Grad. CWA) and the Institute of Chartered Accountants of India (ACA).

(2) Past Remuneration:

Mr. Kazani is entitled for an aggregate remuneration of up to ₹ 13,735,430.04/- for the financial year 2016-17.

(3) Recognition or awards:

- Awarded the CFO 100 Roll of Honor by the CFO Institute in 2013, 2015, 2016 & 2017
- Winner of the IMA CFO Awards 2016 under the category "Excellence in M&A"
- Awarded the National Award for Excellence for the CFO of the Year 2016 in the IT/ITes Sector by CMO Asia
- Awarded the "Most Influential CFO's in India – 2016" by the CIMA

(4) Job profile and his suitability:

Mr. Kazani has served as CFO and Treasurer of Majesco US since 2011. Mr. Kazani has served as Group CFO and Finance Director of Mastek since 2009 till May 2015. Mr. Kazani served as CFO - India and Global Financial Controller for Firstsource Solutions Ltd., an IT-enabled services and business process outsourcing firm, where, among other things, he played a central role in the company's initial public offering in 2007. Mr. Kazani's earlier experience also includes positions with a number of large businesses in India, including RPG Enterprises, BPL Mobile, Marico Industries Ltd. and National Organic Chemical Industries Ltd. Mr. Kazani has over 25 years of professional experience in the field of Corporate Finance.

(5) Remuneration proposed: As above**(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

The proposed remuneration is comparable and competitive, considering the industry, size of the Company, the managerial position and the credentials of the appointee.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any:

Mr. Farid Kazani is not related to any Managerial personnel of the Company and does not have any pecuniary relationship with the Company other than as a shareholder (holding 94,016 shares) and remuneration paid by the Company to him mentioned elsewhere in this notice.

III. Other Information:

(1) Reason for loss or inadequate profit:

The last financial year of the Company was the second year in which Company has started its Insurance Product and Services Business after demerged from Mastek Limited and the company is in investment phase.

(2) Steps taken or proposed to be taken for improvements:

Majesco intends to extend its leadership as a provider of core system software to the global insurance industry. The key elements of the Company's strategy include:

- Continue to innovate and extend its technology leadership - Majesco intends to enhance the functionality of its industry-leading software for insurance carriers through continued focus on product innovation and investment in research and development.
- Strategic acquisitions: Majesco intends to continue acquiring companies with synergistic assets and capabilities. The Company will focus on improving revenue growth and profitability through integration synergies.
- Expand its customer base: Majesco intends to continue to aggressively pursue new customers by specifically targeting key accounts, expanding sales and marketing organization, leveraging current customers as references and extending geographic reach. Majesco targets new customers with its complete solution or by selling one or more of its applications, based on customers' initial needs.
- Upsell its existing customer base: Majesco intends to build upon its established customer relationships and track record of successful implementations to sell additional products to its existing customer base.
- Deepen and expand strategic relationships with its system integration partners: Majesco will continue to collaborate with, and seek to increase the value that its solutions generate for its strategic partners. Majesco believes these efforts will encourage its partners to drive awareness and adoption of its software solutions throughout the insurance industry.
- Increase market awareness of its brand and solutions: Majesco intends to continue to use its key partnerships, customer references and marketing efforts to strengthen its brand and reputation, enhance market awareness of its solutions to the insurance industry.

(3) Expected increase in productivity and profits in measurable terms:

The abovementioned steps are expected to improve the revenues in the coming year. This coupled with the implementation of cost containment measures, the Company will strive to improve its profitability.

IV. Disclosures

The necessary disclosures as required under Schedule V has been disclosed as above.

1. The Company proposes to pay an aggregate remuneration of up to ₹ 15,456,540/- per annum to Mr. Farid Kazani with esop and other perquisites.
2. Details of Fixed component and performance linked incentives:

| | |
|--|----------------------------|
| Fixed Component (excluding PF, Gratuity, Insurance premium, and Super Annuation) p.a | ₹ 11,544,600/- |
| Variable Component | 30% of Annual Gross Salary |

3. The Service Agreement with the Managing Director is for three years and provides for a notice period of three months. In the event of change in management of Majesco Limited or restructuring of the Company or any other event which will results in exit of Mr. Farid Kazani, Mr. Farid Kazani shall be entitled to compensation, which would be equivalent to twelve month's of gross annual salary subject to compliance of regulation of Companies Act, 2013.

