

Date: September 1, 2020

**Listing Department**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400 001

**Listing Department**  
**National Stock Exchange of India Limited**  
Bandra Kurla Complex  
Bandra East  
Mumbai – 400 051

**BSE Script Code: 539289**

**NSE Symbol: MAJESCO**

Dear Sir/ Madam,

**Sub: Notice of 7<sup>th</sup> Annual General Meeting and Annual Report for financial year 2019-20**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for financial year 2019-20 along with the Notice convening 7<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Thursday, September 24, 2020 at 10:00 A. M. (IST) through Video Conferencing/ Other Audio Visual Means.

Annual Report is available on the website of the Company at <https://ir.majesco.com/financial-information/annual-reports/>.

Request you to take the same on your records.

Thanking you.

Yours faithfully,  
For **Majesco Limited**

**Varika Rastogi**  
Company Secretary

Encl.: As above

Annual Report  
2019-20

A pink line graph with five data points, showing an overall upward trend, positioned in the upper right quadrant of the cover.

**INNOVATION,  
PARTNERSHIP  
& GROWTH**



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### Investor information

Market Capitalization as at March 31, 2020	: ₹ 73,060.81 Lakhs
BSE Code	: BOM: 539289
NSE Symbol	: MAJESCO
AGM Date	: September 24, 2020

Please find our online version at <https://ir.majesco.com/financial-information/annual-reports/>

Or simply scan to download



#### Disclaimer

This document contains statements about expected future events and financials of Majesco Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

# INNOVATION, WHEN COMPLEMENTED WITH THE RIGHT PARTNERSHIP BREEDS A CULTURE OF GROWTH.

Standing at a point of inflexion, we are shaping the future of insurance by bringing about the next big change. Rightly complemented with our partnerships, we are empowering our clients with expertise, technology, and tools to advance, through our world-class solutions. Leading the transformation, we are creating an ecosystem where they can focus on their priorities. We are progressing in this direction by automating business processes across the end-to-end insurance value chain. Through our cloud-native solutions, we have set out on a path of growth imagining a tomorrow that we foresee today.

Backed by our global expertise, strategic collaborations, and the ability to identify prospective demand, we are ready to leverage the power of innovation, partnership, and growth.

₹ 1,04,048 LAKHS

Revenue for FY 2019-20

₹ 13,961 LAKHS

Adjusted EBITDA for FY 2019-20

₹ 9,022 LAKHS

Net Profit for FY 2019-20

40.3 %

Revenue generated from cloud clients

₹ 83,085 LAKHS

12-month Order Backlog

7

Strategic Partners

₹ 23.46

Diluted EPS for FY 2019-20



# COMPANY OVERVIEW



Powered by **Innovation**



Motivated by **Partnership**



Driven by **Growth**

A good way of discovering limits is by constantly pushing past against them.

We, at Majesco, are growing by constantly challenging our limits to see what we are truly capable of doing. With an important role to play in shaping the future of insurance, we are leading a transformation to create the new-age insurance companies. As trusted business partners offering cloud-native microservices-based and open API-enabled core insurance platforms, we cater to the Property & Casualty (P&C), Life & Annuity (L&A) and Group markets, riding the wave of change.

Our first-mover advantage in the cloud computing space gives us an edge in the industry. We have created simple innovative experiences for our 200+ global customer base, while solving their complexities.



## Our Vision

CONNECTING PEOPLE AND BUSINESSES TO INSURANCE IN WAYS THAT ARE INNOVATIVE, HYPER-RELEVANT, COMPELLING, AND PERSONAL.

## KEY STRENGTHS



### LEADER IN DIGITAL SOLUTIONS

Through our technology, expertise, and leadership, we endow strategic digital solutions to insurance companies – helping them transform their businesses



### EXPERT THINKING

Our profound knowledge, robust skills and forward-looking perspectives enable us to make recommendations and provide expert guidance to our clients



### AGILE IN APPROACH

Our agility directly translates into shorter delivery cycles and faster time to the market. Thereby, increasing their return on investment while lowering risks



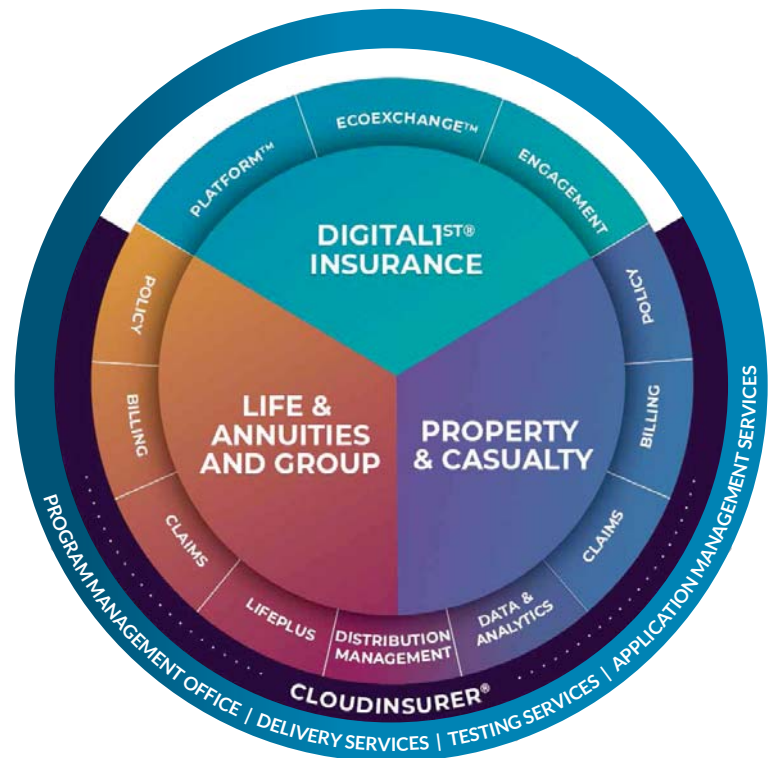
### HIGH PERFORMANCE CULTURE

Our people are our biggest asset and strength. A thriving work environment lets our people flourish and perform to the best of their abilities

## How we weave innovation into our growth

Whether it's an insurer, reinsurer, broker or MGA creating a new startup or greenfield; modernizing their legacy business; or optimizing their existing operations, Majesco's platform solutions help pave their way to the future.

Our solutions are built around and leverage Software as a Service (SaaS), Platform as a Service (PaaS) and Infrastructure as a Service (IaaS) technology architecture to enable our customers' business.



## Key Performance Indicators

**200+**



Global customers

**8**



No. of operational geographies

**65**



Cloud customers

**2,404**



Total Full Time Employees

**8**



No. of new clients added during FY 2019-20

**37**



No. of go-lives during FY 2019-20

**₹ 43,878** LAKHS 

Product revenue during FY 2019-20



# MARKET DIFFERENTIATION



## Cloud-Native solutions

Innovative capabilities built to rapidly launch new cloud solutions



## Diversified business model

Leader across P&C and L&A markets



### Speed

Speed to implementation,  
speed to market, speed to  
value



### Next-gen digital platform

Modern cloud, API and  
microservices-based digital  
platform



### Price

Lower cost of entry and a cost model  
aligned with new business growth



### Customer-focused

Solutions built to retain and  
grow with customers' digital  
expectations



### Expertise

Technical industry expertise  
and leadership



# LEADING WITH INTEGRATED SOLUTIONS

At Majesco, we are leading the bid of transformation through our integrated solutions and technologies. We are changing every aspect of how we serve our clients through impeccable customer service and differentiated delivery models. Our products help our clients upgrade and succeed in this new landscape while driving continued growth and value for our stakeholders.

## Our Next Generation Solutions

Cloud-based insurance products	PRODUCT USP:
<p><b>MAJESCO CLOUDINSURER®</b></p> <p>A cloud-based insurance platform that helps insurers match the reality of increasing customer demands while staying ahead in the industry.</p>	 <ul style="list-style-type: none"> <li>• Rapid delivery and value</li> <li>• Scalable pay-as-you-grow model</li> <li>• Seamless upgrades</li> </ul>
<p><b>P&amp;C CORE SUITE</b></p> <p>A suite that enables businesses to grow and innovate solutions for P&amp;C personal, commercial, workers compensation and specialty insurance. It also includes flexible enterprise policy management, billing, and claims platforms, to improve customer experience.</p>	<ul style="list-style-type: none"> <li>• Product innovation</li> <li>• Speed to value</li> <li>• Underwriting excellence</li> <li>• Seamless upgrades</li> <li>• Business agility</li> </ul>
<p><b>P&amp;C INSURANCE DATA &amp; ANALYTICS PLATFORM</b></p> <p>A platform that enables insurers to turn data into results, integrate, organize, and uncover strategic insights. It helps unlocking the true potential of digital transformation with a powerful data platform by delivering relevant information to right people at real-time. With our robust business intelligence and out-of-the-box analytic capabilities, we help companies focus more on business insights and accelerate digital transformation.</p>	<ul style="list-style-type: none"> <li>• Future-proofed data framework</li> <li>• Customer-focused</li> <li>• Accessible analytics</li> </ul>
<p><b>L&amp;A AND GROUP CORE SUITE</b></p> <p>A powerful single platform for individual, group and voluntary benefits to grow clients' businesses, ensuring better outcomes. This includes a cutting-edge policy management platform, an enterprise billing solution, and a claims management software, known for speed, ease of use and responsiveness.</p>	<ul style="list-style-type: none"> <li>• Customer-centric claims processing</li> <li>• Product innovation</li> <li>• Speed to adapt to market change</li> <li>• Flexible billing, payment, and collection</li> </ul>
<p><b>LIFEPLUS SOLUTIONS</b></p> <p>A solution made to provide SaaS offerings for the European markets. It enables individual life, pensions, and wealth management companies, to launch new products within just 24-48 hours, by using product development application. This ensures faster delivery to market with minimum risk and investments, allows businesses to reduce cost – eliminating the need to purchase any hardware, and lets the Company pay for what they use.</p>	<ul style="list-style-type: none"> <li>• Provides innovative Robo advice</li> <li>• Real-time illustration</li> <li>• Supports end-to-end customer journey</li> <li>• Automated full channel distribution and compensation management</li> </ul>
<p><b>DISTRIBUTION MANAGEMENT</b></p> <p>A platform that facilitates creation and execution of innovative distribution strategies. It optimizes existing channels, expands to new ones, and manages multi-channel distribution on a single platform. The solution helps tracking and enhancing channel performance with advanced reporting to provide easy and secure access to channel's performance.</p>	<ul style="list-style-type: none"> <li>• Competitive edge</li> <li>• Multi-channel</li> <li>• Simplified compensation</li> </ul>

## Our Digital1<sup>st</sup>® Insurance Portfolio

Customers' expectations and changing market dynamics are shifting business and operating models dramatically towards a digital transformation. Accordingly, in today's digital age, we believe that all the three steps of digital maturity, **Digitize, Optimize and Innovate**, are needed to build a sustainable competitive advantage.

In line with the above thought, we built the first-of-a-kind powerful Digital Insurance Platform, Majesco Digital1<sup>st</sup>® Insurance to provide **ONE** platform to pursue relentless innovation with speed and agility to accelerate the journey on the digital maturity curve.



ACCELERATING DIGITAL TRANSFORMATION

# DIGITAL1<sup>st</sup>® PLATFORM

DIGITIZE  
 OPTIMIZE  
 INNOVATE

- Low Code / No Code
- Cloud-Native
- Microservices
- Built-In DevOps
- Secure & Scalable
- Rich & Extensible UI
- Insurance Accelerators
- API / Integration Hub
- Plug-n-Play Ecosystem
- Seamless Updates

**Operational Platform**

ON-DEMAND,  
SCALABLE, SECURE

**Insurance Apps**

REUSABLE,  
TAILORABLE

**Partner Ecosystem**

ADD-ON BUSINESS,  
DATA, DISTRIBUTION  
& TECHNOLOGY  
PARTNERS






# OUR INNOVATIVE BUSINESS MODEL

## INPUTS

## PROCESS



### FINANCIAL CAPITAL

Financial capital is a critical input in executing business activities and in generating, accessing, and deploying other forms of capital

Equity: ₹ 1,435 Lakhs

Cash and Cash Equivalent: ₹ 41,750 Lakhs



### SERVICE CAPITAL

Service capital refers to solutions delivered to clients, based on their requirements

#### Cloud solutions offered:

- Majesco CloudInsurer®
- P&C Core Solutions
- P&C Data Solutions
- L&A and Group Core Suite Insurance Software
- LifePlus Solutions
- Insurance Distribution Management Software

#### Digital solutions offered:

- Digital1<sup>st</sup>® Platform
- Digital1<sup>st</sup>® Engagement
- Digital1<sup>st</sup>® EcoExchange



### INTELLECTUAL CAPITAL

Intellectual capital refers to the collective knowledge, research, thought leadership, brand management, and intellectual property, used to support business activities

₹ 13,548 Lakhs Spent on R&D for FY 2019-20

188 Modules deployed for P&C in North America

470 No. of people in the Product Development team



### HUMAN CAPITAL

Human capital refers to the employees' competencies, knowledge, experience, and their capabilities utilized to meet stakeholder needs

2,404 Total Full Time Employees

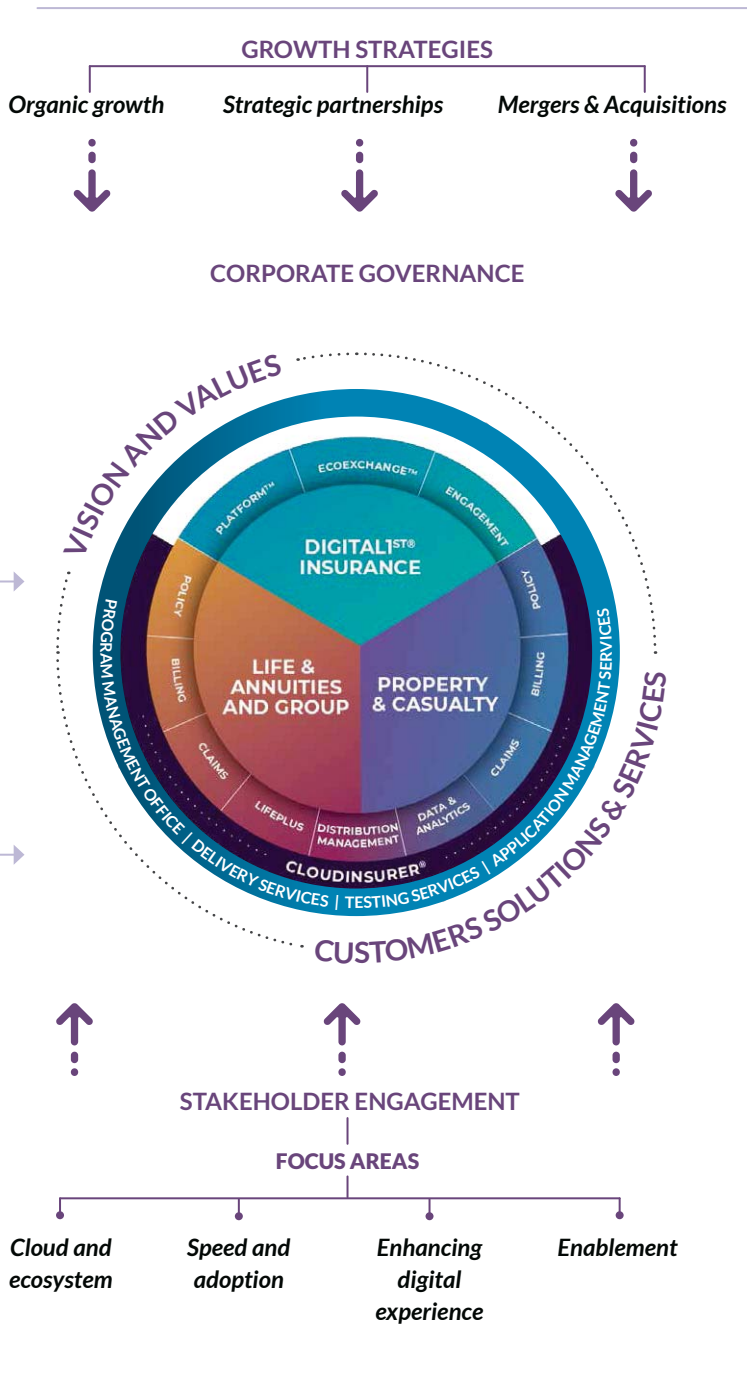


### SOCIAL AND RELATIONSHIP CAPITAL

Social and Relationship capital refers to the relationships, the Company establishes with its clients, investors, regulators, and community at large, to create a societal value as a responsible corporate citizen

7 Strategic Partners

>40 Ecosystem applications on Digital1<sup>st</sup>® platform



## OUTPUTS



### FINANCIAL CAPITAL

- ₹ 1,04,048 Lakhs Revenue for FY 2019-20
- ₹ 13,961 Lakhs Adjusted EBITDA for FY 2019-20 before stock-based compensation & M&A expenses and one time
- ₹ 9,022 Lakhs PAT for FY 2019-20



### SERVICE CAPITAL

- Personalized experiences leading to attract new customers
- Accelerating innovation
- Solving complex business problems and reducing go-to-market time
- Benefitting global clients through best-in-class ecosystems
- Speed to value
- 65 Cloud Customers
- Went live on Cloud and executed deliveries within 90 days



### INTELLECTUAL CAPITAL

- Recommendation across the board from renowned analyst agencies like Gartner, Aite, Novarica & Celent for P&C and L&A products
- LifePlus products launched



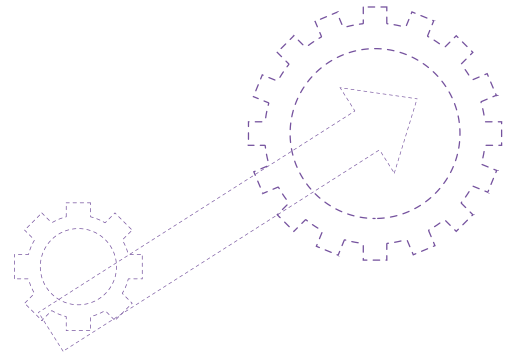
### HUMAN CAPITAL

- Workforce committed to growth, development, and transformation
- Living the values
- Improved retention
- Diverse workforce with 33% female



### SOCIAL AND RELATIONSHIP CAPITAL

- Improved relationships with key stakeholders
- Long-term sustainability
- Strengthened alliances and partner count consistently
- 8 new clients added in FY 2019-20
- 65 cloud customers
- 1/3<sup>rd</sup> of our customers run on CloudInsurer®



## KEY IMPACT



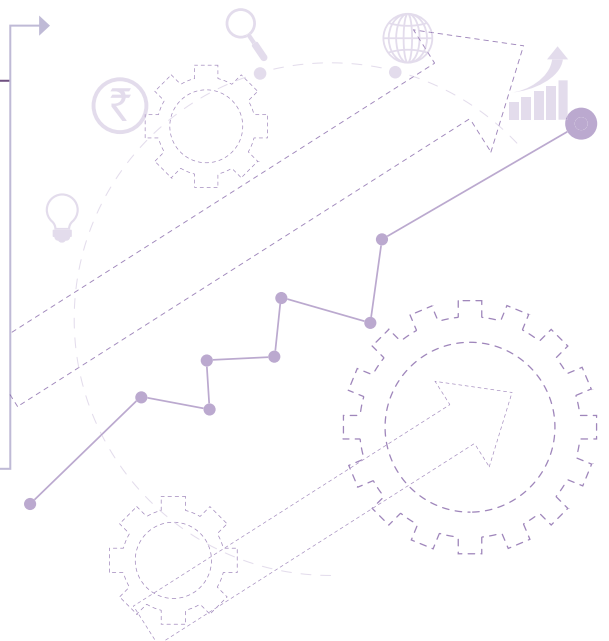
Enable insurance businesses to modernize, innovate and connect to build the future of their business with speed and scale.



Empower insurance digital transformation strategies.



Meet the demands of today's tech-savvy customers.



## FROM THE DESK OF THE MD & GROUP CFO

We are confident that our integrated solutions, executional brilliance, and strong relationships will continue driving our brand prominence globally.



**THIS REPORT IS A TESTIMONY TO THE PILLARS WHO RESPONSIBLY BEAR THE WEIGHT OF OUR PROGRESS 'INNOVATION, PARTNERSHIP & GROWTH'**

### *Dear Shareholders,*

It gives me immense pleasure to share with you my thoughts at the end of a satisfying financial year for Majesco Limited. Last few months have been unprecedented in more ways than one. The Covid-19 pandemic has been instrumental in bringing about a change right from the way we live to the way we conduct our businesses. Challenges sure are plenty. But so are opportunities to learn and surface up stronger. A crisis can never be bigger than its lesson and how we interpret these lessons is for us to decide. Our clients' undeterred trust imbibed in us and our employees' constant commitment towards our goals, are reflected in our extraordinary results during FY 2019-20. This report is a testimony to the pillars who responsibly bear the weight of our progress 'Innovation, Partnership & Growth'. I dedicate this report to all our partners, employees and other stakeholders, whose unflinching support has resulted into our innovative prowess, and sturdy and reliable partnerships, that have together charted the course of our growth.

### **INDUSTRY OVERVIEW**

2019 was a year that spoke of strong demand. It was largely characterized by a market with continuous shift from traditional legacy services to digital technologies, DevOps, and As-a-Service models. In this fast-paced and ultra-competitive business environment, acquiring

the best technology to deliver optimum performance is critical to success and sustainability. The emerging technologies like AI, ML, Robotic Automation, IoT and AR, among others, are helping enterprises improve productivity, monitor performance, automate processes, and reduce costs. There is a wave of rapid adaptation of automation to fully tap the potential of Industry 4.0. Organizations are getting ready for the next level of their digital transformation journey. And this is where Majesco's Cloud-based solutions are stepping in to help execute their digital transformation strategies.

### **FY 2019-20 UNDER REVIEW**

Against a backdrop of a volatile global and Indian economy, the strong growth in topline, sustainable profitability, and healthy margins, validate Majesco's strong business model. Our Cloud-based product strategy was well received by our clients.

The primary growth contributors for such a stellar year, included our continued focus on improving digital capabilities and consistently working with clients on large transformation programs. Our strong relations and enhanced overall performance helped us retain our leading position. The year was also defined by our unabated attention towards bringing in operating discipline, while transitioning into the next leg of our journey. Our new business model reflects a fundamental shift from service-based (on-premise installations and perpetual licenses)



to product-based (SaaS-based annual recurring revenue subscription fees through cloud). We continued embracing our value-centric and customer-focused model through API-enabled, microservices-based offerings.

Our Cloud-based subscription revenue continued its onward march, witnessing an overall growth of 35.6% y-o-y. With the total number of Cloud-based clients touching 65, Cloud deployment has experienced an increase and project implementation timelines have decreased. Our subscription business model allows us to rapidly generate Cloud services revenue during the implementation phase itself. Overall, our recurring product business now represents over 40% of the total revenue. The product business growth has more than offset the decrease of on-premises services. Using products and swifter technology, our SaaS-based model has brought about stability, increased volumes, and growth in number of users.

Our products, in various geographies, have also been performing well. During the year, we bagged new deals, carried out product upgradations and explored expansion opportunities. Our continuous efforts, strong execution, timely payoffs, and strong financial prowess has led us to become a debt-free company. The year was also underpinned by other marquee events including upgradation of solutions to the latest versions; acquisition of InsPro Technologies; partnership with DataRobot to accelerate adoption and an alliance with Capgemini, among others.

### FINANCIAL PERFORMANCE

Our operating revenue for the year FY 2019-20 stood at ₹ 1,04,048 Lakhs, reflecting a growth of 5.3%, as compared to FY 2018-19. Adjusted EBITDA for the year stood at ₹ 13,961 Lakhs for FY 2019-20. Increase in profit was substantially due to improved revenue profile with higher Cloud-based revenues and enhanced operating efficiencies. Monetization through newer models, cost efficiencies and various other cost controls measures led to an increment in Net Profit from ₹ 7,174 Lakhs in FY 2018-19 to ₹ 9,022 Lakhs in FY 2019-20.

### AGILE AND RESPONSIVE

Although FY 2019-20 was quite a busy year, the last few days presented us with never-seen-before experiences. Our lives, both personal and professional, underwent drastic changes due to the outbreak of the Covid-19 pandemic. There sure were hurdles, but we picked up lessons and moved on. I am happy to state that we, as a Company, were amongst the earliest few to respond

# ₹ 1,04,048 LAKHS

Operating revenue FY 2019-20

# ₹ 9,022 LAKHS

Net Profit for FY 2019-20

and adopt remote working. All our employees swiftly transitioned to a work from home setup. Backed by our team's seamless focus and agility, we stood by our commitments to projects and services, irrespective of what was happening outside. Even amidst these testing times, our focus entailed the safety of our employees, timely delivery of service to our clients, and the financial well-being of our Company.

### RISING HIGHER

With a record-breaking year behind us, our Cloud product-based strategy showcased tremendous success. An increasing number of companies are turning to partner with us on their journey to digital transformation. I am more excited than ever about the opportunities ahead, the future of Majesco and the large untapped potential of the insurance industry. Our persistent focus on delivering innovation and customer success has fuelled our growth and solidified our leadership positioning. In addition, we are anticipating higher revenues from our Cloud offerings, while growing at a faster pace, as compared to other areas of the business.

### CLOSING THOUGHTS

Our work is well surrounded by the optimism of opportunities. The growth we have achieved through our Cloud services proclaims the right direction of our growth story. I extend my sincerest gratitude to all our employees for their immense hard work. I express my regards and appreciation for all our stakeholders, including my fellow Board members, Management team, Partners and Customers, for their continuous support. I am confident, through our commitment and efforts, we are perfectly positioned to grow and create sustainable value for all.

Regards,

**Farid Kazani**

Managing Director & Group Chief Financial Officer

## PILLARS OF OUR EVOLUTION

One of the sustainable ways of successfully reinventing oneself is through constant analysis. It is important to chart our progress keeping our growth enablers in mind. At Majesco, we use our strategic vision to identify areas of reinvention. It not only helps extend our leadership position, using innovation and industry relevance, but also leads us to create our growth strategy. A perfect blend of strategic partnerships, M&A, organic avenues, and innovation, have together helped develop a model that resonates our growth trajectory.



# BRINGING A CHANGE THROUGH INNOVATION

**Innovation is the power that helps unlock new value. Through innovation, we establish our ground for bringing about changes while discovering newer opportunities on the way.**

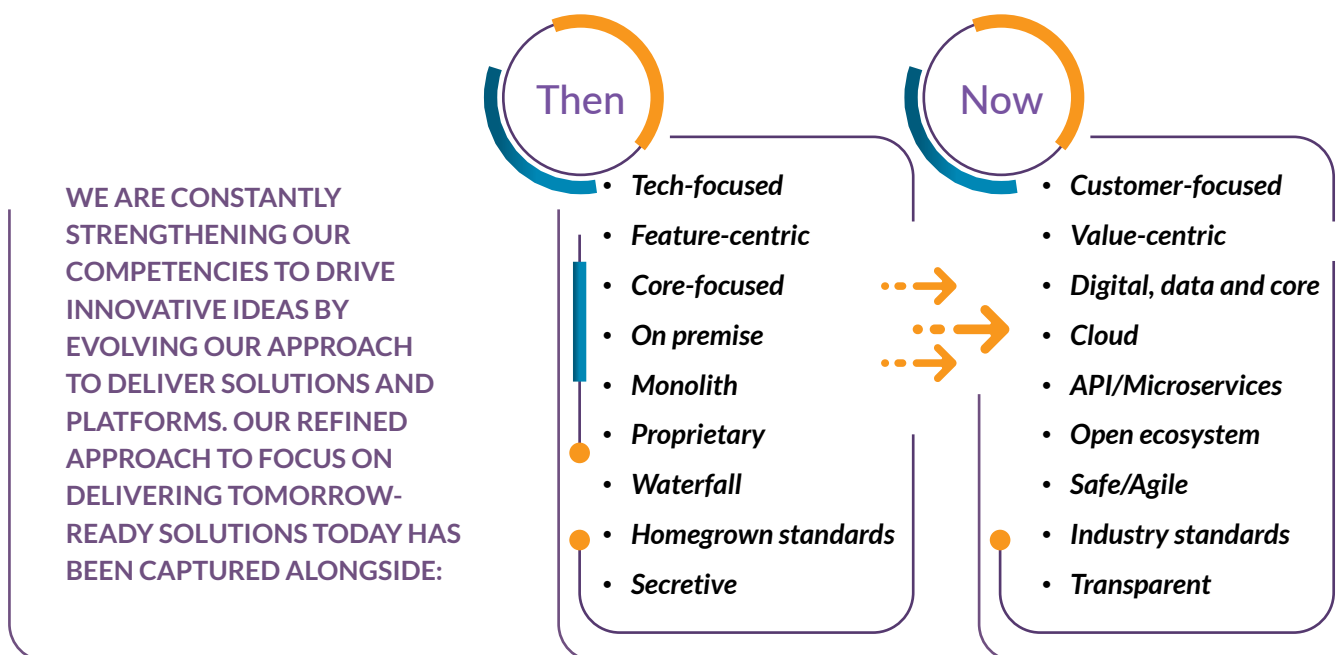
The new world of insurance is fast changing with exciting advancements in technology. As the customer demographics and expectations continue to evolve, there is an increased imperative towards a digital makeover through innovation on strategic and operational counts. This is to enable clients to take charge of their own future.

Based on the same footing of innovation and transformation, there is a strong need to build customer trust, increase engagement, and partner to prevent losses. These sentiments are also driving the insurance companies, to become innovation experts as well as adept managers of the unexpected.

Majesco is at the forefront of building infrastructures that support this need through our intelligent and innovative cloud-based solutions that simplify complex operations.

**₹ 22,173 LAKHS** 

Spent on Innovation, including acquisitions and other investments



### Case study 1:



#### **BURNS & WILCOX IMPLEMENTED MAJESCO DIGITAL1<sup>st</sup>® INSURANCE PLATFORM AS THE FOUNDATION FOR THEIR LATEST DIGITAL GROWTH STRATEGY**

**Next-generation platform enables wholesaler to bring innovative specialty insurance solutions to brokers and agents at speed and scale.**

Burns & Wilcox, North America's leading insurance wholesale broker and underwriting manager, selected Majesco Digital1<sup>st</sup>® Insurance platform as the foundation of their latest digital growth strategy.

For 50 years, the privately held wholesaler has served retail brokers and agents of all sizes—offering wide ranging and comprehensive specialty insurance solutions and trusted counsel on complex risks.

“When evaluating new technology solutions to further support our overall growth strategy and meet the needs of our clients, we determined the need for a platform that provided cloud-based, real-time, insurance specific capabilities,” commented Daniel J. Kaufman, Chief Operating Officer, Burns & Wilcox and Executive Vice President, H.W. Kaufman Group. “By partnering with Majesco Digital1<sup>st</sup>® Insurance, Burns & Wilcox can provide quick access to innovative specialty insurance products on a digital platform that meets the changing risk needs of consumers.”

The initial phase will include the development of three insurance offerings with plans to extend the platform across the enterprise with additional product offerings.

### Case study 2:



#### **ARCH INSURANCE LIVE WITH MAJESCO BILLING FOR P&C ON MAJESCO CLOUDINSURER®**

**The seven-month implementation is the first phase of a multi-phased enterprise strategic initiative to replace multiple legacy billing solutions that will help deliver superior customer service and growth.**

Arch Insurance is part of Arch Capital Group Ltd., a Bermuda-based company that provides insurance, reinsurance and mortgage insurance on a worldwide basis through its wholly owned subsidiaries. Arch Insurance aims to provide its customers with superb coverage and service through business-friendly solutions.

“Insurance customers are demanding new levels of billing service, and Arch's commitment to a superior client experience requires supporting a variety of payment options, customizable bill plans and access to real-time billing information. Our strategic partnership with Majesco and this initial implementation enable Arch to meet those needs.” stated Tom Ahern, EVP & Chief Financial Officer for Arch Insurance.

Arch's implementation is the first phase of a multi-phased enterprise initiative that will replace multiple legacy billing solutions.



### Case study 3:



#### **SECURA UPGRADES MAJESCO POLICY FOR P&C AND EXPANDS ADDITIONAL LINES OF BUSINESS AND STATES**

##### **Upgrade and expansion builds on a 25-year strategic partnership that positions them for the future of insurance**

SECURA has been a customer and partner with Majesco for more than 25 years. They are a leading mutual property and casualty insurer based in Neenah, Wisconsin with a 119-year track record of success. As a service-focused, relationship-driven insurer, they focus on serving the continually changing needs and expectations of their independent agent partners and customers.

SECURA Insurance successfully upgraded to Version 10 of Majesco Policy for P&C, transferred all policies, and implemented additional lines of business. The expansion of additional lines of business includes commercial package, directors and officers (D&O), professional liability, employment practices liability (EPLI), business owner's policy, target contractor, and commercial umbrella for 12 states. This follows the original implementation of commercial auto and workers' compensation.

Commenting on this achievement, Steve Miller, Vice President – Commercial Lines, said “SECURA is transforming its business to take advantage of the market growth in commercial lines. The upgrade and expansion of Majesco Policy for P&C provides us with a modern core platform as our foundation for growth. Majesco's deep experience and capabilities for commercial lines business, along with their pre-configured products with ISO content, have contributed significantly to this success. We look forward to a continued strategic partnership with Majesco as we move forward to a new era of insurance.”



# BUILDING TRUST THROUGH RIGHT PARTNERSHIPS

**A little win for one partner is a little win for another. Because the cumulative is always bigger than individual, whether it is for opportunity or growth. At Majesco, we leverage our complementary strengths and opportunities through our partnerships. It helps us share our uniqueness while building on our capabilities collectively.**

We cater the changing customer needs, harnessed by the power of the thriving ecosystems and meaningful alliances. These collaborations help us redefine the future of the insurance industry.

Ideas, when brought together, grow faster and better, bringing strength and progress. Our impressive array of enterprise-grade partnerships with some leading technology companies, facilitate system integrations. We harness their unique strengths into a common value chain, driving customers' business outcomes. Such collaborations drive synergies through referrals, increasing cross-selling opportunities and revenues.



## System Integrations

### KPMG

Our partnership with KPMG will assist us to provide insurers with digital transformation, end-to-end technology, operations, and business process improvement of their core systems.

### CAPGEMINI

Collaborating with Capgemini will allow us bring innovation and digital capabilities in L&A and Group suite, allowing insurers to achieve speed to value and reduce costs in turn.

### DELOITTE

The services provided by Deloitte will enable our core insurance offering to bring the transformation in the insurance carriers' journey. It will help improve flexibility and increase their speed to market for new products.

### ERNST & YOUNG 'EY'

The EY integration will facilitate provision of a customized approach to insurers and to their core insurance systems for P&A and L&A.

### PWC

The collaborative approach of PWC will allow us to provide insurers with core systems, allowing us to transform the P&C and L&A systems and Distribution Management.

### IBM

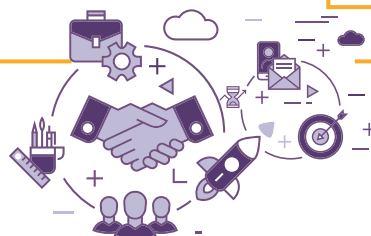
Through our IBM integration, we launched industry-first insurance platforms for P&C, L&A and Group Benefits. It will enhance our Cloud-based ecosystem, allow insurers speed to market by introducing innovative business models with low investments.



## Technology Partner

### MICROSOFT

Our collaboration with Microsoft is helping our Cloud solutions run on the Microsoft Azure platform. This is expected to provide scalability and secure Cloud-based core systems for insurance carriers.



# OUR 2020 PRODUCT ROADMAP



## DEPLOYMENTS IN P&C TILL DATE

Total Current Deployments of P&C Core, Digital, Data & Distribution modules

	POLICY	BILLING	CLAIMS	DIGITAL1 <sup>st</sup> ®	EDW	DM	
<b>Tier 1</b> DWP > USD 5 Bn	8	8	1	2	1	-	20
<b>Tier 2</b> DWP USD 1 Bn to USD 5 Bn	6	13	2	3	5	1	30
<b>Tier 3</b> DWP USD 300 Mn to < USD 1 Bn	15	17	4	3	4	-	43
<b>Tier 4 &amp; 5</b> DWP < USD 300 Mn	36	26	20	5	7	1	95
	65	64	27	13	17	2	

**188 Module Deployments**

# THE FOUNDATION TO FAST-TRACK GROWTH

**Growth is not built on what was done in the past. It is built on what you are going to do tomorrow. At Majesco, we always look out for opportunities to better ourselves at every stage. This is the core foundation that our growth chart is drawn upon.**

The principle core for a business to succeed, must result into its customers' growth. As a trusted InsurTech partner, we provide insights to companies to help them accelerate their digital transformation and catapult into the next orbit of their growth.

Our technology, expertise, and innovative capabilities have driven our growth since inception. Our constant quest to tap opportunities and grow through new models, mergers & acquisitions, and partnerships, empowers us to accelerate our strategic ambitions.

## Acquisition of InsPro Technologies

In furtherance to our growth agenda, we have always been receptive to new opportunities. Our acquisition of InsPro Technologies, a leader in the L&A insurance market in the US, during the year, is expected to strengthen scale and augment our market position in the North American L&A market.

## Strategies translating into numbers

Our strategies yielded great results during the year across P&C and L&A businesses.

**₹ 43,878** LAKHS 

Total product revenue

**₹ 15,735** LAKHS 

Total cloud subscription revenue

**₹ 30,282** LAKHS 

Total cloud revenue from P&C

**₹ 11,682** LAKHS 

Total cloud revenue from L&A

## A shift to the Cloud

Having understood that the next leg of growth is likely to emanate from the Cloud, we were amongst the early adopters. Our diversified business model provides a head start against competition, catering the market that is poised for transformation.

## Our evolution of product innovation

### 2016:

- Released CloudInsurer®, 100% Cloud-based P&C Core Suite and L&A and Group Core Suite
- Released Distribution Management

### 2018:

- Released Digitl1<sup>st</sup>® Insurance, 100% Cloud, API and microservices-based platform for next-generation insurance

### 2020:

- Continue to expand P&C and L&A Core Suite, Digital1<sup>st</sup>® and Data and Distribution Management products with Cloud, digital and modern capabilities

### 2017:

- Released Enterprise Data Warehouse products
- Released Ver 10 P&C Core Suite and L&A and Group Core Suite

### 2019:

- Released Ver 11 of P&C Core Suite, L&A and Group Core Suite and Majesco Distribution Platform

In line with the above strategy, we have shifted our focus from the conventional on-premise installations and perpetual licenses to SaaS-based, annual recurring revenue subscription fees through Cloud. It helps rapid generation of revenue during the implementation phase itself and brings in stability in volumes and swifter technology migrations.

# 35.6%

Increase in Cloud subscription business over the previous year

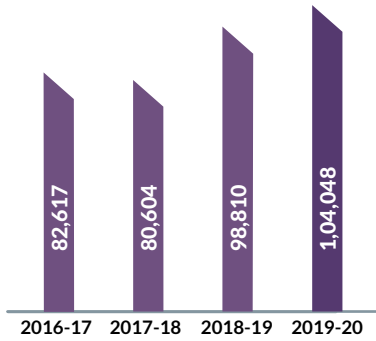
# 42.2%

Product revenue contribution to operating revenue

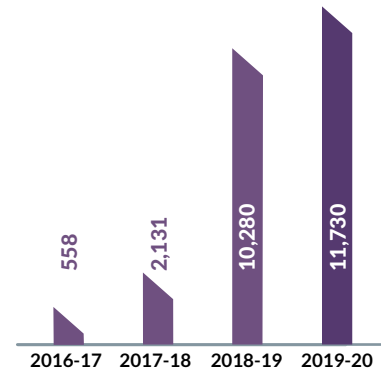
With multiple Cloud deals signed during the last year, and many more anticipated in the pipeline, we are expecting conversion into a healthy revenue prospect.