Further, all the unvested options of Mr. Kazani under the ESOP Scheme of the Company shall get vested in his name immediately on such event becoming effective subject to compliance with the provisions of the Companies Act, 2013.

4. As on July 4, 2017, Mr. Farid Kazani is entitled to 1,31,771 ESOP options of Majesco Limited.

Your Directors seek your approval for appointment of and remuneration payable to Mr. Farid Kazani as the Managing Director of the Company on such remuneration as stated above and by way of Special Resolution.

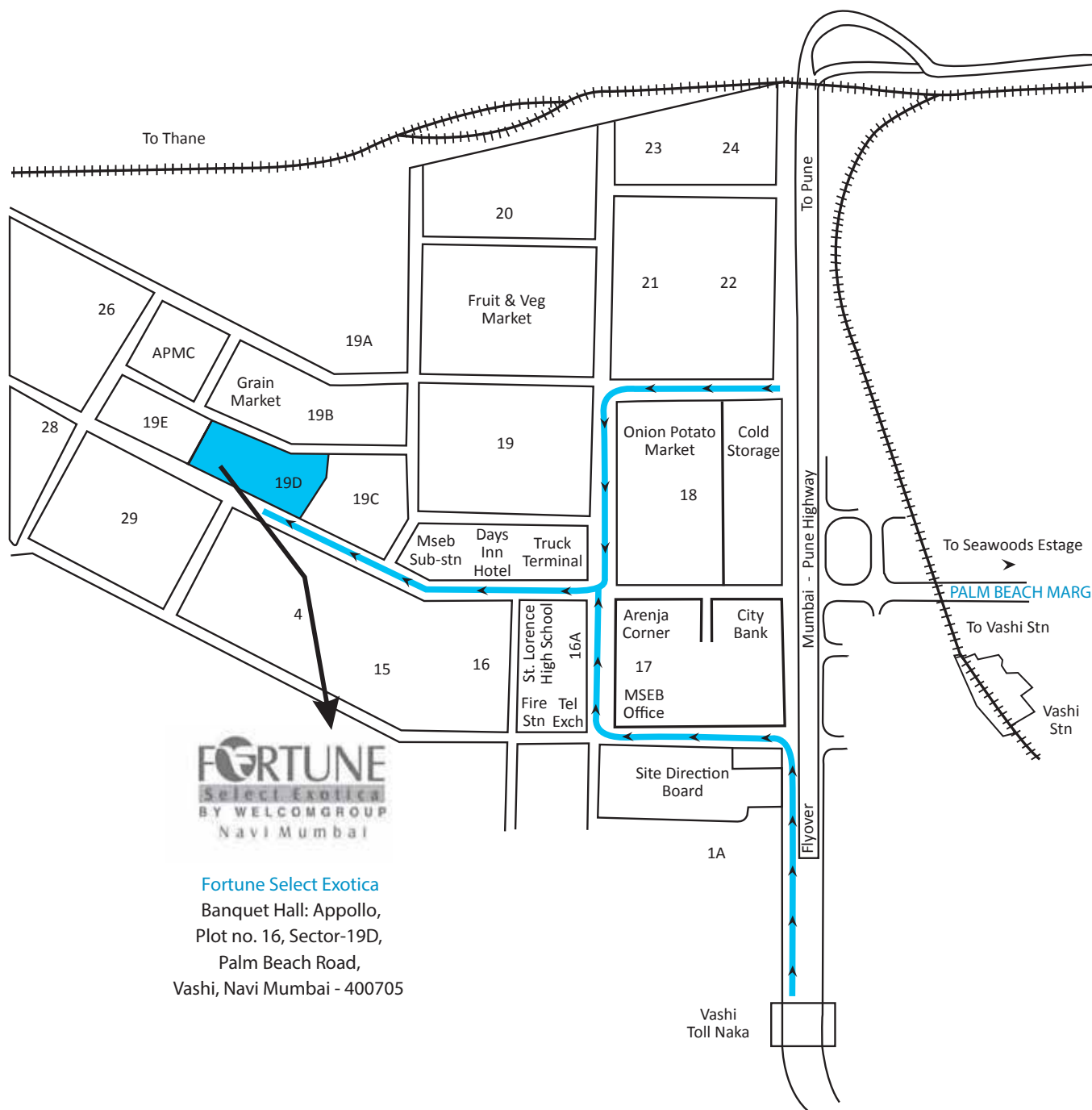
The employment agreement proposed to be entered into with the Managing Director is open for inspection at the registered office of the Company between 10.00 a.m. to 12.00 noon on all working days from Monday to Friday till the Annual General Meeting.