# MEASURING OUR PROGRESS

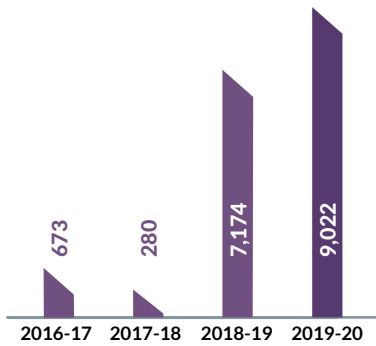
Revenue from Operations  
(₹ in Lakhs)



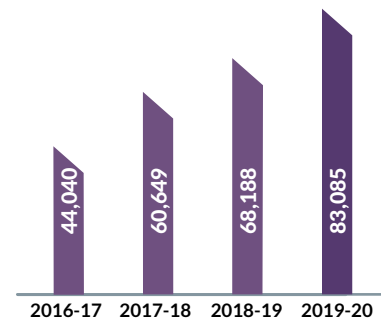
Profit Before Tax  
(₹ in Lakhs)



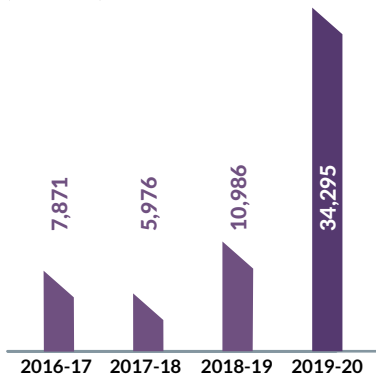
Profit After Tax  
(₹ in Lakhs)



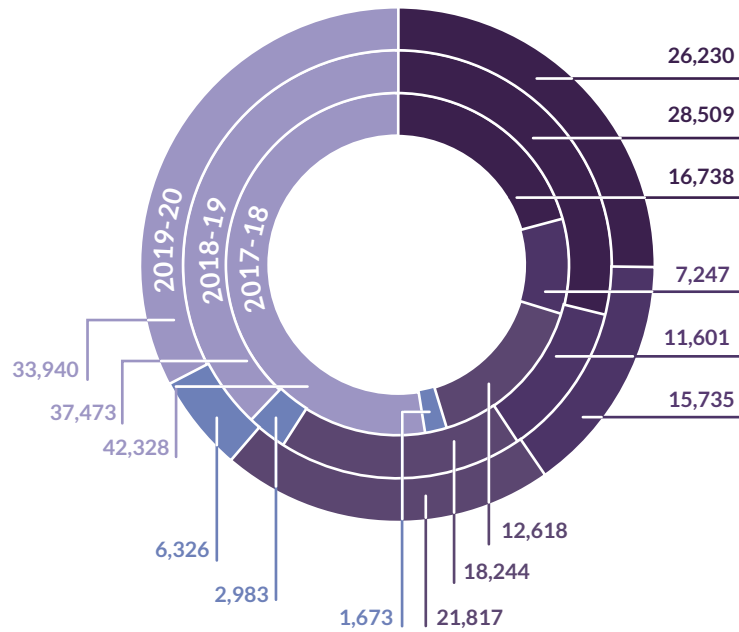
12-Month Order Backlog  
(₹ in Lakhs)



Net Cash  
(₹ in Lakhs)

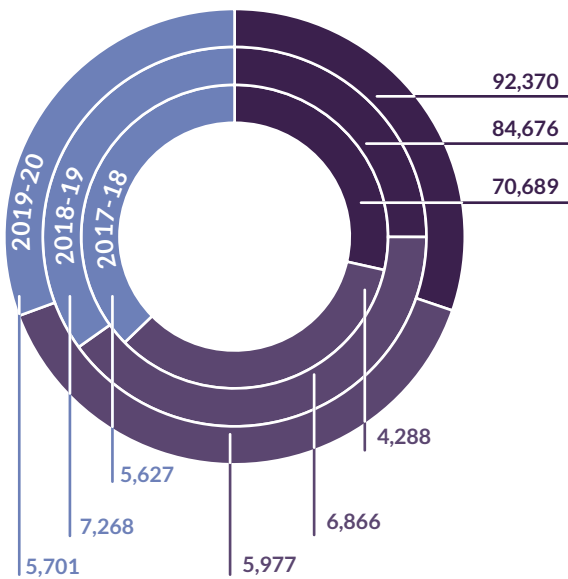






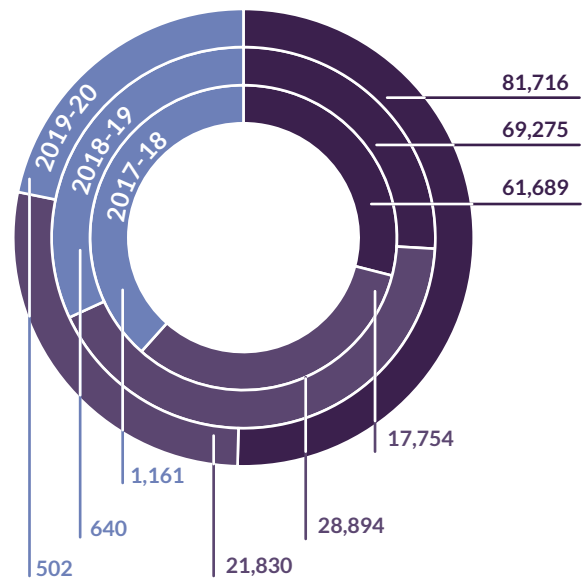
### SEGMENT-WISE REVENUE (₹ IN LAKHS)

Cloud implementation | Cloud subscription | Support and maintenance  
 License | On-premise professional services



### GEOGRAPHY-WISE REVENUE (₹ IN LAKHS)

North America | EMEA | Others



### LINE OF BUSINESS-WISE REVENUE (₹ IN LAKHS)

P&C | L&A | Non-insurance

# OUR TIMELINE OF EVOLUTION



## March 2019

- L&A and Group Core Suite was named 'Best-in-Class' Vendor in the Aite Life PAS AIM Report

## April 2019

- Entered a partnership with DataRobot
- Announced a wide range of ready-to-use partner apps available in the Majesco Digital1<sup>st</sup>® EcoExchange

## May 2019

- Entered an alliance with Capgemini

## August 2019

- Positioned as a 'Visionary' in Gartner 2019 Magic Quadrant for Life Insurance Policy Administration Systems, North America\*

## September 2019

- Named as a 'Leader' in Gartner 2019 Magic Quadrant for P&C Core Insurance Platforms, North America\*\*

## October 2019

- Announced the availability of Majesco Cloud solutions in the Microsoft Azure marketplace
- Architected Majesco CloudInsurer® and Majesco Digital1<sup>st</sup>® Insurance to benefit from the cloud capabilities of Azure

## December 2019

- P&C Core Suite named as the top 'Best-in-Class' Vendor in the P&C Policy Administration Aite matrix report

## January 2020

- Announced expansion of capabilities to Majesco Digital1<sup>st</sup>® insurance to accelerate insurer's digital transformation
- Agreement signed for acquisition of InsPro Technologies, a US-based L&A software provider\*\*\*

## May 2020

- Policy for P&C recognized as a Dominant Provider in the 2020 Novarica Market Navigator™ for Property/Casualty Policy Administration Systems

## June 2020

- Policy for P&C was recognized by Celent with the XCelent Award for Depth of Service in the North American Policy Administration Systems 2020 Personal, Commercial and Specialty ABCD Vendor View Report for the leading score
- Policy for L&A and Group recognized as a Dominant Provider in the 2020 Novarica Market Navigator™ for Life/Health/Annuity Policy Administration Systems

\*Gartner "Magic Quadrant for Life Insurance Policy Administration Systems, North America," Richard Natale, August 5, 2019

\*\*Gartner "Magic Quadrant for P&C Core Insurance Platforms, North America," Sham Gill, James Ingham, September 10, 2019

\*\*\*Transaction closed on April 1, 2020

# GROWING WITH OUR PEOPLE

A good team is built on the foundation of trust, support, and motivation. It is the right partnership of goals, growth, and genius.

With the growing maturity of software intelligence, problem-solving is going to increasingly become a task for software-powered machines. Every change begins with the reimagining of the customer value chain. And to successfully identify such areas of reimagining, it is increasingly becoming important for the firms to find, nurture, and retain a talent pool of problem-finders. This is critical for uncovering right problems that must be spotted and then solved to ensure continued relevance of businesses.

At Majesco, we realise the crucial role of a talented team in our business. Hence, we nurture our people with a good environment to unleash their potential. Their dedication embodies the values of trust, transparency, and teamwork. Backed by a seasoned group of enthusiastic and motivated employees, along with our strong domain expertise and ability to design, architect and find solutions, we cater our client requirements like no other.

## TALENT DEVELOPMENT

The success of our business depends on continuously aspiring for new boundaries.

Different leadership and grooming programs are conducted across all the levels to build a sustainable leadership pipeline.

To enhance and drive the business more efficiently and effectively, during the year, we onboarded new members as a part of our leadership team entailing the Chief Human Resources Officer and the Chief Information Officer.

**2,404**



Total Full Time Employees as on March 31, 2020

**1,960**



Offshore employees

**444**



Onsite employees



# LEADING BY EXAMPLE: OUR BOARD OF DIRECTORS

## VENKATESH N. CHAKRAVARTY

**Non-Executive Chairman and Independent Director**

**Experience:** 30 years in the insurance industry

**Qualification:** Associate Member of the Chartered Insurance Institute, UK (ACII, UK), Master's Degree in Administrative Management and Bachelor's degree in Economics, Political Science and Sociology

Venkatesh's experience spans insurance, management consulting and reinsurance, beginning with Life Insurance Corporation of India and Eagle Star International in the Middle East. At KPMG, he was an Associate Director, Management Consulting, responsible for the insurance practice. He was the Head of Life & Health business and a Director on the Board of Swiss Re Services India Private Limited for more than 10 years. In 2019, he retired as the CEO of General Reinsurance AG India branch.

## ASHANK DESAI

**Non-Executive Director**

**Experience:** More than four decades of rich and diversified experience in Information Technology Industry

**Qualification:** B.E. from Mumbai University, M. Tech from the Indian Institute of Technology (IIT), Mumbai, Post Graduate Diploma in Business Management (PGDBM) from the Indian Institute of Management (IIM), Ahmedabad

Ashank is an Information Technology Industrialist. He has worked with Godrej and Boyce before founding the

Mastek. He is actively associated with several government bodies and trade associations. Ashank is the Principal Founder and former Chairman of Mastek Limited. He also guides as a Trustee to Mastek Foundation, whose mission is to enable 'Informed Giving and Responsible Receiving'.

He is widely recognized as an Information Technology industry veteran and one of the most respected business personalities in India. He is one of the founder members & past Chairman of NASSCOM. He was a former President of Asian Oceanian Computing Industry Organization (ASOCIO), an association of 20 countries in this region. He also served as Vice-Chairman, Society for Innovation and Entrepreneurship (SINE) at his alma mater IIT Mumbai. The Prime Minister Shri Narendra Modi has felicitated him for his contribution to NASSCOM & Information Technology Industry for the last 25 years.

He is also the founder of Avanti Foundation NGO which provides leadership training to low income group girls to become leaders. He is Co-founder of PARFI NGO which provides Vocational training to high school dropouts. He is on Board of an NGO which trains deserving under privileged students to get admissions to IITs and Engineering colleges. He is also on the board of Government bodies and Non-Profits and advises them in the areas like Urbanization, IT, health, and education. He strongly believes in giving back to the society in whatever way he can and is also a philanthropist.

## FARID KAZANI

**Managing Director & Group CFO**

**Experience:** Three decades in corporate finance and core competencies in mergers & acquisitions, business restructuring, capital raise, strategic business planning, treasury management, partnership and divestments

**Qualification:** Rank-holder Chartered Accountant (CA), Cost Accountant (ICWA) Bachelors of Commerce (B.Com.) from Narsee Monjee College of Commerce & Economics, Mumbai  
Farid brings critical finance and organizational skills to Majesco Limited. Prior to joining Majesco, he was the Group CFO & Finance Director of Mastek Limited. He has been the architect of carrying out the process of demerger of the Insurance Business from Mastek Limited into Majesco Limited, which was completed in June 2015. He was responsible for reorganizing the legal entity structure and creating the Insurance product business under Majesco US, completing back to back acquisitions and paving the way to list Majesco US, on the NYSE-MKT and the parent company Majesco Limited, on the Indian Stock Exchanges.

He has worked with large business and conglomerate groups like National Organic Chemical Industries Ltd (NOCIL), Piramal Enterprises, Marico Industries Limited, BPL Mobile RPG Enterprises and Firstsource Solutions Limited. Prior to Mastek, in his previous stint with Firstsource as CFO-India & Global Financial Controller, he has been instrumental in building a robust

financial planning process within the company and has played a pivotal role in its IPO listing in 2007. Farid also serves as a member of Nasscom's Product Council for the period FY 2019-2021, an independent board member of a start-up and as trustee of a small charity organization in India.

During this working career, Farid has been conferred with several awards and accolades, for excellence in the Finance field across various categories such as M&A, Fund raising, Cost Control & Management.

#### VASANT GUJARATI

##### Independent Non-Executive Director

**Experience:** More than 35 years in field of Audit, Financial Systems, Operations, Risk Management, Regulatory Compliance

**Qualification:** Fellow member of the Institute of Chartered Accountants of India and Bachelor's degree in Commerce (Hons.)

Vasant has more than 35 years of post-qualification experience in PriceWaterhouse Coopers (PwC) in various roles and working with some of the largest multinational Companies in India. He joined M/s. Lovelock & Lewes, Chartered Accountants, in August 1976, initially a member firm of Coopers & Lybrand International and subsequently member firm of PwC. He was also a Partner with PwC India for 22 years (1991-2013) with PwC's Assurance and Business Advisory Services group and had also represented PwC India on PwC Global Committee for 'Industrial Products' Industry. He has exposure in the field of Audit, Financial Systems, Operations, Risk Management, Regulatory Compliance, Internal Audit Services, IT strategy implementation, Talent Management, Corporate Governance review & Advisory Services,

Ethics Assessment and Program Development, among others.

#### KETAN MEHTA

##### Non-Executive Director

**Experience:** Nearly four decades in the Information Technology Industry

**Qualification:** Management Degree from the Indian Institute of Management (IIM), Ahmedabad

Since October 2018, Ketan has been serving as Chairman of the Board of Majesco (USA). Prior to that, he served as President of Majesco (USA) from 2000 until March 2019, and Chief Executive Officer of Majesco (USA) from July 2011 to October 2018.

Ketan co-founded Mastek Limited in 1982 and served as a member of the Board of Directors of Mastek Limited until June 1, 2015. He was a member of the Nomination and Remuneration Committee of Mastek Limited from October 5, 2007 until June 1, 2015, and a member of the Governance Committee from January 7, 2009 until June 1, 2015. During his stint with Mastek, Majesco and its affiliates, he has handled multiple functions including sales, delivery, and general management. He is the driving force behind the conceptualization and execution of Majesco's insurance strategy, including acquisition and integration of five insurance technology companies over the last eleven years. Prior to that, he also spearheaded Mastek's joint venture with Deloitte Consulting.

#### MADHU DUBHASHI

##### Independent Non-Executive Director

**Experience:** More than four decades in financial services industry

**Qualification:** Economics graduate from Miranda House, Delhi University

and Post Graduate in Business Administration from the Indian Institute of Management (IIM), Ahmedabad

Madhu has worked with ICICI Limited, Standard Chartered Bank, JM Financial & Investment Consultancy Services Private Limited and Global Data Services of India Limited (erstwhile subsidiary of CRISIL Limited).

#### RADHAKRISHNAN SUNDAR

##### Executive Director

**Experience:** Nearly four decades of vast experience in the software industry

**Qualification:** MBA from the Indian Institute of Management (IIM), Ahmedabad and an undergrad in ECE from REC, Trichy

Radhakrishnan worked for two years with HCL Limited, after which he co-founded Mastek Limited. He has extensive experience in the software industry and actively participated in various strategic initiatives taken by Mastek Group. Radhakrishnan has a proven track record in building successful companies around emerging opportunities and leading technologies – having successfully nurtured start-ups both in India and the US. He also serves on the Board of Sankara Eye Foundation, USA, the fund-raising arm of Sankara Eye Care, India, engaged in eliminating curable blindness among the rural poor. Presently, he is engaged extensively with the social sector assisting them in building scale and achieving financial sustainability.



## OUR TEAM: RIGHT PEOPLE WITH RIGHT SPIRIT



### **ADAM ELSTER - Chief Executive Officer**

Adam, prior to joining Majesco, USA in 2018, served as President of Global Field Operations and member of the Executive Leadership team at CA Technologies, a USD 4.5 Billion Fortune 500 organization and business partner to the world's largest companies. Under his direction, CA Technologies evolved from legacy software vendor to digital transformation leader across DevOps, API Management, Security and Agile Management.

Adam currently sits on the Board at Optanix, an IT Service Management company, and at PENCIL.org, a non-profit organization that connects businesses with schools to provide advancement opportunities for students in underserved communities. He holds a Bachelor of Arts in Psychology, Master of Sciences in Management and Information Systems from New York University.

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### **ED OSSIE - Chief Operating Officer**

Ed is responsible for driving the Company's growth strategy, key operational initiatives and corporate development. He has spent the last 20 years in chief operating and chief executive roles. Prior to joining Majesco, Ed was Vice President and Director at Corum Group, a Global M&A Advisory firm focused on the Technology segment. In this role he advised several high-growth technology teams on how they might win, shape and scale their operations to create impact and options for their future. During this same time, he also served on the Majesco Executive Advisory Board.

He graduated with a Bachelor of Science degree from Missouri State University and attended select Executive Programs at Stanford Graduate School of Business.

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### **MANISH SHAH - President and Chief Product Officer**

Manish is responsible for management and development of innovative software products for the global insurance business and works on strategic directions for the Company as a member of 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. 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. He was responsible for business development, product management, project management and solution consulting to various enterprises including many Fortune 500 companies.

Manish earned an M.B.A. from Columbia University and a Bachelor of Science degree in Computer Science from MS University of Baroda, India.

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### **MALLINATH SENGUPTA - Executive Vice President and Head of Delivery, Consulting, and Support Services**

Mallinath is responsible for delivering client programs that meet customer expectations. He is passionate about transforming the software product delivery and implementation playbook. He has over 30 years of international experience in various roles including large-scale delivery (team size exceeding 10,000), Account Management, Pre-Sales, Engagement Initiation and Product Development. Mallinath previously worked for Wipro, NIIT and Mphasis. In his last role, Mallinath was Chief Executive-NextAngles at Mphasis Corp where he helped develop an AI-enabled software solution for banking regulatory compliance.

He is an alumnus of Indian Institute of Management, Bangalore.



**MELISSA BLANKENBAKER - Chief Human Resources Officer (CHRO)**

Melissa joined the Company as CHRO in October 2019. She is responsible for the full scope of human capital disciplines for Majesco's worldwide workforce and for transforming the Company's strategy for discovering, attracting, developing, and retaining exceptional talent.

Melissa previously worked at Mastercard as Vice President, Global HR for the Data & Services organization. Prior to this, she spent her career with CA Technologies where she held an array of HR leadership positions and was responsible for creating and executing holistic talent strategies that enabled positive business outcomes.

Melissa holds a B.A. from the University of Georgia as well as GPHR (Global Professional in Human Resources) certification, and continued her graduate studies at Southern Methodist University.



**DENISE GARTH - Senior Vice President, Strategic Marketing**

Denise is 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 Top 50 InsurTech Influencer and 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. At ACORD, she was vice president, standards and membership driving its 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.

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 has attended various executive leadership programs.



**JIM MILLER - Chief Revenue Officer**

Jim is responsible for driving Majesco's overall go-to-market methodology and execution of the Company's growth strategy. Prior to joining Majesco, Jim had a successful career at CA Technologies, where he led sales strategy for products and field teams across multiple business units worldwide, with revenues ranging from USD 350 Million to USD 2.5 Billion. He spent 20 years in executive leadership and general management roles, earning a reputation for delivering top performance across partner and direct sales channels by improving operational discipline, transforming systems, and developing consistent and repeatable growth at scale. During his time at CA Technologies, Jim pioneered a complete turnaround from sales decline to sales growth across several product business units.

He has a Bachelor's degree from the University of Maryland at College Park.



**PRATEEK KUMAR - Executive Vice President, Global Sales**

Prateek is responsible for the entire customer lifecycle, including building new business and deepening existing relationships with clients across P&C and L&A lines of business. He has held various positions in presales, sales, and account management at Majesco, since 2003. Prior to that he worked as an IT consultant with the Exeter Group in the areas of IT strategy, planning and program management.

He has an MBA from Virginia Polytechnic Institute and State University.



**LAUREN HOLMES - Chief Information Officer (CIO)**

Lauren joined Majesco as CIO in 2019. She is responsible for fostering a world-class IT organization and for furthering Majesco’s use of next generation technologies to create competitive advantage and ongoing transformation as Majesco continues to help insurers innovate and become more agile to meet the demands of a software-driven world.

Prior to joining Majesco, Lauren had a successful career at CA Technologies, where she provided critical transformation leadership through major organizational growth and technological advancement, and successfully led the adoption of industry-leading agile practices.

Lauren is known as a thought leader and champion for leveraging IT as a strategic partner to the business, whether that includes implementation of industry-leading SaaS solutions, or defining and building elements of an end-to-end customer and operational experience centered around digital engagement. Her professional training includes Deloitte’s CIO & Executive Program, the Darden Financial Management Program, and Harvard Business School Executive Education.



**FARID KAZANI - Managing Director & Group Chief Financial Officer**

Farid, a qualified Chartered Accountant (CA) and Cost Accountant (ICWA) has had an outstanding academic record being a rank holder in CA and completing his graduation with a Bachelors of Commerce (B.Com) Degree from Narsee Monjee College of Commerce & Economics, Mumbai.

He brings critical finance and organization skills to Majesco Limited with nearly three decades of experience in the field of Corporate Finance. His core competencies include mergers and acquisitions, business restructuring, capital raise, strategic business planning, treasury management, partnership and divestments. Prior to joining Majesco, he was the Group CFO & Finance Director of Mastek Limited. He has been the architect of carrying out the process of demerger of the Insurance Business from Mastek Limited into

Majesco Limited, which was completed in June 2015. He was responsible for reorganizing the legal entity structure and creating the Insurance product business under Majesco US, completing back to back acquisitions and paving the way to list Majesco US, on the NYSE-MKT and the parent company Majesco Limited, on the Indian Stock Exchanges.

He has worked with large business and conglomerate groups like National Organic Chemical Industries Limited (NOCIL), Piramal Enterprises, Marico Industries Limited, BPL Mobile RPG Enterprises and Firstsource Solutions Limited. Prior to Mastek, in his previous stint with Firstsource as CFO-India & Global Financial Controller, he has been instrumental in building a robust financial planning process within the Company and has played a pivotal role in its IPO listing in 2007. Farid is also serving as a member of Nasscom’s Product Council for the period FY 2019-2021, an independent board member of a start-up and as trustee of a small charity organization in India.

During this working career, Farid has been conferred with several awards and accolades, for excellence in the Finance field across various categories such as M&A, Fund raising, Cost Control & Management.



**LORI STANLEY - Senior Vice President & General Counsel**

Lori Stanley has global responsibility for the Majesco, USA and its global subsidiaries. Prior to 2019, Lori served as General Counsel, North America at Majesco and Corporate Secretary. Before joining Majesco USA, she served as General Counsel and Corporate Secretary of Enherent Corp. (“Enherent”), following Enherent’s acquisition by merger of Dynax Solutions, Inc. At Dynax, she was General Counsel and Vice President of Human Resources and Corporate Secretary, and served as a member of the Board of Directors. Her earlier roles included General Counsel and Vice President of Human Resources for The A Consulting Team, Inc. (now known as Helios & Matheson Analytics, Inc.), Vice President of Legal Operations and Human Resources for The Netplex Group, Incl, and General Counsel of the Solutions Division of Computer Horizons

Corp.

Lori has a B.S. from St. John’s University and a J.D. from Seton Hall Law School.

# COMPANY INFORMATION

## BANKERS

HDFC Bank Limited

ICICI Bank Limited

Standard Chartered Bank

The Hongkong and Shanghai Banking Corporation Limited

Yes Bank Limited

## STATUTORY AUDITORS

M/s. MSKA & Associates,  
Chartered Accountants

## REGISTERED OFFICE

MNDC, MBP-P-136,  
Mahape, Navi Mumbai – 400 710

## REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Private Limited  
Selenium Tower B, Plot 31-32,  
Financial District, Nanakramguda,  
Hyderabad – 500 032  
Tel: +91 40 6716 1633  
Toll Free no.: 1800-345-4001  
Fax: +91 40 2342 0814  
E-mail: einward.ris@kfintech.com  
Website: www.kfintech.com

## BOARD OF DIRECTORS

**Mr. Venkatesh N. Chakravarty**  
Non-Executive Chairman &  
Independent Director

**Mr. Ashank Desai**  
Non-Executive Director

**Mr. Farid Kazani**  
Managing Director & Group CFO

**Mr. Ketan Mehta**  
Non-Executive Director

**Mrs. Madhu Dubhashi**  
Independent Director

**Mr. Radhakrishnan Sundar**  
Executive Director

**Mr. Vasant Gujarathi** (w.e.f. March 3, 2020)  
Independent Director

**CHIEF FINANCIAL OFFICER**  
Mr. Kunal Karan

**COMPANY SECRETARY**  
Mrs. Varika Rastogi

### 7<sup>th</sup> ANNUAL GENERAL MEETING

**Date:** Thursday, September 24, 2020

**Time:** 10:00 A.M. (IST)

**Mode:** AGM through Video Conferencing/  
Other Audio Visual Means facility

# MANAGEMENT DISCUSSION & ANALYSIS

## I. INDUSTRY STRUCTURE AND DEVELOPMENTS

### Global Economy and Information Technology

The year 2019-20 witnessed a highly turbulent period in terms of economic development. While the economy seemed weak overall, some green shoots of stabilization had started to emerge towards the end of the year. At this juncture, the unexpected emergence of a major health crisis in the form of Covid-19 pandemic disrupted major economic activities across the globe and literally brought them to a grinding halt. The response to avoid the spread of this pandemic was a host of restrictions on the movement of people, goods and services, along with containment measures like a lockdown for more than a couple of months. The impact of this calibrated response has had far reaching adverse impact on the economy across the globe surpassing even the global financial crisis of 2008-09.

A significant adverse impact of the Covid-19 pandemic is the contraction of the global economy which is projected to shrink at (3.0)% in 2020 as compared to 2.9% in 2019. It is also estimated to gradually rebound to 5.8% in 2021, well above the trend, reflecting the normalization of economic activity helped by policy support, as per the International Monetary Fund (IMF) World Economic Report. The US economy witnessed a growth of 2.3% in 2019 and is expected to contract to (5.9)% in 2020, followed by a pick up to 4.7% in 2021. UK's economy is expected to contract at (6.5)% in 2020, and consequently move up to 4.0% in 2021 from 1.4% in 2019, mainly due to persisting uncertainty over the outcome of UK-EU trade negotiations and Covid-19 outbreak. India's GDP grew at 4.9% in fiscal year 2020 and is projected to grow at 1.9% and 7.4% in fiscal year 2021 and 2022, respectively, led by positive impact from structural reforms and monetary policy support. The forecast assumes that the Covid-19 impact would fade in the second half of 2020, allowing containment efforts to slowly scale back, while re-establishing consumer confidence. However, currently it is difficult for anyone to predict the exact global economies' growth due to unprecedented health crisis.

2019 was a year of strong demand with a market characterized by shift from traditional legacy services to digital technologies, DevOps and As-a-Service models. According to the National Association of Software and Services Companies (NASSCOM) Strategic Review

2020 report, the global Information Technology and Business Process Management (IT-BPM) industry grew at 5.6% in revenue terms to USD 1.5 trillion in 2019. The growth was majorly driven by enabling digital at the core of enterprise, augmenting customer experience and digital operations, powered by technologies such as cloud computing, industrial automation, Artificial Learning (AI) and Machine Learning (ML), Internet of Things (IoT), Augmented Reality (AR) and Virtual Reality (VR), blockchain, business intelligence, cyber security and data analytics. IT services witnessed a growth of 3.5% led by rising demand for application development and management services. The Americas continue to account for the largest share of the market. Across the globe, economies and businesses are reeling under demand depression, increasing unemployment, lowering industrial output & profits, and a supply side constraint due to coronavirus pandemic. However, these challenges have provided an opportunity for new businesses to prosper, based on a new digital reality. The world is thinking about implementing ways and means to reduce the disruption caused to the humanity. This is the perfect time to focus on digital transformation by realizing the necessities accelerating it. The repercussions of the pandemic are expected to compel the customers to accelerate their shift to digital. Digitalization in every industry including BFSI, Retail, Travel and Healthcare, will increase its relevance in coming years. Post COVID-19 crisis, working remotely is expected to be a new norm requiring stronger cyber security measures leading to acceleration of technology trends like core modernization, data modernization and cloud computing.

### Indian Economy and Information Technology

The year 2020 is expected to be the year of digital transformation. Technology has become mainstream in our daily lives and this trend will continue in years ahead, to reshape business conduct and consumer behavior.

According to NASSCOM, the domestic IT-BPM industry revenue grew at 7.7% from USD 177 Billion in Financial Year (FY) 2018-19, to USD 191 Billion in FY 2019-20. The domestic IT-BPM witnessed growth, driven by various government initiatives to use digital platforms, and Indian enterprises across industries are rapidly implementing digital technologies to adapt to a changing competitive landscape. IT services revenue grew at



## MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

6.7% to USD 97 Billion in 2019-20 from USD 91 Billion in FY 2018-19, driven by the shift towards digital as enterprises focus more towards digital transformation projects. India continues to be a preferred destination for IT services, attributable to strong execution capabilities of Indian IT companies, cost advantages, favorable talent landscape and increased government focus on IT infrastructure.

India's software product market increased by 9.6% to touch USD 9 Billion in FY 2019-20, from USD 8.2 Billion in FY 2018-19. The key growth drivers are continued focus of organizations on digital transformation followed by the increasing intervention of technologies like AI, Automation, Cloud Computing and Blockchain, among others.

As per IBEF (India Brand Equity Foundation), the insurance industry in India is expected to touch USD 280 Billion by 2020. The outlook for the insurance industry is upbeat, due to variety of factors like growing middle class, young insurable population and growing awareness of the need for retirement planning. Insurers are using emerging technologies, to transform their IT systems and platforms.

### II. STRENGTHS AND OPPORTUNITIES

The global insurance industry is projected to spend USD 235 Billion on IT products and services in year 2020 as insurers continue to modernize their systems and deploy emerging technology in pursuit of digital business, according to Gartner's research report.

#### Key takeaways from Novarica's survey

Novarica surveyed more than 100 insurer Chief Information Officer (CIO) members of the Novarica Insurance Technology Research Council, for their 12<sup>th</sup> annual survey published in October, 2019. Here are the key findings:

- Overall average IT spending is inching upward for 2020 as insurers seek to improve speed to market, distributor service and analytics capabilities. There is a continuing shift towards digital and data/ analytics, and a continuing embrace of cloud and Agile development. Security spending is also growing as a share of budget and as a key challenge for CIOs.
- Business leaders want new capabilities and cost savings. Speed to market, distributor ease of doing

business and business intelligence/ analytics are the most common asks from IT, but more than a third of insurers also want reduced operating expenses just as much.

- Digital and data/analytics account for more than half of "grow" and "transform" spending. More than 50% of insurers are planning for new systems or major enhancements in portals, business intelligence and predictive analytics.

Digital leaders will increase to invest in new business models, products, processes including customer engagement and distribution models aligned to a more digital economy and growing demographic. More insurers will look to expand to alternative digital channels such as marketplaces and embedded insurance offerings with other businesses decreasing the cost of customer acquisition while expanding reach.

From a longer term horizon, the digital and cloud focus will continue across all aspects of an insurer's operating model. Development of partner ecosystems, whether for technology, data, channels or other needs will rapidly build out, not only changing how insurers work with partners, but also within new ecosystems such as mobility, health and wellness, financial services, retail and more.

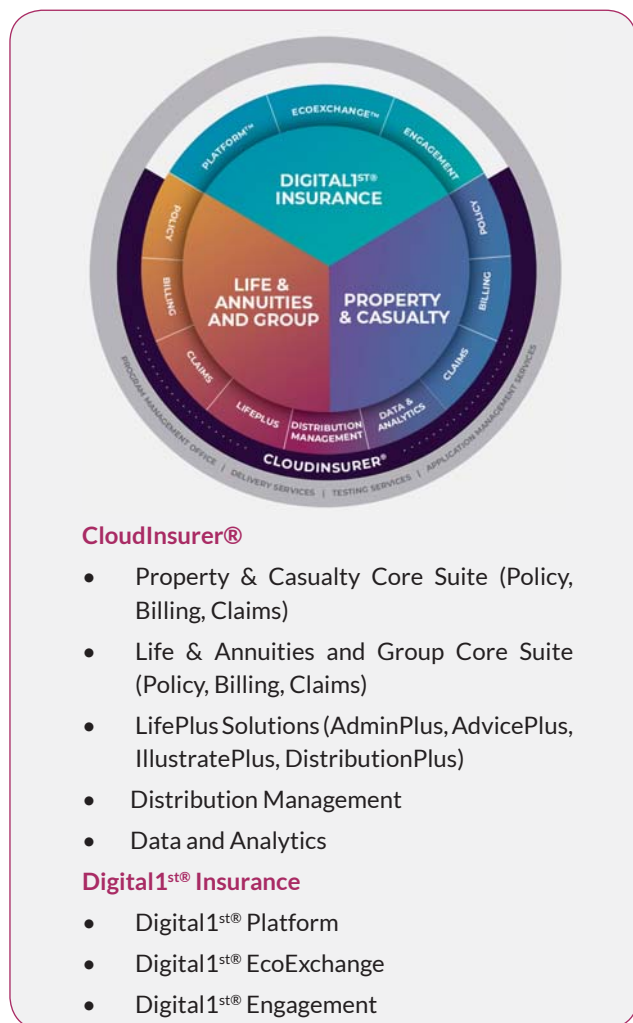
Further, Covid-19 crisis is poised to be a potential game changer for the insurance industry, requiring insurers to address both their current and future business models at the same time. The organizations that strategically invest in their business and technology are well positioned for growth and success in current crisis environment, while those lagging will have to accelerate their investments to stay relevant in today's market. This brings a huge opportunity for Majesco's core business, which serves the Property and Casualty ("P&C") and Life and Annuity ("L&A") segments.

### III. COMPANY REVIEW

Majesco is a global leader of cloud-based solutions that enable P&C, L&A and Group insurance businesses to meet the demands of today's digital customer. Over 200 insurance companies worldwide in P&C, L&A and Group Benefits are transforming their businesses by modernizing, optimizing or creating new business models with Majesco solutions. Our platforms connect people and businesses to insurance in ways that are innovative, hyper-relevant, compelling and personal.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

Majesco's Product Offerings



**A. Majesco P&C Core Suite**

A powerful core systems suite empowering business growth and innovation for P&C personal, commercial, workers' compensation and specialty insurance.

Majesco P&C Core Suite provides core system capabilities, including policy, billing and claims. It gives insurers the power, flexibility and speed to innovate and create profitable growth.

In April, 2019, we unveiled version 11 of Majesco P&C Core Suite which was made available to our customers in October, 2019. The new version includes significant enhancements along with new features, for further improving speed to value, customer experience, ecosystem connectivity and cloud delivery across all suite products with simple, easy and quick upgrade.

**B. Majesco L&A and Group Core Suite**

A powerful core system suite empowering business growth and innovation for individual, group and voluntary benefits insurance.

Majesco L&A and Group Core Suite uniquely supports individual, group and voluntary benefits on a single platform, recognizing that nurturing and retaining customers, regardless of where they originate, is critical to insurers' growth strategies. The suite provides essential core insurance capabilities for policy, billing and claims. The powerful design allows for rapid adaptation for new, innovative products or benefit plans, giving insurers the power, flexibility and speed needed to capture opportunities and create profitable growth.

In April, 2019, we unveiled version 11 of Majesco L&A and Group Core Suite which was made available to our customers in October, 2019. The new version includes significant enhancements along with new features, to enable customers' transformation to meet the demands of a new era of insurance.

**C. Majesco LifePlus Solutions**

Majesco LifePlus Solutions are in use for individual life, pensions and wealth management in Europe. Majesco LifePlus Solutions empower providers to consolidate existing systems, improve flexibility, make their business digital-ready, optimize and improve business processes and increase operational efficiencies.

**D. Insurance Distribution Management Software**

Insurance Distribution Management Software is a robust distribution management platform designed to manage multiple channels, complex compensation schemes, high-volume changes, innovative contests and to offer personalized payment schedules and self-service. It supports all lines of business for L&A and P&C on a single platform.

**E. Data and Analytics Platform**

A sophisticated platform that helps insurers to use data as a strategic asset, putting information in the hands of the right people at the right time. It's a robust business intelligence and analytics tool with 300+ standard business reports, dashboards, KPIs for claims, underwriting, policy and billing functions.

## MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

### F. Majesco Digital1<sup>st</sup>® Insurance

Majesco Digital1<sup>st</sup>® Insurance platform is a ground-breaking digital and micro-services based cloud-only platform solution, designed to enable the next era of new business models, new products and customer engagement. It can subscribe to third-party services and real-time data sources that traditional core systems may not effectively support and is configurable for different customer segments and user requirements.

In April, 2019, we further announced a wide range of ready-to-use partner apps available in the Majesco Digital1<sup>st</sup> EcoExchange marketplace – a part of Majesco Digital1<sup>st</sup> Insurance solutions. Majesco Digital1<sup>st</sup> EcoExchange includes dynamic, real-time marketplace of pay-per-use insurance apps built with Majesco and its rich ecosystem of data and solution partners.

Our market leading software, consulting and services uniquely underpin the entire insurance value chain, and empower insurers with the agility, innovation and speed, to maximize their transformation opportunities. Majesco is well positioned to capitalize the business momentum, leveraging favourable market trends, on account of its scale, product reputation, success of implementations and breadth of solutions.

#### The Results

Majesco's continuous focus on growth strategies translated into excellent industry ratings:

- Positioned as a 'Visionary' in Gartner 2019 Magic Quadrant for Life Insurance Policy Administration Systems, North America.
- Named as a 'Leader' in Gartner 2019 Magic Quadrant for P&C Core Insurance Platforms, North America.
- Denominated by the Aite Group as the top 'Best-in-Class' Vendor in the P&C Policy Administration and L&A Core Systems.
- Named amongst the 'Dominant Providers' by Novarica for P&C Insurance Platforms.
- Amongst the top two for Functionality and Technology for L&A in North America.

### IV. BUSINESS REVIEW

Our cloud-based strategy resonates the market. During the year, we continued supporting new and existing customer growth plans, launching new products, upgrading product offerings, focusing on operational efficiencies and partnering with the best strategic partners in the industry to reach new markets and to support our customers in shaping the future of their business.

#### Partnerships

In April, 2019, we entered a partnership with DataRobot, the leader of automated machine learning, to accelerate adoption and success of Artificial Intelligence (AI) in the insurance industry. This partnership integrated AI and Automated Machine Learning (AML) capabilities with Majesco solutions, in order to help insurers optimize the business, while driving growth and innovation.

In May, 2019, we entered an alliance partnership with Capgemini. Majesco and Capgemini are working together to bring insurance innovation and digital capabilities to the implementations of Majesco's L&A and Group Core Suite in order to help insurers achieve speed to value.

Since then, we have established partnership alliance for a go to market strategy with following large System Integrators:

- **Ernst & Young (EY):** EY provides insurance companies with a customized approach to core insurance systems transformations. Its consulting and implementation offerings align well with Majesco's core systems for P&C and L&A.
- **KPMG:** KPMG's dedicated insurance operations and technology practice provide digital transformation and end-to-end technology operations and business process improvement related aspects of core systems implementation.
- **PricewaterhouseCoopers (PwC):** Majesco and PwC are working with insurers to deliver core systems led business transformation. The implementation offerings align well with Majesco's P&C and L&A systems and Distribution Management offering.

## MANAGEMENT DISCUSSION &amp; ANALYSIS (Contd.)

In October, 2019, we announced the availability of Majesco Cloud solutions in the Microsoft Azure Marketplace. Majesco CloudInsurer® and Majesco Digital1<sup>st</sup> Insurance® were architected to benefit from the cloud capabilities of Azure. Our relationship with Microsoft will help enrich our solutions with innovative cloud capabilities, as well as expand the reach of our cloud platforms. Hence, helping the industry accelerate its journey to the future of insurance with speed and scale.

**Update on Acquisition**

In January, 2020, we expanded our L&A business in North America with the announcement of the strategic acquisition of InsPro Technologies Corporation, a U.S. based software leader in the life and annuity insurance market ("InsPro"). The transaction got completed in April, 2020.