This explanatory statement together with the accompanying Notice is to be regarded as an abstract of the terms of the agreement and memorandum of concern or interest under Section 190 of the Companies Act, 2013.

None of the KMPs are interested in the proposed resolution except to the extent of their respective shareholding.

The Board of Directors recommend passing of the aforesaid resolution as Special Resolution.

ROUTE MAP TO THE VENUE OF THE AGM





E-Communication Registration Form

Karvy Computershare Private Limited
(unit:- MAJESCO LIMITED)
Karvy Selenium Tower B, Plot 31-32
Financial District, Nanakramguda, Gachibowli
Serilingamapally Mandal,
Hyderabad- 5000032, Telengana
Tel:- +91 40 6716 1500 Fax:- +91 40 2331 1968
Email:- einward.ris@karvy.com
Toll Free no. 1-800-3454-001

| | |
|---|--|
| Folio No./ DP ID & Client ID | |
| Name of the sole/first name member | |
| Name of joint holder(s) | |
| Registered Address of member | |
| Permanent Account Number | |
| Bank Details | |
| Email id to be registered | |
| Phone no. (with STD code)/ Mobile No. (in case the shares are held in physical form) | |

Signature of the member

Date:-

Note: Members holding shares in demat form are requested to fill up prescribed registration form with their Depository Participant (DP).

Members are requested to keep DP/RTA/Company informed as and when there is any change in the email address. Unless the email-id given above is changed by you by sending another communication in writing/ e-mail, the Company will continue to send the documents to you on the above mentioned e-mail id.



MAJESCO LIMITED

Corporate Identification Number (CIN):- L72300MH2013PLC244874

Registered Office:- MNDC, MBP-P-136, Mahape, Navi Mumbai 400076.

website: www.majesco.com; Phone: +91-22-6150 1800 ; Fax +91 22-2278 1332

Proxy Form

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):

Registered Address:

Folio/DPID-Client ID

I/We, being the member(s) of shares of Majesco Limited (the above named Company), hereby appoint

Name: Address:

E-mail id: signatureor failing him

Name: Address:

E-mail id: signatureor failing him

Name: Address:

E-mail id: signatureor failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 4th Annual General Meeting of the Company, to be held on August 4, 2017 at 11.00 a.m. at Fortune Select Exotica, Banquet Hall: Appollo, Plot no. 16, Sector-19D, Palm Beach Road, Vashi, Navi Mumbai - 400705 and any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No. | Resolution | For | Against |
|---------|--|-----|---------|
| 1. | Adoption of Financial Statements and Reports thereof for the Financial year 2016-2017 | | |
| 2. | Re-appointment of Executive Director- Mr. Radhakrishnan Sundar, as Director liable to retire by rotation | | |
| 3. | To ratify the appointment of Varma & Varma, Chartered Accountants as Statutory Auditors of the Company. | | |
| 4. | Re-appointment of Mr. Farid Kazani (DIN: 06914620) as Managing Director of the Company. | | |

Signed this day of 2017

Signature of Shareholder

Signature of Proxy holder (s)

Affix
revenue
stamp
₹ 1

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

MAJESCO LIMITED

Corporate Identification Number (CIN):- L72300MH2013PLC244874
Registered Office:- MNDC, MBP-P-136, Mahape, Navi Mumbai 400076.
website: www.majesco.com; Phone: +91-22-6150 1800 ; Fax +91 22-2278 1332

ATTENDANCE SLIP 4th Annual General Meeting – August 4, 2017

Name and address of the member in Block Letters:

Folio/DP ID- Client ID:

No. of Shares held:

I certify that I am member/proxy for the member of the Company.