InsPro brings an insurance administration and marketing system that supports group and individual business lines and efficiently processes agent, direct market, worksite and website generated business. Majesco expands their customer portfolio of leading insurers and third-party administrators who currently process over 15 Million policies daily, including some with over a Million policies each.

The expertise, talent and experience that the InsPro team brings is critical to meeting the demands of today's digital customer and reinforces Majesco's commitment to creating a future of insurance that is agile, nimble and fast. InsPro also strengthens and supports Majesco's strategy to continue leading the industry with innovative, cloud-based solutions that help carriers take advantage of current market opportunities.

**Operating Revenue**

We generated an operating revenue of ₹ 1,04,048 Lakhs in FY 2019-20, reflecting growth of 5.3% compared to FY 2018-19 and a growth of 3.90% in constant currency terms. The Company expanded profitability from ₹ 7,174 Lakhs in FY 2018-19 to ₹ 9,021 Lakhs in FY 2019-20. We expect the revenue from our cloud offerings to grow at a faster pace as compared to other areas of our business. Analysis of revenue by offerings is provided below.

**Operating Revenue by Offerings**

Offerings	(Amount ₹ in Lakhs)		
	Year ended on March 31, 2020	Year ended on March 31, 2019	Y-o-Y Growth
License	6,326	2,983	112.07%
Cloud Subscription	15,735	11,601	35.63%
Support & Maintenance	21,817	18,245	19.58%
<b>Product Revenue (A)</b>	<b>43,878</b>	<b>32,829</b>	<b>33.66%</b>
% of Operating Revenue	42.17%	33.22%	-
<b>Professional Services Revenue (B)</b> (including Cloud Implementation Revenue)	<b>60,170</b>	<b>65,981</b>	<b>(8.80%)</b>
% of Operating Revenue	57.83%	66.78%	-
<b>Total Operating Revenue (A+B)</b>	<b>1,04,048</b>	<b>98,810</b>	<b>5.30%</b>

**Region-wise Revenue by Offerings**(i) **North America**

Offerings	(Amount ₹ in Lakhs)		
	Year ended on March 31, 2020	Year ended on March 31, 2019	Y-o-Y Growth
License	6,026	2,470	144.00%
Cloud Subscription	14,932	11,168	33.70%
Support & Maintenance	18,903	14,516	30.22%
<b>Product Revenue (A)</b>	<b>39,861</b>	<b>28,154</b>	<b>41.58%</b>
% of Operating Revenue	43.15%	33.25%	-
<b>Professional Services Revenue (B)</b> (including Cloud Implementation Revenue)	<b>52,508</b>	<b>56,522</b>	<b>(7.10%)</b>
% of Operating Revenue	56.85%	66.75%	-
<b>Total Operating Revenue (A+B)</b>	<b>92,369</b>	<b>84,676</b>	<b>9.08%</b>

## MANAGEMENT DISCUSSION &amp; ANALYSIS (Contd.)

(ii) Europe

(Amount ₹ in Lakhs)

Offerings	Year ended on March 31, 2020	Year ended on March 31, 2019	Y-o-Y Growth
License	271	319	(15.04%)
Cloud Subscription	803	433	85.45%
Support & Maintenance	1,169	1,272	(8.09 %)
<b>Product Revenue (A)</b>	<b>2,243</b>	<b>2,024</b>	<b>10.91%</b>
% of Operating Revenue	37.52 %	29.47 %	-
<b>Professional Services Revenue (B)</b> (including Cloud Implementation Revenue)	<b>3,734</b>	<b>4,842</b>	<b>(22.88%)</b>
% of Operating Revenue	62.48 %	70.53 %	-
<b>Total Operating Revenue (A+B)</b>	<b>5,977</b>	<b>6,866</b>	<b>(12.94 %)</b>

(iii) Others (APAC/ India)

(Amount ₹ in Lakhs)

Offerings	Year ended on March 31, 2020	Year ended on March 31, 2019	Y-o-Y Growth
License	28	194	(85.56 %)
Cloud Subscription	-	-	-
Support & Maintenance	1,746	2,456	(28.90 %)
<b>Product Revenue (A)</b>	<b>1,774</b>	<b>2,650</b>	<b>(33.05 %)</b>
% of Operating Revenue	31.11 %	36.46 %	-
<b>Professional Services Revenue (B)</b> (including Cloud Implementation Revenue)	<b>3,927</b>	<b>4,618</b>	<b>(14.96 %)</b>
% of Operating Revenue	68.89 %	63.54 %	-
<b>Total Operating Revenue (A+B)</b>	<b>5,701</b>	<b>7,268</b>	<b>21.56 %</b>

V. **PERFORMANCE REVIEW****Key Financials**

On a consolidated basis, we registered total operating revenue of ₹ 1,04,048 Lakhs as on March 31, 2020 vis-

à-vis ₹ 98,810 Lakhs as on March 31, 2019. Analysis of Operating Revenue, Region-wise and Line of Business-wise is mentioned below.

**Operating Revenue by Regions**

Region	Year ended on March 31, 2020		Year ended on March 31, 2019		Growth %
	₹ in Lakhs	% of Revenue	₹ in Lakhs	% of Revenue	
North America	92,370	88.80	84,676	85.70	9.1
Europe	5,977	5.70	6,866	6.90	(12.9)
Others (India / APAC)	5,701	5.50	7,268	7.40	(21.5)
<b>Total</b>	<b>1,04,048</b>	<b>100.00</b>	<b>98,810</b>	<b>100.00</b>	<b>-</b>

**Operating Revenue by Line of Business**

Line of Business	Year ended on March 31, 2020		Year ended on March 31, 2019		Growth %
	₹ in Lakhs	% of Revenue	₹ in Lakhs	% of Revenue	
Property & Casualty	81,716	78.50	69,275	70.10	17.9
Life & Annuities	21,830	21.00	28,895	29.20	(24.4)
Non-Insurance	502	0.50	640	0.70	(21.6)
<b>Total</b>	<b>1,04,048</b>	<b>100.00</b>	<b>98,810</b>	<b>100.00</b>	<b>-</b>

**Profitability**

Profit for the year ended on March 31, 2020 and March 31, 2019 is ₹ 9,023 Lakhs and ₹ 7,174 Lakhs respectively. Other comprehensive income for the year ended on March 31, 2020 and March 31, 2019 is ₹ 3,972 Lakhs and ₹ 13 Lakhs respectively. Total comprehensive income for the year ended on March 31, 2020 and March 31, 2019 is ₹ 12,995 Lakhs and ₹ 7,187 Lakhs respectively.

Profit for the year ended on March 31, 2020 and March 31, 2019 attributable to our equity shareholders, after considering share of non-controlling interests is ₹ 6,915 Lakhs and ₹ 5,404 Lakhs respectively. Other comprehensive income for the year ended on March 31, 2020 and March 31, 2019 attributable to our equity shareholders, after considering share of non-controlling interests is ₹ 2,943 Lakhs and ₹ 9 Lakhs respectively. Other comprehensive income includes changes in fair value of cash flow hedge, exchange difference on translation of foreign operations and re-measurement



## MANAGEMENT DISCUSSION &amp; ANALYSIS (Contd.)

gain/ (loss) on gratuity plan. Total comprehensive income for the year ended on March 31, 2020 and March 31, 2019 attributable to our equity shareholders, after considering share of non-controlling interests is ₹ 9,858 Lakhs and ₹ 5,413 Lakhs respectively.

**Balance Sheet items****Non-current Assets****Fixed Assets**

Tangible assets including ROU assets as on March 31, 2020 were ₹ 4,500 Lakhs vis-à-vis ₹ 3,051 Lakhs as on March 31, 2019. This included a gross addition of ₹ 538 Lakhs for the purchase of computers, furniture and fixtures, vehicles, etc., depreciation of ₹ 2,113 Lakhs for the year ended March 31, 2020, deduction of ₹ 17 Lakhs and foreign exchange translation adjustment of ₹ 42 Lakhs.

Goodwill as on March 31, 2020 were ₹ 26,160 Lakhs vis-à-vis ₹ 24,706 Lakhs as on March 31, 2019. The increase in goodwill is mainly on account of foreign exchange translation adjustment.

Other intangible assets as on March 31, 2020 were ₹ 5,139 Lakhs vis-à-vis ₹ 6,071 Lakhs as on March 31, 2019. This included a gross additions including assets acquired of ₹ 21 Lakhs for purchase of computers software, amortization of ₹ 1,288 Lakhs for year ended on March 31, 2020 and foreign exchange translation adjustment of ₹ 335 Lakhs.

**Financial Assets**

Non-current financial assets were ₹ 415 Lakhs as on March 31, 2020 vis-à-vis ₹ 713 Lakhs as on March 31, 2019. The decrease is mainly on account of mark-to-market gains receivable on outstanding derivative contracts.

**Current Assets****Current Investments and Cash & Bank Balances**

Total current investments and cash & bank balances as on March 31, 2020 was ₹ 41,750 Lakhs vis-à-vis ₹ 40,313 Lakhs in the previous year. Net cash generated in operations was ₹ 11,945 Lakhs and payment for purchase of fixed assets was ₹ 437 Lakhs and purchase of shares in subsidiary was ₹ 11,306 Lakhs during year ended on March 31, 2020. Proceeds from fixed deposits ₹ 20,490 Lakhs, proceeds from the issue of equity shares was ₹ 1,612 Lakhs, payment for dividend including

dividend distribution tax was ₹ 1203 and repayment of lease liability was ₹ 832 Lakhs for year ended on March 31, 2020.

**Trade Receivables**

Trade receivables as on March 31, 2020 stood at ₹ 19,806 Lakhs vis-à-vis ₹ 11,960 Lakhs as on March 31, 2019.

**Current Financial Loans, Financial Assets and Other Current Assets**

Other financial assets were at ₹ 111 Lakhs as on March 31, 2020 vis-à-vis ₹ 2,114 Lakhs as on March 31, 2019. The decrease is mainly on account of reduction in other advances and receivable due. Other current assets were at ₹ 16,600 Lakhs as on March 31, 2020 vis-à-vis ₹ 15,670 Lakhs as on March 31, 2019.

**Shareholders' Funds**

Total shareholders' funds as on March 31, 2020 stood at ₹ 69,799 Lakhs vis-à-vis ₹ 67,701 Lakhs as on March 31, 2019.

**Non-current Liabilities****Non-current financial liabilities**

Total non-current financial liabilities stood at ₹ 2,381 Lakhs as on March 31, 2020 vis-à-vis ₹ 2,092 Lakhs as on March 31, 2019.

**Provisions and Non-current other liabilities**

Total non-current other liabilities stood at ₹ 3,277 Lakhs as on March 31, 2020 vis-à-vis ₹ 5,104 Lakhs as on March 31, 2019.

**Current Liabilities****Financial Liabilities**

Current financial liabilities as on March 31, 2020 decreased to ₹ 16,471 Lakhs vis-à-vis ₹ 14,622 Lakhs as on March 31, 2019. The increase is mainly on account of trade payable ₹ 1,396 Lakhs.

**Other Current Liabilities and Provisions**

Other current liabilities and provisions as March 31, 2020 decreased to ₹ 18,153 Lakhs vis-à-vis ₹ 7,597 Lakhs as on March 31, 2019.

**Days Sales Outstanding (DSO)**

DSO as on March 31, 2020 is 114 days vis-à-vis 92 days as on March 31, 2019.

## MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

### Order Backlog

The 12-month executable order backlog as on March 31, 2020 was ₹ 83,085 Lakhs vis-à-vis ₹ 67,011 Lakhs for the year ended on March 31, 2019. Total value of orders booked during FY 2019-20 was ₹ 1,63,158 Lakhs vis-à-vis ₹ 1,51,764 Lakhs during FY 2018-19.

### Key Financial Ratios (Consolidated)

[Pursuant to Schedule V (B) to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Sr. No.	Key Financial Ratios (Consolidated)	2019-20	2018-19
(i)	Operating Profit Margin (%)	13.03	12.13
(ii)	Net Profit Margin (%)	8.49	7.05
(iii)	Days Sales Outstanding (No. of days)	114	92
(iv)	Current Ratio	2.26	2.99
(v)	Debt Equity Ratio (%)	0.10	4.39
(vi)	Return on Net Worth (%)	9.91	7.98

Return on Net Worth is higher for the year ended March 31, 2020 due to higher rate of growth in profit after tax.

### Client wins

We added eight new clients during the year, few of which are listed below. The client profile includes some marquee names across verticals in North America and the UK.

- Aon Affinity**, a division of Aon Plc (NYSE: AON), replaced its complex, legacy applications from multiple products, carriers, programs and channels with Majesco P&C Core Suite on Majesco CloudInsurer® combined with Majesco Enterprise Data Warehouse and Majesco Insurance and Data Analytics Platform.
- Avinew**, the InsurTech company reinventing auto insurance for the age of autonomous and semi-autonomous vehicles, chose Majesco P&C Core Suite on Majesco CloudInsurer® as the foundation of its business operations.
- Stillwater Insurance**, a US insurer operating in all 50 states, selected Majesco Claims for P&C on Majesco CloudInsurer® with Majesco Enterprise Data Warehouse for data analytics capabilities.
- Ullico Casualty Group, LLC (UCG)**, a wholly-owned subsidiary of Ullico, Inc., selected Majesco

P&C Core Suite and Majesco Enterprise Data Warehouse on Majesco CloudInsurer® to underpin their digital transformation and growth strategy.

### Human Assets

As on March 31, 2020, our workforce strength stood at 2,512, of which 479 were based on site at various locations, while 2,033 were in India.

## VI. BUSINESS OUTLOOK

Today, Cloud is playing a crucial role in digital transformation of the insurance industry globally which is more eminent with the Covid-19 experience. Majesco had an early start in designing its robust insurance-focused core system platforms for both P&C and L&A insurance, along with the Digital1<sup>st</sup> Insurance platform. Together they opened the door to new ways of doing business, engaging with customers, bringing products to market faster and capturing rapidly unfolding market opportunities. Insurers are increasingly shifting from being the 'owners of complex core systems' to become the 'owners of platform with product agility, digital fluency, innovation and speed to value' required in today's pace of change. Providing speed of operations and innovation for insurers' growth, relevance and success is most important for us. Majesco's business performance in the FY 2019-20 shows the growing success of our cloud-based strategy and solutions that help insurers adapt to digital insurance 2.0 era.

### Key Focus Areas for Majesco during new Normal

- Prioritize development and operational efforts to support customers for their critical and immediate business and Information Technology requirements, ensure speedy implementation, accelerate digital customer experiences and expand adoption of cloud to provide business agility, scalability and cost efficiencies.
- Cost and Cashflow Management—review of discretionary expenses and ensuring tighter management of working capital requirements.
- Accelerate partner-led strategy to penetrate and deliver to new and existing Tier 1-2 accounts.
- Integration of InsPro Technologies and expansion of the North America L&A strategy.

## MANAGEMENT DISCUSSION &amp; ANALYSIS (Contd.)

- Re-evaluate the operating model and make necessary investments to support sustainable level of work from home environment post COVID-19.

## VII. RISK GOVERNANCE

Risk resistance forms the core of our DNA. Majesco has a strong Enterprise Risk Management (ERM) function in place which oversees our risk management on an ongoing basis. The primary objective of ERM function is to provide a framework that improves risk response decisions; reduces operational surprises and thereby, losses; and identifies & manages 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 the existence of a strong risk culture for the ERM to succeed.

Our solid risk governance model ensures that risk management principles are followed across the organization, along with the inculcation of a risk culture. The ERM process and policy, both, are executed through the Risk Management Committee (RMC), represented by the business and functional heads within Majesco. The Board of Directors oversees the risk management process and together with the Audit Committee, reviews the progress of action plans for the identified key risks on a quarterly basis. A discussion of key risks and concerns and measures aimed at mitigating them, are discussed below.

**Strategic:** We could be vulnerable 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.

*Mitigation: 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. Further, we mindfully indulge in the investments towards intellectual property creation. These are done in a measured manner and are intentionally focused more towards extending and strengthening existing offerings, rather than building new business or end-use/application areas.*

**Macroeconomic:** Risks emanating from the changes in the global markets, like the recent financial meltdown, regulatory or political changes and alterations in the

competitive landscape, can affect our operations and outlook. Any adverse movement in economic cycles in our target markets and volatility in foreign currency exchange rates, can negatively impact our performance.

*Mitigation: Our diversified presence in multiple geographies right from Europe to Malaysia and India helps us mitigate this risk to a great extent. We also take necessary steps like foreign exchange hedging to further mitigate exchange rate risks.*

**Competition:** We operate in a highly competitive industry and compete with bigger players. Shifts in clients' and prospective clients' dispositions can affect our business.

*Mitigation: We focus and leverage on our strong domain expertise, robust delivery capabilities and significant project experience as an attempt towards staying ahead of the competition.*

**Dependence on key personnel:** Our management team—one of the best in the industry—is a critical enabler of our operational successes. Any loss of personnel through attrition or other means, may impact our performance negatively.

*Mitigation: We aspire to have an effective succession plan in place to mitigate this risk.*

**Clients and accounts:** Our Company's strategy entails engagement with a few key customers and building long-term relationships with them. Any shift in customer preferences, priorities and internal strategies can adversely affect our operations and outlook.

*Mitigation: We share enduring bonds with many of our customers. Our long-standing customer relationships help mitigating this risk to an extent.*

**Cyber security:** With more organizations moving to newer areas of engagement like cloud-driven business model and mobile computing, among others, this risk has emerged as a high category risk across the IT industry.

*Mitigation: Our best security practices implemented across multiple domains and the necessary insurance coverage help mitigate this risk to an extent.*

**Contractual, execution and delivery:** Our operating performance can be subjected to risks beyond our control like the termination or modification of contracts

## MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

and non-fulfillment of contractual obligations by clients, due to their own financial difficulties or changed priorities or other reasons.

*Mitigation: We have implemented mechanisms that try and prevent such situations for us. We also have necessary insurance coverage in place. Together these measures help mitigate this risk.*

**Data protection and privacy:** The leakage and misuse of confidential and proprietary information increases the risk of non-compliance of privacy and data protection laws.

*Mitigation: To mitigate this risk, we have policies and processes laid down to ensure robust data protection measures in compliance with the global standards and requirements such as General Data Protection Regulation (GDPR).*

**M&A:** Well-considered, properly evaluated and strategic acquisitions form part of our growth strategy. There is no guarantee, however, that an acquisition will produce the business synergies, revenues and profits, as anticipated at the time of entering the transaction.

*Mitigation: We take due care and diligence in the process of making any acquisition to mitigate the risk.*

**Covid-19:** The Covid-19 pandemic is rapidly evolving and having a material impact on how many businesses are operating.

*Mitigation: We responded immediately by setting up remote connectivity and adopting work from home culture. The*

*swift implementation of the plan has ensured that we have not experienced any disruptions to our operations. Majesco's Leadership Team continues to actively monitor the situation to minimize any impact on its employees, customer projects, service and support.*

Additionally, there are multiple other risk factors that we need to consider and manage. The Board and the senior management continually assess our operations and the external environment, to identify potential risks and take meaningful mitigation actions against each, ensuring that the growth targets and strategic objectives are achieved.

## VIII. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

A strong internal control system is pervasive in our Company. It is commensurate to our business's nature, size and complexity. We have a robust and comprehensive internal control system for all the major processes. This helps us ensure reliability of financial reporting. Our systems for internal control and risk management, go beyond what is mandated. It adapts and encourages best practices and reporting matrices to identify opportunities and risks regarding our business operations.

Our internal controls are supplemented by an internal audit program and periodic reviews by the management. We also have an independent audit firm, appointed as our Internal Auditor and the Audit Committee reviews its findings and recommendations on a quarterly basis.

# BOARD OF DIRECTORS' REPORT

## To the Members,

Your Directors have pleasure in submitting the 7<sup>th</sup> Board of Directors' Report, along with the audited financial statements of the Company for the year ended March 31, 2020.

## 1. FINANCIAL SUMMARY

(₹ in Lakhs)

Particulars	Consolidated		Standalone			
	Year ended March 31, 2020	Year ended March 31, 2019	Continuing Operations*		Discontinued Operations*	
			Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations						
Information technology services	1,03,338	97,898	-	-	-	1,865
Reimbursement of expenses from customers	710	912	-	-	-	70
Rental Income	-	-	1,024	974	-	-
<b>Total Operating Revenue</b>	<b>1,04,048</b>	<b>98,810</b>	<b>1,024</b>	<b>974</b>	<b>-</b>	<b>1,935</b>
Other Income	2,172	2,810	815	2,359	-	-
<b>Total Income</b>	<b>1,06,220</b>	<b>1,01,620</b>	<b>1,839</b>	<b>3,333</b>	<b>-</b>	<b>1,935</b>
Employee Benefits and other expenses	92,384	89,292	1,120	1,303	-	2,089
Depreciation and amortization expenses	3,401	1,961	62	69	-	73
Finance costs	202	361	34	28	-	-
<b>Total Expenses</b>	<b>95,987</b>	<b>91,614</b>	<b>1,216</b>	<b>1,400</b>	<b>-</b>	<b>2,162</b>
Exceptional items - expense/ (income)	(1,497)	(274)	(1,869)	-	-	-
<b>Profit Before Tax</b>	<b>11,730</b>	<b>10,280</b>	<b>2,492</b>	<b>1,933</b>	<b>-</b>	<b>(227)</b>
Tax expense	2,707	3,106	95	534	-	(45)
<b>Profit After Tax</b>	<b>9,022</b>	<b>7,174</b>	<b>2,397</b>	<b>1,399</b>	<b>-</b>	<b>(182)</b>
Other Comprehensive Income	3,972	13	-	-	-	(1)
<b>Total Comprehensive Income</b>	<b>12,995</b>	<b>7,187</b>	<b>2,397</b>	<b>1,399</b>	<b>-</b>	<b>(183)</b>
Earnings per share of face value of ₹ 5/- each						
Basic (₹)	24.28	19.14	8.42	4.95	-	(0.64)
Diluted (₹)	23.46	18.36	8.13	4.76	-	(0.62)

\*Revenue from India Insurance Products Services Business was sold with effect from April 1, 2019 and accordingly, has been considered as discontinued operations. The Company amended its Memorandum of Association to include renting of property as one of the main objects and accordingly rental income is considered as revenue from operations and classified as Continuing Operations.

Financial Statements for the year ended March 31, 2020 have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Companies (Indian Accounting Standards) Amendment Rules, 2016.

## 2. COVID-19 IMPACT

The COVID-19 pandemic is rapidly evolving and having a material impact on how the businesses operate. Majesco Leadership Team continues to actively monitor the situation to minimize any impact on its employees, customer projects, service and support.

Majesco Group has taken immediate action and the majority of employees have been working remotely since March 16, 2020. Since then, all business operations of the Company have been functioning normally. We have adopted best practices for working virtually with our customers to ensure projects continue to move forward. The swift implementation of the plan has ensured that we have not experienced any disruptions to our business operations.

## 3. RESULTS OF OPERATIONS

### a) Consolidated operations

The Majesco Group registered total operating revenue of ₹ 1,04,048 lakhs for the year ended March 31, 2020 as compared to ₹ 98,810 lakhs for the year ended March 31, 2019.

The Group earned a net profit of ₹ 9,023 lakhs for the year ended March 31, 2020 as compared to net profit of ₹ 7,174 lakhs for the year ended March 31, 2019. Analysis of the Operating Revenue region-wise, offering-wise and line of business-wise is provided below.

### Breakup of Operating Revenue by regions

Region	Year ended on March 31, 2020		Year ended on March 31, 2019	
	₹ in lakhs	% of Revenue	₹ in lakhs	% of Revenue
North America	92,370	88.77	84,676	85.70
Europe	5,977	5.74	6,866	6.90
Others (India & Asia Pacific)	5,701	5.49	7,268	7.40
<b>Total Operating Revenue</b>	<b>1,04,048</b>	<b>100.00</b>	<b>98,810</b>	<b>100.00</b>

### Operating Revenue by offerings

Offerings	Year ended on March 31, 2020		Year ended on March 31, 2019	
	₹ in lakhs	% of Revenue	₹ in lakhs	% of Revenue
License	6,326	6.08	2,983	3.02
Professional Services	33,940	32.62	37,472	37.92
Cloud	41,965	40.33	40,110	40.59
Support	21,817	20.97	18,245	18.47
<b>Total Operating Revenue</b>	<b>1,04,048</b>	<b>100.00</b>	<b>98,810</b>	<b>100.00</b>

### Breakup of Operating Revenue by Line of Business

Line of Business	Year ended on March 31, 2020		Year ended on March 31, 2019	
	₹ in lakhs	% of Revenue	₹ in lakhs	% of Revenue
Property & Casualty	81,716	78.54	69,275	70.11
Life & Annuities	21,830	20.98	28,895	29.24
Non-Insurance	502	0.48	640	0.65
<b>Total Operating Revenue</b>	<b>1,04,048</b>	<b>100.00</b>	<b>98,810</b>	<b>100.00</b>



## BOARD OF DIRECTORS' REPORT (CONTD.)

### b) Standalone Operations

#### (i) Continuing Operations

Your Company reported a total income of ₹ 1,839 lakhs for the year ended March 31, 2020 as compared to ₹ 3,333 lakhs for the year ended March 31, 2019. The Company earned a net profit of ₹ 2,397 lakhs for the year ended March 31, 2020 as compared to net profit of ₹ 1,399 lakhs for the year ended March 31, 2019.

#### (ii) Discontinued Operations

During the year ended March 31, 2020, there was no income earned by the Company as well no loss / profit incurred from discontinued operations. During the year ended March 31, 2019, the Company earned total income of ₹ 1,935 lakhs and incurred net loss of ₹ 182 lakhs.

### 4. RESERVES

No amount is proposed to be transferred to reserves for the year ended March 31, 2020.

### 5. DIVIDEND

The Board of Directors have approved and paid interim dividend @ 40% i.e. ₹ 2/- per equity share of face value of ₹ 5/- each for the financial year 2019-20. The dividend will be placed for confirmation of the shareholders at ensuing 7<sup>th</sup> Annual General Meeting of the Company ("AGM").

### 6. CHANGE IN SHARE CAPITAL

During the year under review, there was no change in authorized share capital of the Company.

During the year under review, the Company allotted 3,56,506 equity shares of face value of ₹ 5/- each, to various employees in Majesco group and Managing Director & Group CFO of the Company, on exercise of vested stock options. These equity shares rank *pari passu* in all respects with existing equity shares of the Company.

As on March 31, 2020, the paid-up share capital of your Company stood at ₹ 14,35,09,735/- comprising 2,87,01,947 equity shares of face value of ₹ 5/- each.

### 7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN MARCH 31, 2020 AND DATE OF THIS REPORT & CHANGE IN NATURE OF BUSINESS

The Company's US Subsidiary Majesco entered into Merger Agreement on January 30, 2020, for Merger with InsPro Technologies Corporation, a US based software leader in the life and annuity insurance market. In consideration for Merger, Majesco (USA) paid USD 12 million, subject to adjustments (including for cash and certain debt of InsPro) on April 1, 2020. Accordingly upon closing of the Merger, InsPro Technologies Corporation has become a direct wholly-owned subsidiary of Majesco (USA) and a step-down subsidiary of the Company with effect from April 1, 2020. The Company has made relevant disclosures in this respect to the Stock Exchanges, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*hereinafter referred to as "the SEBI Listing Regulations"*).

### 8. SUBSIDIARY COMPANIES

Your Company has one direct subsidiary namely Majesco (USA), in which it holds 74.10% stake as on March 31, 2020. Majesco (USA), has eight direct and indirect wholly owned subsidiaries as on March 31, 2020.

In accordance with Section 129(3) of the Act, Consolidated Financial Statements have been prepared which form part of this Annual Report. As required under Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the subsidiaries in the prescribed form AOC-1 is enclosed as **Annexure - I** to this Report.

In accordance with Section 136 of the Act, the separate audited accounts of the subsidiary companies will be available on the website of the Company, <https://ir.majesco.com/> and the Members desirous of obtaining the accounts of the Company's subsidiaries may obtain the same upon request. These documents will be available for inspection by the members, till the date of AGM. Any member who wishes to inspect shall send a request for the same on the e-mail id of the Company i.e. [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com).

The Policy for determining Material Subsidiaries, adopted by your Board, in conformity with the SEBI Listing Regulations can be accessed on the Company's website at <https://ir.majesco.com/policies/>.

## BOARD OF DIRECTORS' REPORT (CONTD.)

The details of subsidiary and step down subsidiaries as on March 31, 2020 are given below.

(₹ in Lakhs)

Name of the Subsidiary	Date of Incorporation	Country	Business	Turnover		Net Profit	
				As on March 31, 2020	As on March 31, 2019	As on March 31, 2020	As on March 31, 2019
Majesco	07-Apr-1992	USA	Information Technology Services	29,809	34,183	(4,613)	(4,371)
<b>Step Down Subsidiary</b>							
Majesco Software and Solutions Inc.	03-Jun-1991	USA	Information Technology Services	64,835	54,908	8,701	5,150
Majesco Canada Limited	09-Feb-2009	Canada	Information Technology Services	202	397	9	(2.03)
Majesco Sdn Bhd	29-Apr-2000	Malaysia	Information Technology Services	3,399	4,158	35	(650)
Majesco Asia Pacific Pte. Limited**	26-Mar-1991	Singapore	Information Technology Services	301	908	(541)	14
Majesco Software and Solutions India Private Limited\$	21-Oct-2014	India	Information Technology Services	37,662	34,895	4,604	4,814
Majesco (UK) Limited\$	23-Oct-2014	UK	Information Technology Services	2,652	4,404	115	166
Exaxe Holdings Limited# (acquired)	02-Nov-1999	Ireland	Information Technology Services	-	NIL	(1,099)	NIL
Exaxe Limited# (acquired)	16-Sep-1994	Ireland	Information Technology Services	3,325	2,462	(156)	705

\*\*Majesco Asia Pacific Pte. Ltd. is wholly-owned subsidiary of Majesco Sdn Bhd and step-down subsidiary of Majesco (USA).

\$Majesco Software and Solutions India Private Limited and Majesco (UK) Limited are wholly-owned subsidiaries of Majesco Software and Solutions Inc. and step-down subsidiaries of Majesco (USA).

#Exaxe Holdings Limited is subsidiary of Majesco (USA) and Exaxe Limited is wholly-owned subsidiary of Exaxe Holdings Limited and step-down subsidiary of Majesco (USA).

## 9. MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with Regulation 34 of SEBI Listing Regulations, Management Discussion and Analysis Report forms part of this Annual Report.

## 10. BUSINESS RESPONSIBILITY REPORT

In accordance with Regulation 34 of SEBI Listing Regulations, as amended, Business Responsibility Report forms part of this Annual Report.

## BOARD OF DIRECTORS' REPORT (CONTD.)

### 11. 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 statement in terms of sub-sections (3) (c) and (5) of Section 134 of the Act that:

- a) In preparation of the Financial Statements for the financial year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
- c) We have taken proper and sufficient care for 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 frauds and other irregularities;
- d) Financial Statements of the Company had been prepared on a going concern basis;
- e) We have laid down Internal Financial Controls to be followed by the Company which are adequate and operating effectively; and
- f) We have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

### 12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on date of this report, the Company has seven Directors, out of those three are Independent Directors including one Woman Independent Director.

#### a) Resignation of Mr. Jyotin Mehta (DIN: 00033518) as an Independent Director of the Company

Mr. Jyotin Mehta (DIN: 00033518) who was appointed as an Independent Director for tenure of five years from November 5, 2018 to November 4, 2023, resigned from the Company with effect

from March 2, 2020, due to pre-occupation. He also confirmed that there was no other reason for his resignation from the Company.

#### b) Appointment of Mr. Vasant Gujarathi (DIN: 06863505) as an Independent Director of the Company

Mr. Vasant Gujarathi (DIN: 06863505) was appointed as an Additional Independent Director for tenure of five years with effect from March 3, 2020, not liable to retire by rotation. Proposal for his appointment as an Independent Director is being placed for the approval of members of the Company at the ensuing AGM. The Board recommends appointment of Mr. Vasant Gujarathi, as an Independent Director, for tenure of five years from March 3, 2020 to March 2, 2025, for approval by the members at the forthcoming AGM.

In the opinion of the Board, Mr. Vasant Gujarathi is a person of complete Integrity. He has more than 35 years of experience in his field of work. He holds a Bachelor's degree in Commerce (Hons.) and is a fellow member of the Institute of Chartered Accountants of India. His expertise / exposure in Audit, Financial Systems, Operations, Risk Management, Regulatory Compliance, Internal Audit Services, IT strategy implementation, Talent Management, Corporate Governance review & Advisory Services, Ethics Assessment and Program Development, etc. will add immense value on the Board of the Company.

#### c) Re-appointment of Mr. Venkatesh N. Chakravarty (DIN: 01102892) and Mrs. Madhu Dubhashi (DIN: 00036846) as Independent Directors

The tenure of Mr. Venkatesh N. Chakravarty and Mrs. Madhu Dubhashi expired on April 29, 2020. Proposal for their re-appointment as Independent Directors will be placed for the approval of members of the Company. The Board recommends re-appointment of Mr. Venkatesh N. Chakravarty and Mrs. Madhu Dubhashi, as Independent Directors, for tenure of five years from April 30, 2020 to April 29, 2025, for approval by the members.

#### d) Re-appointment of Mr. Farid Kazani (DIN: 06914620) as Managing Director & Group CFO of the Company

**BOARD OF DIRECTORS' REPORT (CONTD.)**

The tenure of Mr. Farid Kazani (DIN: 06914620) as Managing Director & Group CFO is due to expire on July 3, 2020. Proposal for his re-appointment as Managing Director & Group CFO will be placed for the approval of members. The Board recommends re-appointment (including remuneration payable and other terms of re-appointment) of Mr. Farid Kazani as Managing Director & Group CFO, for tenure of three years from July 4, 2020 to July 3, 2023, for approval by the members.

**e) Retirement by rotation**

Mr. Ketan Mehta (DIN: 00129188), Non-Executive Director of the Company, retires by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

**f) Independent Directors**

All the Independent Directors have furnished declaration of Independence stating that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1) and 25(8) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as Independent Directors during the year.

Further, they also declared that they have complied with Rule 6 (1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 with respect to the inclusion of name in the data bank created by the Indian Institute of Corporate Affairs.

**g) Key Managerial Personnel**

Key Managerial Personnel for the financial year 2019-20

- Mr. Farid Kazani (DIN: 06914620) – Managing Director & Group CFO
- Mr. Radhakrishnan Sundar (DIN: 00533952) – Executive Director
- Mr. Kunal Karan – Chief Financial Officer
- Mrs. Varika Rastogi – Company Secretary

During the year under review, there were no changes in the Key Managerial Personnel of the Company.

**h) Number of Board Meetings**

The Board of Directors of the Company met six times during the financial year 2019-20. The details of the Board meetings and the attendance of the Directors, are given in Corporate Governance Report which forms part of this report.

**13. COMMITTEES OF THE BOARD**

Your Company has duly constituted the Committees required under the Act read with applicable Rules made there under and the SEBI Listing Regulations.

The Company has an Audit Committee with the constitution, powers and role as are prescribed under Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

The other statutory committees of the Board are given below:

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

Details with regard to composition, powers, role, meetings held and attendance of members at meetings of the relevant Committee are provided in the Report on Corporate Governance which forms part of this Annual Report.

**14. BOARD'S PERFORMANCE EVALUATION**

In compliance with requirement of the provisions of Section 178 of the Act read with Rules framed thereunder and Schedule IV to the Act as well as Regulation 17(10) of the SEBI Listing Regulations, the performance evaluation of the Board as a whole and individual directors was carried out during the year under review. For financial year 2019-20, the Company had adopted the Internal methodology for carrying out Board Evaluation exercise.

Mr. Ashank Desai, Non-Executive Director was requested to lead the performance evaluation exercise. A structured questionnaire was prepared and circulated, after taking into consideration, inputs received from the Directors, covering various aspects of the Board's functioning such as Board Structure & Development, Board Meetings & Materials, Key Board

## BOARD OF DIRECTORS' REPORT (CONTD.)

Responsibilities & Reporting, Board Management Relationship, Board Committees' Effectiveness, Board Mission.

The outcome of the evaluation of the Board was comprehensively discussed at the meeting of Nomination and Remuneration Committee and Board Meeting.

Performance Evaluation process for Independent Directors was based on the declarations received from Independent Directors that they fulfilled the criteria of independence as required under the Act and SEBI Listing Regulations.

### 15. NOMINATION AND REMUNERATION POLICY

The Company has a policy on remuneration of Directors and Key Managerial Personnel. The policy is approved by the Nomination and Remuneration Committee and the Board of Directors of the Company.

This policy is available on website of the Company and the link for the same is provided below: <https://ir.majesco.com/policies/>.

### 16. PEOPLE PRACTICES

Majesco Group deploys its intellectual capability to create and deliver intellectual property-driven 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.

The Human Resources team has been on a path of continuous progress and improvement, constantly on the lookout for creating better employees experience over the last year.

**Project DeLorean:** It is a combination of process improvements and new system implementations based on our three-year strategy that will transform the way Majesco operates. This is a huge investment in the automation and efficiencies that will fuel Majesco's future and enable our people capabilities with best-in-class technology. It included:

- **HCM Implementation:** HR is undergoing digital transformation. A significant step towards this was implementation of Oracle HCM for core HR and Absences. Idea is to bring in a single sign-on system

to integrate all aspects of employee life cycle under one system, empower managers and employees to manage their own system transactions thereby reducing dependency on HR team & save time. This has also helped in streamlining various processes to cut out redundancies. *Core HR* helps by providing employees with an intuitive, personalized user system to manage personal and employment information easily and securely. *Absences* module provides end-to-end functionality to request time off and view time off balances, along with easy-to-use approval features for managers.

- **ADP Implementation:** Payroll services in India is now being managed by Global Delivery Center through Automatic Data Processing, Inc. (ADP®), one of the world's largest providers of business outsourcing solutions. This also provides self-service functionality for employees.

**Cheers for Peers:** We have implemented a new rewards and recognition platform called 'Cheers for Peers'. It offers everyone a chance to give and receive recognition for outstanding achievements. Through an interactive social platform, employees will have the opportunity to recognize and thank their teams and peers for their contributions to Majesco's success.

**Policy Updates:** As part of continuous improvement, policies have been periodically reviewed to make them more business relevant and employee friendly.

**Career Architecture:** Following industry best practices, the entire organization hierarchy structure was revamped and streamlined with the new career architecture. Career Architecture is an initiative that has helped create transparency and understanding around how job titles and job grades at Majesco are organized relative to job responsibilities and scope. Career Architecture has served as a foundation to power our talent programs including recruitment, compensation & total rewards, career growth, succession planning and talent development.

**3E Workshop:** A cross-functional workshop was organized for leaders from all business units and corporate functions. Agenda of the workshop was to understand importance of 3E - Engage with customers, Energize teams & Excel in collaborative working; Identify barriers to effective collaboration;



## BOARD OF DIRECTORS' REPORT (CONTD.)

Brainstorm ways to collaborate amongst line managers across geographies; Finalize top 10 action plans to implement. First of these action plans is streamlining the onboarding process to provide seamless integration of new joiners to the organization with a view to create a great first impression. This initiative is currently being implemented.

**Remote Onboarding:** In view of the current pandemic and remote working, to enable business continuity HR rolled out remote onboarding since March'20. Entire onboarding process is done online seamlessly as well as mandatory trainings and corporate induction. This has helped to equip new joiners to accustom to Majesco work culture and align to the business needs faster.

**GeekCafe:** Continuous learning plays an important role in improving productivity. GeekCafe is an initiative to leverage the expertise within to build a better knowledge base and help employees improve their technical and functional capabilities. HR team has been instituting this in various Business Unit's across offshore.

**Managing Remote Teams Training:** In an effort to enable business continuity and align to new normal of remote working, we have rolled out a training for all managers on managing remote teams. This program gives insights into understanding benefits and challenges of remote working, tips to manage teams better and how to keep team members engaged and motivated through difficult times to help improve productivity.

**Navigating the Remote Life:** In conjunction with the above training, we have also started a communication campaign for all employees with a few tips on how to navigate the remote life better. This series includes information from managing daily remote working, ergonomics, staying healthy to maintaining a positive outlook during the pandemic situation.