I hereby record my presence at the 4th Annual General Meeting of the Company held on Friday, August 4, 2017 at 11.00 a.m. at Fortune Select Exotica, Banquet Hall: Appollo, Plot no. 16, Sector-19D, Palm Beach Road, Vashi, Navi Mumbai - 400705.

Signature of the Member/Proxy

Note: Please complete this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report to the AGM.

E-VOTING PARTICULARS

MAJESCO LIMITED

Corporate Identification Number (CIN):- L72300MH2013PLC244874
Registered Office:- MNDC, MBP-P-136, Mahape, Navi Mumbai 400076.
website: www.majesco.com; Phone: +91-22-6150 1800 ; Fax +91 22-2278 1332

ELECTRONIC VOTING PARTICULARS

| EVEN (E-voting event Number) | USER ID | PASSWORD /PIN |
|------------------------------|---------|---------------|
| | | |

Note:

- Please read instructions given at Note no. 8 of the Notice of the 4th Annual General Meeting carefully before voting electronically.
- Each equity share of the Company carries one vote.

Notes

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Notes

[illegible]

INDIA

NAVI MUMBAI

MAJESCO LIMITED

MNDC, MBP-P-136,
Mahape, TTC
Off Thane Belapur Road
Navi Mumbai
Tel:- +91 22 6150 1800
Fax:- +91 22 2778 1332

NAVI MUMBAI

MAJESCO SOFTWARE AND SOLUTIONS INDIA PRIVATE LIMITED

7th floor, building no. 11, Mindspace, SEZ,
Plot No. 3 (Part) Trans Thane Creek Industrial Area,
MIDC, Thane Belapur Road, Airoli 400708
Navi Mumbai
Tel:- +91 22 6900 0931
Fax:- +91 22 2778 1332

PUNE

MAJESCO SOFTWARE AND SOLUTIONS INDIA PRIVATE LIMITED

B/1, 2ND Floor, Cerebrum IT Park, Kalyani Nagar,
Pune 411014
Tel. :- +91 020 6607 2001
Fax:- +91 020 6607 2000

INTERNATIONAL

USA

MAJESCO

178 Oakwood Drive
Glastonbury, CT 06033

MAJESCO

685 Route 202/206
Bridgewater, NJ 08807

MAJESCO SOFTWARE AND SOLUTIONS INC.

412 Mt. Kemble Avenue, Suite 110C
Morristown, NJ 07960

MAJESCO

Tampico 42, P.B., Local 3
Colonia Roma
Delegacion Cuauhtemoc
C.P. 06700, Ciudad de Mexico

MAJESCO

412 Mt. Kemble Avenue,
Suite 110C,
Morristown, NJ 07960

COVER-ALL SYSTEMS INC.

412 Mt. Kemble Avenue, Suite 110C,
Morristown, NJ 07960

NEW ZEALAND

Majesco,

DFK Oswin Griffiths Carlton Ltd
Level 4/ 52 Symonds Street,
Auckland, 1010, NZ

CANADA

Majesco Canada Ltd.

1 Dundas Street West,
Suite 2500
Toronto, ON M5G 1Z3

UK

MAJESCO UK LIMITED

Pennant House, 2 Napier Court,
Napier Road, Reading, RG1 8BW

MALAYSIA:

Majesco Sdn Bhd

L3-I-7, Enterprise 4,
Lebuhraya Puchong, Sg. Besi,
Bukit Jalil, 57000
Kuala Lumpur, Malaysia.

THAILAND

Majesco (Thailand) Co. Ltd.

Suite 4139, Level 41, 323 Silom Road,
Bangkok – 10500 - Thailand



MAJESCO LIMITED

(Formerly known as Minefields Computers Limited)

Regd. Office: MNDC, MBP-P-136, Mahape, Navi Mumbai 400706

Corporate Identification Number (CIN): L72300MH2013PLC244874

Website: www.majesco.com;

Phone: +91-22-6750 1800 • **Fax:** +91 22-22781332