As on March 31, 2020, Majesco Group had a total headcount of 2512 (including contactors' employees). The Directors wish to place on record their appreciation for the contributions made by employees to the Company during the year under review.

## 17. 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.

## 18. 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 material 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 a robust financial closure, certification mechanism for certifying adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

## 19. STATUTORY AUDITORS AND THEIR REPORT

To fill the casual vacancy caused by resignation of M/s. Varma & Varma, Chartered Accountants (Firm Registration no. 004532S), M/s. MSKA & Associates, Chartered Accountants (ICAI Firm Registration no.: 105047W) were appointed as the Statutory Auditors of the Company by the Board of Directors of the Company on July 4, 2019 till the 6<sup>th</sup> AGM.

Further, pursuant to Section 139(1) and other applicable provisions of the Companies Act, 2013 at the 6<sup>th</sup> AGM held on August 6, 2019, M/s. MSKA & Associates, Chartered Accountants (ICAI Firm Registration no.: 105047W) were appointed as the Statutory Auditors of the Company to hold office for a period of 5 consecutive years from the conclusion of the 6<sup>th</sup> AGM till the conclusion of the 11<sup>th</sup> AGM of the Company. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

Further, the report of the Statutory Auditors is provided in the financial section of the Annual Report. The observations made in the Auditors' Report are self-explanatory and do not contain any qualification, reservation or adverse remark. Therefore, it does not call for any further comments.

## BOARD OF DIRECTORS' REPORT (CONTD.)

### 20. SECRETARIAL AUDIT

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

### 21. INTERNAL AUDITOR

As required under Section 138 of the Act and Rule 13 of the Companies (Accounts) Rules, 2014, the Internal Audit function is performed by M/s. Suresh Surana & Associates LLP, Chartered Accountants. The Internal Auditor presents its report to the Audit Committee. The scope, functioning, periodicity and methodology for conducting the internal audit has been formulated in consultation with the Audit Committee.

### 22. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither Statutory Auditors nor Secretarial Auditor have reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees, in terms of Section 143(12) of the Act.

### 23. RISK MANAGEMENT

The Company has clearly laid out framework to implement and monitor Risk Management Plan of the Company. The Audit Committee quarterly reviews the risks and remedial measures taken in this regard. The risks are identified and discussed by Committee at its meeting on quarterly basis. 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.

### 24. 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 provided in the notes to the Financial Statements.

### 25. RELATED PARTY TRANSACTIONS

All Related Party Transactions during the financial year under review, were at arm's length basis and are

in compliance with the applicable provisions of the Act and SEBI Listing Regulations. There were no material significant related party transactions entered into 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/>.

There are no such related party transactions required to be reported in Form AOC-2, enclosed as **Annexure - III** to this report.

### 26. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Act, the extract of annual return in Form MGT-9 is enclosed as **Annexure - IV** to this report and the same is placed on the Company's website at <https://ir.majesco.com/financial-information/annual-reports/>.

### 27. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

In compliance with the requirement of the Act and the SEBI Listing Regulations, the Company has established a Whistle Blower Policy/ Vigil mechanism and the same is placed on the Company's website 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. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Majesco Group follows a strict zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace

## BOARD OF DIRECTORS' REPORT (CONTD.)

(Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder, for prevention and redressal of complaints of sexual harassment at workplace.

Since the strength of female employees in the Company is less than 10, the Company does not have an Internal Complaint Committee (ICC) *per se*, however, Majesco as a group has more than 10 female employees and have constituted ICC in accordance with requirements as prescribed under aforementioned statute.

During the financial year 2019-20, the ICC has not received any complaint on sexual harassment.

### 29. EMPLOYEE STOCK OPTIONS

The Board of Directors hereby confirm that there is no change in the Employee Stock Option Plan ('ESOP') scheme plan I of the Company and the ESOP plan is in compliance with the SEBI (Share Based Employee Benefits), 2014.

Disclosure in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 are available on the website of the company at the following link: <https://ir.majesco.com/>.

During the financial year 2019-20, no employee was granted stock option equal to or exceeding 1% of the issued share capital of the Company at the time of grant of options.

### 30. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with Section 135 of the Act, the Board of Directors of the Company has formed a CSR Committee. The composition of CSR Committee and brief outline of the CSR policy of the Company with the initiative undertaken by the Company on CSR activities during the year are set out in **Annexure - V** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy is available on the website of the Company at <https://ir.majesco.com/policies/>.

### 31. PARTICULARS OF EMPLOYEES AND REMUNERATION

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

#### I. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) Ratio of the remuneration of each director to the median remuneration of the employees ("MRE") of the Company for the financial year 2019-20

Name of the Director	Ratio to MRE
<b>Executive Directors</b>	
Mr. Farid Kazani	7.19x
Mr. Radhakrishnan Sundar	0.62x
<b>Non-Executive Directors</b>	
Mr. Venkatesh N. Chakravarty	Not Applicable
Mr. Ashank Desai	Not Applicable
Mr. Jyotin Mehta	Not Applicable
Mr. Ketan Mehta	Not Applicable
Mrs. Madhu Dubhashi	Not Applicable
Mr. Vasant Gujarathi	Not Applicable

- b) Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year 2019-20:

Name of the Director/ Key Managerial Personnel	% increase in remuneration* in the financial year 2019-20
Mr. Farid Kazani	32.40%
Mr. Radhakrishnan Sundar	NIL
Mr. Venkatesh N. Chakravarty	Not Applicable
Mr. Ashank Desai	Not Applicable
Mr. Jyotin Mehta	Not Applicable
Mr. Ketan Mehta	Not Applicable
Mrs. Madhu Dubhashi	Not Applicable
Mr. Vasant Gujarathi	Not Applicable
Mr. Kunal Karan, Chief Financial Officer	17.90%
Mrs. Varika Rastogi, Company Secretary	15.00%

\*Remuneration comprises of Gross Salary and Incentive as per Plan.

- c) Percentage increase in the MRE during financial year 2019-20: #321.30%.

#The Median salary for the Company has changed upward since the majority of the employees who were part of the India business delivery programs were transferred to its step down subsidiary MSS IPL during the financial year 2019-20. As against 79 employees with a median salary INR

## BOARD OF DIRECTORS' REPORT (CONTD.)

9,12,371 in March 2019, there were 6 employees as on March 2020 where in the median salary is INR 38,33,611 (321.3% variance over March 2019).

- d) Number of permanent employees on the rolls of the Company as on March 31, 2020: 6
- e) Average percentage increase made in salaries of employees other than Managerial Personnel in the financial year was 13.04% vis-a-vis increase of 16.36% in the salaries of Managerial Personnel.
- f) Affirmation that the remuneration is as per the remuneration policy of the Company:

We affirm that the remuneration is as per the remuneration policy of the Company

### II. Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The statement containing particulars of employees in terms of remuneration drawn is provided in a separate annexure forming part of this report. However, having regard to Section 136 of the Act, the Annual Report excluding the aforesaid annexure, is being sent to all the members of the Company and others entitled thereto. The said annexure is open for inspection and any member who wishes to inspect shall send a request for the same on the e-mail id of the Company i.e. investors.grievances@majesco.com.

### 32. 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 operations of the Company.

### 33. PUBLIC DEPOSITS

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

### 34. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- (a) **Conservation of energy:** considering nature of business of the 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.	Not Applicable
(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:

(i)	the efforts made towards technology absorption	Not Applicable
(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	
		Nil (₹ 77 lakhs for FY 2018-19)

#### (c) Foreign exchange earnings and Outgo

Total foreign exchange used and earned by Majesco Limited

(₹ in Lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
Exchange used	48	75
Exchange earned	Nil	22

## BOARD OF DIRECTORS' REPORT (CONTD.)

### 35. CORPORATE GOVERNANCE

The Company has complied with corporate governance requirements as prescribed under the Act and the SEBI Listing Regulations. A separate section on corporate governance practices followed by the Company together with the certificate from M/s. Abhishek Bhate & Co., Company Secretary in Practice, forms an integral part of this report.

### 36. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

### 37. ACKNOWLEDGMENT

Your Directors place on record their appreciation for employees at all levels, whose hard work and solidarity have contributed to the growth and performance of your Company. Your Directors also thank the customers, vendors, bankers and shareholders 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**

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

Date: May 29, 2020

Place: Navi Mumbai



[Pursuant to first proviso to Section 129(3) of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules, 2014]

**Part A: Statement containing salient features of the Financial Statements of Subsidiaries**

Sl. No.	Name of the Subsidiary	Date of acquisition	Reporting currency	Exchange Rate (on last date of financial year)	Share Capital	Re-serves & Surplus	Total Assets	Total Liabilities	Investments	Turn-over	Profit/(Loss) before tax	Tax Expense/(Credit)	Profit/(Loss) after Tax	Proposed Dividend	% of share-holding
1	Majesco	April 7, 1992	USD	75.67	41	42,727	95,196	52,428	39,423	29,809	(6,417)	(1,805)	(4,613)	-	74.10%
2	Majesco Software and Solutions Inc.*	March 7, 2008	USD	75.67	1	34,733	64,278	29,544	3,372	64,835	11,562	2,861	8,701	-	100%
3	Majesco Canada Limited*	February 9, 2009	CAD	53.08	1,555	(1,565)	297	308	-	202	9	-	9	-	100%
4	Majesco Sdn Bhd *	April 29, 2000	MYR	17.52	2,067	(506)	2,223	662	-	3,399	53	18	35	-	100%
5	Majesco Asia Pacific Pte Limited**	March 26, 1991	SGD	53.03	1,329	(1,748)	613	1,032	-	301	(541)	-	(541)	-	100%
6	Majesco Software and Solutions India Private Limited**	October 21, 2014	INR	1.00	35	11,365	18,461	7,061	4,480	37,662	6,475	1,871	4,604	-	100%
7	Majesco (UK) Limited**	October 23, 2014	GBP	93.50	1,181	720	3,024	1,123	-	2,652	136	21	115	-	100%
8	Exaxe Holdings Limited#	November 27, 2018	EUR	82.77	46	6,251	6,368	72	-	-	(1,099)	-	(1,099)	-	100%
9	Exaxe Limited#	November 27, 2018	EUR	82.77	75	1,351	1,750	324	-	3,325	(156)	0	(156)	-	100%

\*These companies are wholly-owned subsidiaries of Majesco (USA) in which Majesco Limited holds 74.10% shareholding.

\*\*These companies are wholly-owned step-down subsidiaries of Majesco (USA) in which Majesco Limited holds 74.10% shareholding.

# Exaxe Holdings Limited is subsidiary of Majesco (USA) and Exaxe Limited is wholly-owned subsidiary of Exaxe Holdings Limited and step-down subsidiary of Majesco (USA). Exaxe Holdings Limited was acquired on November 27, 2018. Economic transfer took place w.e.f. October 1, 2018.

**Notes:**

- Names of subsidiaries which are yet to commence operations: Not Applicable
- Names of subsidiaries which have been liquidated or sold during the financial year 2019-20: Not Applicable

**Part B: Statement containing salient features of the Financial Statements of Associates & Joint Ventures**

The Company does not have any associate and joint venture company during the financial year 2019-20.t

**For and on behalf of the Board of Directors**

**Farid Kazani**

Managing Director & Group CFO  
DIN: 06914620

**Venkatesh N. Chakravarty**

Non-Executive Chairman & Independent Director  
DIN: 01102892

**Radhakrishnan Sundar**

Executive Director  
DIN: 00533952

**Kunal Karan**

Chief Financial Officer

**Varika Rastogi**

Company Secretary  
M. No.: F7864

Date: May 29, 2020  
Place: Navi Mumbai

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

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 Majesco Limited'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 March 31<sup>st</sup>, 2020 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 as given in Annexure I, for the financial year ended on March 31<sup>st</sup>, 2020 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The SEBI (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 (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period);
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

## ANNEXURE -II (CONTD.)

- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period); and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period).

I further report that, based on the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has, complied with the following laws applicable specifically to the Company:

- (i) Software Technology Parks of India rules and regulations;
- (ii) The Maharashtra Shops and Establishments Act, 1948;

I have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**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:**

- (a) During the year Company has passed resolution for sale and transfer of India Insurance Products & Services Business on slump sale basis under Section 180 (1) (a) of the Companies Act, 2013, through Postal Ballot.
- (b) The Board of Directors at its meeting held on March 16, 2020 approved for payment of Interim Dividend @ 40% of the face value of share.

I further report that at the Annual General Meeting held on August 6, 2019, the Shareholders approved the Special resolution for Alteration of Objects Clause of the Memorandum of Association of the Company with 99.99% majority.

**For Abhishek Bhate & Co**

**CS Abhishek Bhate**

Practicing Company Secretary

ACS: 27747, CP: 10230

Place: Thane

Date: May 29, 2020

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

## Annexure I to Secretarial Audit Report

### LIST OF DOCUMENTS

1. Corporate Matters
  - 1.1 Minutes books of the following Committees were provided:
    - 1.1.1 Board Meeting
    - 1.1.2 Audit Committee
    - 1.1.3 Nomination and Remuneration Committee
    - 1.1.4 Corporate Social Responsibility Committee
    - 1.1.5 Investors' Grievances and Stakeholders' Relationship Committee
    - 1.1.6 General Meeting
  - 1.2 Agenda papers for Board Meeting along with Notice;
  - 1.3 Annual Report 2019;
  - 1.4 Disclosures under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - 1.5 Policies framed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations;
  - 1.6 Forms and returns filed with the ROC and RBI;
  - 1.7 Disclosures made with the SEBI;
  - 1.8 Registers maintained under Companies Act, 2013

## Annexure II to Secretarial Audit 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. Where ever 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.
7. My report is, therefore, based on the verification of records made available to me via email by Secretarial Department.

**For Abhishek Bhate & Co**

Place: Thane  
Date: May 29, 2020

**CS Abhishek Bhate**  
Practicing Company Secretary  
ACS: 27747 , CP: 10230



**ANNEXURE – III****Form AOC-2**

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 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 arm's length transactions under third proviso thereto**

**1. Details of contracts or arrangement or transactions not at arm's length basis:**

During financial year 2019-20, the Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

The details of material contract or arrangement or transaction at arm's length basis for the year ended March 31, 2020 are as follows:

Name of the Related Party	Nature of Relationship	Nature of Contract/ Arrangement/ Transaction	Duration of Contract/ Arrangement/ Transaction	Salient terms of Contract/ Arrangement/ Transaction including the value	Date of approval of the Board, if any	Amount paid as advance, if any
Not Applicable						

For and on behalf of the Board  
Majesco Limited

Date: May 29, 2020  
Place: Navi Mumbai

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

**ANNEXURE – IV****Form No. MGT-9  
Extract of Annual Return**

as on the financial year ended on March 31, 2020

[Pursuant to Section 92(3) 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: 022 6150 1800
6.	Whether listed company	Yes
7.	Name, Address and contact details of Registrar & Transfer Agent (RTA)	Kfin Technologies Private Limited Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Hyderabad, Telangana 500 032 Telephone: +91 40 6716 1633 Fax: +91 40 2342 0814 E-mail: einward.ris@kfintech.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.	Real Estate Activity	681	100%

\*Total turnover has been considered as per Section 2(91) of Companies Act, 2013.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of Subsidiary Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	<b>Majesco</b> Address: 412, Mt. Kemble Avenue, Suite 110C, Morristown, New Jersey 07960	Foreign Company	Subsidiary	74.10	2 (87)
2.	<b>Majesco Software and Solutions Inc.</b> Address: 412, Mt. Kemble Avenue, Suite 110C, Morristown, New Jersey 07960	Foreign Company	Step-Down Subsidiary	100.00	2 (87)
3.	<b>Majesco Canada Limited</b> Address: 1 Dundas Street West, Suite 2500, Toronto, ON M5G 1Z3	Foreign Company	Step-Down Subsidiary	100.00	2 (87)

## ANNEXURE -IV (CONTD.)

Sr. No.	Name and Address of Subsidiary Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
4	<b>Majesco Sdn Bhd</b> Address: 2A-10-1, Block 2A, Level 10, Plaza Sentral, Jalan Stesen Sentral 5, KI Sentral 50470 Kuala Lumpur, Wilayah Persekutuan, Malaysia	Foreign Company	Step-Down Subsidiary	100.00	2 (87)
5	<b>Majesco Asia Pacific Pte Limited</b> Address: #11-06, Sim Lim Tower, 10, Jalan Besar, Singapore, 208787	Foreign Company	Step-Down Subsidiary	100.00	2 (87)
6	<b>Majesco Software and Solutions India Private Limited</b> Address: MNDC, P-136, Millenium Business Park, Mahape, Navi Mumbai - 400 710	U72900MH2014PTC288244	Step-Down Subsidiary	100.00	2 (87)
7	<b>Majesco UK Limited</b> Address: Soane Point 6-8 Market Place Reading, RG1 2EG, UK	Foreign Company	Step-Down Subsidiary	100.00	2 (87)
8	<b>Exaxe Holdings Limited</b> Address: 70, Sir John Rogerson's Quay, Grand Canal Dock Dublin 2, Ireland	Foreign Company	Step-Down Subsidiary	90.00	2 (87)
9	<b>Exaxe Limited</b> Address: 70, Sir John Rogerson's Quay, Grand Canal Dock Dublin 2, Ireland	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 April 1, 2019				No. of Shares held at the end of the year March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a. Individual/ HUF	72,40,283	NIL	72,40,283	25.54	70,40,283	NIL	70,40,283	24.53	(1.01)
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 (Ram Family Trust I, Girija Ram acting in capacity of trustee)	5,00,000	NIL	5,00,000	1.76	5,00,000	NIL	5,00,000	1.74	(0.02)
<b>Sub-total (A)(1)</b>	<b>77,40,283</b>	<b>NIL</b>	<b>77,40,283</b>	<b>27.31</b>	<b>75,40,283</b>	<b>NIL</b>	<b>75,40,283</b>	<b>26.27</b>	<b>(1.04)</b>
<b>(2) Foreign</b>									
a. NRIs Individuals	34,37,889	NIL	34,37,889	12.13	34,37,889	NIL	34,37,889	11.98	(0.15)
b. Other - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

ANNEXURE -IV (CONTD.)

Category of Shareholders	No. of Shares held at the beginning of the year April 1, 2019				No. of Shares held at the end of the year March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
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
<b>Sub-total (A)(2)</b>	<b>34,37,889</b>	<b>NIL</b>	<b>34,37,889</b>	<b>12.13</b>	<b>34,37,889</b>	<b>NIL</b>	<b>34,37,889</b>	<b>11.98</b>	<b>(0.15)</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1,11,78,172</b>	<b>NIL</b>	<b>1,11,78,172</b>	<b>39.44</b>	<b>1,09,78,172</b>	<b>NIL</b>	<b>1,09,78,172</b>	<b>38.25</b>	<b>(1.19)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds	33,67,872	1,200	33,69,072	11.89	35,62,124	1,200	35,63,324	12.41	0.52
b. Banks/ FI	40,256	NIL	40,256	0.14	22,857	NIL	22,857	0.08	(0.06)
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	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g. FII's	22,51,013	1,600	22,52,613	7.95	28,93,200	1,600	28,94,800	10.09	2.14
h. Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i. Others (Alternative Investment Fund)	1,08,367	NIL	1,08,367	0.38	2,52,922	NIL	2,52,922	0.88	0.50
<b>Sub-Total (B)(1)</b>	<b>57,67,508</b>	<b>2,800</b>	<b>57,70,308</b>	<b>20.36</b>	<b>67,31,103</b>	<b>2,800</b>	<b>67,33,903</b>	<b>23.46</b>	<b>3.10</b>
<b>2. Non-Institutions</b>									
a. Bodies Corp.									
i. Indian	19,61,397	2,400	19,63,797	6.93	16,56,493	2,400	16,58,893	5.78	(1.15)
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	52,94,742	1,72,970	54,67,712	19.29	47,88,077	1,55,902	49,43,979	17.22	(2.07)
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	29,55,909	NIL	29,55,909	10.43	34,32,633	NIL	34,32,633	11.96	1.53
c. Others									
i. Non Resident Individuals	9,21,972	11,573	9,33,545	3.29	9,00,240	7,798	9,08,038	3.16	(0.13)
ii. Foreign National	11,260	NIL	11,260	0.04	10,975	NIL	10,975	0.04	NIL
iii. NBFC	51,150	NIL	51,150	0.18	350	NIL	350	0.01	(0.17)
iv. Clearing Member	8,497	NIL	8,497	0.03	28,764	NIL	28,764	0.10	0.07
v. Trust	4,891	NIL	4,891	0.02	6,040	NIL	6,040	0.02	NIL
<b>Sub-total (B)(2)</b>	<b>1,12,10,018</b>	<b>1,86,943</b>	<b>1,13,96,961</b>	<b>40.21</b>	<b>1,08,23,772</b>	<b>1,66,100</b>	<b>1,09,89,872</b>	<b>38.29</b>	<b>(1.92)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1,69,77,526</b>	<b>1,89,743</b>	<b>1,71,67,269</b>	<b>60.56</b>	<b>1,75,54,875</b>	<b>1,68,900</b>	<b>1,77,23,775</b>	<b>61.75</b>	<b>1.19</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Grand Total (A+B+C)</b>	<b>2,81,55,698</b>	<b>1,89,743</b>	<b>2,83,45,441</b>	<b>100.00</b>	<b>2,85,33,047</b>	<b>1,68,900</b>	<b>2,87,01,947</b>	<b>100.00</b>	<b>NIL</b>

## ANNEXURE -IV (CONTD.)

## (ii) Shareholding of Promoters and Promoters group

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year April 1, 2019			Shareholding at the end of the year March 31, 2020			% 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	10.93	NIL	30,99,552	10.80	NIL	(0.13)
2.	Mr. Sudhakar Ram	18,31,763	6.45	24.57	16,31,763	5.69	27.58	(0.76)
3.	Mr. Ketan Mehta	27,19,361	9.59	NIL	27,19,361	9.47	NIL	(0.12)
4.	Mr. Radhakrishnan Sundar	13,76,968	4.86	NIL	13,76,968	4.80	NIL	(0.06)
5.	Mrs. Rupa Mehta	4,80,800	1.70	NIL	4,80,800	1.68	NIL	(0.02)
6.	Mrs. Usha Sundar	4,60,000	1.62	NIL	4,60,000	1.60	NIL	(0.02)
7.	Mrs. Girija Ram	1,63,600	0.58	NIL	1,63,600	0.57	NIL	(0.01)
8.	Mrs. Padma Desai	1,55,200	0.55	NIL	1,55,200	0.54	NIL	(0.01)
9.	Ms. Samvitha Ram	1,03,328	0.36	NIL	1,03,328	0.36	NIL	NIL
10.	Ms. Avanti Desai	81,600	0.29	NIL	81,600	0.28	NIL	(0.01)
11.	Mr. Chinmay Ashank Desai	71,600	0.25	NIL	71,600	0.25	NIL	NIL
12.	Mr. Varun Sundar	64,000	0.23	NIL	64,000	0.22	NIL	(0.01)
13.	Mr. Shankar Sundar	64,000	0.23	NIL	64,000	0.22	NIL	(0.01)
14.	Mr. Tanay Mehta	6,400	0.02	NIL	6,400	0.02	NIL	NIL
15.	Ram Family Trust I	5,00,000	1.76	NIL	5,00,000	1.74	NIL	(0.02)

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

Sr. No.	Name of the Promoter and Promoter group	Shareholding at the beginning of the year as on April 1, 2019		Date	Reason	Increase/ Decrease 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.	Sudhakar Ram	18,31,763	6.45	24.05.2019	Sale of Shares	(2,00,000)	(0.70)	18,31,763	6.45
								16,31,763	5.75

## (iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For each of the Top Ten shareholders	Shareholding at the beginning of the year April 1, 2019		Cumulative Shareholding at the end of the year March 31, 2020	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Amansa Holdings Private Limited	13,55,743	4.78	18,49,280	6.44
2	Aditya Birla Sun Life Trustee Private Limited A/C	11,62,371	4.10	11,05,252	3.85
3	Aditya Birla Sun Life Insurance Company Limited	10,95,487	3.86	9,92,481	3.46
4	IDFC Focused Equity Fund	9,75,838	3.44	12,62,917	4.40
5	DSP Small Cap Fund	9,00,126	3.18	9,00,126	3.14
6	Madhulika Agarwal	6,68,485	2.36	6,68,485	2.33
7	Ashish Kacholia	6,66,123	2.35	8,92,053	3.11
8	Sixteenth Street Asian Gems Fund	2,07,726	0.73	2,50,226	0.87
9	Akash Prem Prakash	2,00,000	0.71	2,00,000	0.70
10	Chetan Jayantilal Shah	1,35,000	0.48	2,00,000	0.70
11	Veritable, L.P. A/C Vemf - A, L.P.	1,52,385	0.54	1,74,618	0.61
12	UBS Principal Capital Asia Limited	8,986	0.03	8,986	0.03

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 of the shareholder.



ANNEXURE -IV (CONTD.)

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Sr. No.	Name of the Directors and KMP	Date	Reason	Shareholding at the beginning of the year April 1, 2019		Cumulative Shareholding at the end of the year March 31, 2020	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Venkatesh N. Chakravarty	April 01, 2019		20,000	0.07	20,000	0.07
		March 31, 2020				20,000	0.07
2	Mr. Ashank Desai*	April 01, 2019		30,99,552	10.93	30,99,552	10.80
		March 31, 2020				30,99,552	10.80
3	Mr. Farid Kazani	April 01, 2019		1,21,201	0.43	1,21,201	0.43
		May 20, 2019	Sale of shares	1,476	0.00	1,19,725	0.43
		May 27, 2019	Sale of shares	450	0.00	1,19,275	0.43
		March 16, 2020	Purchase of share (ESOP)	46,246	0.15	1,65,521	0.58
		March 24, 2020	Purchase of share	2,129	0.00	1,67,650	0.58
		March 31, 2020				1,67,650	0.58
4	Mr. Jyotin Mehta^	April 01, 2019		NIL	NIL	NIL	NIL
		March 31, 2020				NIL	NIL
5	Mr. Ketan Mehta	April 01, 2019		27,19,361	9.59	27,19,361	9.47
		March 31, 2020				27,19,361	9.47
6	Mrs. Madhu Dubhashi	April 01, 2019		1,000	0.00	1,000	0.00
		March 31, 2020				1,000	0.00
7	Mr. Radhakrishnan Sundar	April 01, 2019		13,76,968	4.86	13,76,968	4.80
		March 31, 2020				13,76,968	4.80
8	Mr. Vasant Gujarathi #	April 01, 2019		NIL	NIL	NIL	NIL
		March 31, 2020				NIL	NIL
9	Mr. Kunal Karan (Chief Financial Officer)	April 01, 2019		1,400	0.00	1,400	0.00
		March 31, 2020				1,400	0.00
10	Mrs. Varika Rastogi (Company Secretary)	April 01, 2019		5	0.00	5	0.00
		March 31, 2020				5	0.00
<b>Total</b>				<b>73,39,487</b>	<b>25.88</b>	<b>73,85,936</b>	<b>25.72</b>

\* appointed w.e.f. May 31, 2019.

^ resigned w.e.f. March 02, 2020.

# appointed w.e.f. March 03, 2020.

## ANNEXURE -IV (CONTD.)

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year April 1, 2019</b>				
(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
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Change in Indebtedness during the financial year</b>				
+ Addition	NIL	NIL	NIL	NIL
- Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Indebtedness at the end of the financial year March 31, 2020</b>				
(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
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Farid Kazani (Managing Director & Group CFO)	Radhakrishnan Sundar (Executive Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	1,60,63,014	24,00,000	1,84,63,014
	(b) Value of perquisites under Section 17(2) of Income Tax Act, 1961	42,081	NIL	42,081
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	1,37,65,286	NIL	1,37,65,286
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission			
	- as % of profit	-	-	-
	- others	-	-	-
5.	Others:			
	Contribution to Superannuation Fund	7,92,000	NIL	7,92,000
	Contribution to Provident Fund	6,33,600	2,88,000	9,21,600
	Contribution to National Pension Scheme	5,28,000	NIL	5,28,000
	Performance Bonus/ Incentive for FY 2019-20	55,02,000	NIL	55,02,000
	<b>Total</b>	<b>3,73,25,981</b>	<b>26,88,000</b>	<b>4,00,13,981</b>
6.	Performance Bonus/ Incentive for FY 2018-19 paid in FY 2019-20	1,00,00,000	NIL	1,00,00,000
	<b>Grand Total</b>	<b>4,73,25,981</b>	<b>26,88,000</b>	<b>5,00,13,981</b>
	Ceiling as per the Act	As per Section II of Schedule V of the Companies Act, 2013.		

**ANNEXURE -IV (CONTD.)**

**B. Remuneration to other Directors**

**I. Independent Directors**

(Amount in ₹)

Particulars of Remuneration	Name of the Directors				Total Amount
	Mr. Venkatesh N. Chakravarty	Mrs. Madhu Dubhashi	Mr. Jyotin Mehta <sup>^</sup>	Mr. Vasant Gujarathi #	
Fee for attending Board meetings	4,35,000	4,35,000	3,60,000	75,000	13,05,000
Fee for attending meetings of:					
Audit Committee	2,80,000	2,80,000	2,30,000	50,000	8,40,000
Nomination & Remuneration Committee	2,00,000	2,00,000	NA	NA	4,00,000
Investors' Grievances and Stakeholders' Relationship Committee	1,50,000	NA	NA	NA	1,50,000
Commission	NIL	NIL	NIL	NIL	NIL
Others	NIL	NIL	NIL	NIL	NIL
<b>Total</b>	<b>10,65,000</b>	<b>9,15,000</b>	<b>5,90,000</b>	<b>1,25,000</b>	<b>26,95,000</b>
Ceiling as per the Act	As per Section 197 of the Companies Act, 2013 and rules made thereunder.				

<sup>^</sup> resigned w.e.f. March 02, 2020.

# appointed w.e.f. March 03, 2020.

**a. Other Non-Executive Directors**

(Amount in ₹)

Particulars of Remuneration	Name of the Directors		Total Amount
	Mr. Ketan Mehta	Mr. Ashank Desai*	
Fee for Board meetings	NIL	NIL	NIL
Fee for attending meetings of Audit Committee, Nomination & Remuneration Committee, Investors' Grievances and Stakeholders' Relationship Committee	NIL	NIL	NIL
Commission	NIL	NIL	NIL
Others	NIL	NIL	NIL

\*appointed w.e.f. May 31, 2019.

## ANNEXURE -IV (CONTD.)

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Kunal Karan Chief Financial Officer	Mrs. Varika Rastogi Company Secretary	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	43,02,672	23,62,823	66,65,495
	(b) Value of perquisites under Section 17(2) of Income Tax Act, 1961	32,400	NIL	32,400
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission			
	- as % of profit	-	-	-
	- others	-	-	-
5.	Others:			
	Contribution to Superannuation Fund	2,10,282	NIL	2,10,282
	Contribution to Provident Fund	2,01,873	87,378	2,89,251
	Contribution to National Pension Scheme	1,68,222	NIL	1,68,222
	Performance Bonus/ Incentive	15,32,000	4,52,000	19,84,000
	<b>Total</b>	<b>64,47,449</b>	<b>29,02,201</b>	<b>93,49,650</b>

## VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any
<b>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

For and on behalf of the Board  
Majesco Limited

Venkatesh N. Chakravarty  
Non-Executive Independent Chairman  
DIN: 01102892

Date: May 29, 2020  
Place: Navi Mumbai

## ANNEXURE – V

### Annual Report on Corporate Social Responsibility (CSR) Activities/ Initiatives for the Financial Year 2019-20

[Pursuant to Section 135 of the Companies Act, 2013 & Rules made thereunder]

**1. A brief outline of the Company’s 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 programs.**

The CSR Policy has been laid out for the Company to comply with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. We, at Majesco, are committed to spending up to 2% of the average net profits for the preceding three financial years on CSR projects/ programs related to activities specified in Schedule VII to the Companies Act, 2013 or such activities as may be notified from time to time. CSR Committee was constituted by the Board of Directors of the Company, at its meeting held on June 1, 2015, to meet the requirements of the Companies Act, 2013. The Committee has adopted CSR Policy and same is uploaded on the Company’s website at <https://ir.majesco.com/policies/>.

**2. Composition of CSR Committee:**

Name of the Director	Designation	Composition
Mr. Venkatesh N. Chakravarty	Non-Executive Independent Chairman	Chairman
Mr. Farid Kazani	Managing Director & Group CFO	Member
Mr. Radhakrishnan Sundar	Executive Director	Member

**3. Average net profit of the Company for last three financial years: ₹ 755.33 lakhs**

**4. Prescribed CSR expenditure (2% of the amount as in item 3 above): ₹ 15.25 lakhs**

**5. Details of CSR spent during the financial year 2019-20:**

- Total amount spent: ₹ 15.25 lakhs
- Amount unspent, if any: NIL
- Manner in which the amount spent during the financial year is detailed below:

(₹ in Lakhs)

Sr. No.	CSR Projects/ Activities identified	Sector in which the Project is covered	Locations	Amount Outlay (Budget) Projects or Programs wise	Amount spent on the Projects or Programs	Cumulative Expenditure up to reporting period	Amount spent: Direct or through implementing agency*
			District (State)				
1.	<b>Providing for leukocyte filters to thalassaemia patients</b> Activities: a. Estimate the number of blood transfusions per month. b. Place orders with the supplier of leukocyte filters. c. Accept delivery of leukocyte filters at the day care centre. d. Use one leukocyte filter with every blood transfusion.	Healthcare	Santacruz - Mumbai, Maharashtra	7.32	7.32	7.32	Think Foundation



## ANNEXURE – V (CONTD.)

(₹ in Lakhs)

Sr. No.	CSR Projects/ Activities identified	Sector in which the Project is covered	Locations	Amount Outlay (Budget) Projects or Programs wise	Amount spent on the Projects or Programs	Cumulative Expenditure up to reporting period	Amount spent: Direct or through implementing agency*
			District (State)				
2.	<b>Aajivika: Creating sustainable livelihood opportunities for underprivileged women artisans</b> Activities: a. To mobilize work opportunities for skilled underprivileged women through exhibitions, job work and orders. b. To build capacities of underprivileged women to be self-employed.	Livelihood	Dharavi, Khar, Mahim, Vasai - Mumbai, Maharashtra	5.00	5.00	5.00	Srujna Charitable Trust
3.	<b>Construction of residential education institution for tribal children</b> Activities: a. Construction of residential school for tribal children. The next phase of the project aims to achieve the following activities: b. Provision of formal education to tribal children. c. Ensure improvement of overall health of the children and eradication of malnourishment. d. Ensure holistic development of children from tribal backgrounds in areas of academics, sports, arts, culture and citizenship virtues.	Education	Sandalpur – Khategaon, Dewas, Madhya Pradesh	2.15	2.15	2.15	Parivaar Education Society
4.	Mastek Foundation	Project Monitoring and Evaluation	Andheri - Mumbai, Maharashtra	0.78	0.78	0.78	
<b>Total Funds</b>				<b>15.25</b>	<b>15.25</b>	<b>15.25</b>	

\*Amounts are given through Mastek Foundation, who got the project implemented through NGOs.

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: **Not Applicable**
7. The CSR Committee hereby confirm that that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board  
**Majesco Limited**

**Venkatesh N. Chakravarty**

Non-Executive Chairman & Independent Director

DIN: 01102892

Date: May 29, 2020

Place: Navi Mumbai

## CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Our mission is to inspire our employees to contribute back to the community by sensitizing them to the issues and needs of the community and engaging them with the community through volunteering and giving back to society. Apart from this, we support credible Non-Profit Organisations to scale and build their capabilities through our core skill of Information Technology.

Mastek Foundation, our CSR wing, inscribed this mission on three pillars: **GIVE, ENGAGE and BUILD.**

### GIVE

Giving back to society has been an integral part of Mastek Foundation's mission since 2002. Its CSR initiatives are aligned with the United Nations Sustainable Development Goals.

During financial year 2019-20, Non-Profit Organisations received support towards their social development projects focused on diverse social causes such as education, healthcare and livelihood, through our CSR grants.

### Looking beyond CSR Spends

Beyond the CSR spends, our employees are encouraged to contribute through employee payroll to support Non-Profit Organisations. Additionally, Mastek Foundation organises annual fundraiser events, such as crowd-funding platforms to support social causes in collaboration with credible Non-Profit Organisations. Brief summary of various initiatives is provided below:

- a) Our employees (including employees of step-down subsidiary Majesco Software and Solutions India Private Limited) donated ₹ 12,28,404 in support of social projects focused on holistic child development and disaster relief.
- b) Mastek Foundation's annual musical fundraiser event called "Inspired", brings all stakeholders and donors together to support a social project by a credible Non-Profit Organisation. The initiative serves as a crowd-funding platform.

As education is one of the most substantial aspects in the overall economic and social development of the society, Mastek Foundation envisioned to contribute by making it accessible to underprivileged and destitute children. In

light of the need, they collaborated with Parivaar Education Society through "Inspired 2019" towards construction of a residential school institution in Khategaon, Dewas, Madhya Pradesh. The project aims to benefit 2,000 underprivileged children by providing access to quality education and holistic development.

### Lending a Helping Hand

When natural disasters strike, Mastek Foundation has been swift to collaborate with credible Non-Profit Organisations to address the immediate financial support required for operations on ground zero. To meet the need of the hour, Mastek Foundation stepped forward with Majesco employees and lent a helping hand through below initiatives:

- a) During 2019 Assam, Bihar and Maharashtra floods, Mastek Foundation in association with Goonj, a Non-Profit Organisation, encouraged Majesco employees to donate towards disaster relief operations for the flood victims.
- b) During financial year 2019-20, Majesco employees pledged to support integrated education, health and nutrition expenses of underprivileged children in Bihar and the donations were channelled through SOS Children's Villages of India.

### ENGAGE

#### Employee Involvement beyond funds

Giving one's time, skills and expertise is the true spirit of our CSR Program. The success of our CSR initiatives depends largely upon the active "volunteering" of Majesco employees who believe they can and should make a difference to the lives of fellow human beings, especially those who are not as privileged as many of us. The involvement of Company's employees in community projects is immensely important and helps to bring employees, the Company and the community closer together. Brief summary on involvement of employees in various initiatives is provided below:

- a) During the grim situation of Maharashtra floods in 2019, Majesco employees extended their support by donating boxes of clothes. These donations served as a part of critical relief kits to flood-affected victims during, ground zero operations by Goonj.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CONTD.)



*Majesco employees with donated boxes of clothes*

- b) Rallying around a cause, such as blood donation, increases employee engagement and gives them the opportunity to make a positive difference in the community. Majesco employees participated in the blood donation camp organized on World Thalassemia Day. Blood donation camp was organized in collaboration with Think Foundation for Thalassemia patients in May, 2019.
- c) The Mastek Foundation’s Run initiative has developed through the unwavering support of Majesco employees, Mastek employees, Marathoners and Running Enthusiasts, NGOs and Volunteers, to bring peace and social change through running since 2013.

Mastek Foundation organised its eighth annual Mastek Foundation Run in November 2019, in which 1,331 runners belonging to diverse groups participated. Vision for this year was to inspire the society towards the significance of empowering women and children.

The funds raised through this platform sponsored the education of underprivileged children in Bhuj, Gujarat and provided support towards creating sustainable livelihood opportunities for the underprivileged women artisans of Mumbai, Thane and Palghar in Maharashtra.

**BUILD**

Project Deep Blue: Riding high on the stupendous success of the last four seasons, Project Deep Blue witnessed the Season 5 - Finale, with 48 teams, out of the 348 teams registered, from 14 engineering colleges across Mumbai. They developed solutions surrounding long term capacity planning for water management, measure visual acuity with a cost-effective solution, predict queue wait time and urban sanitation and public health issues with an emphasis on deploying technology for waste segregation.



*Project Deep Blue Season 5 Winners*

*K.J. Somaiya Institute of Engineering & Information Technology, Mumbai, Maharashtra Problem Statement - Measuring Visual Acuity*

# CORPORATE GOVERNANCE REPORT

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Majesco Limited (hereinafter referred to as "Majesco" or "the Company") strongly believes that instilling good corporate governance practices in each & every function of the organization leads to achieve sustainable growth and enhances long term value for all the stakeholders. The Company always endeavors 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 ethics.

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 provides direction to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable and profitable growth.

### A. BOARD OF DIRECTORS ("The Board")

#### a. Size and Composition of the Board

The Board comprises of majority of Non-Executive Directors. Your Company has a diversified Board with professionals from varied background in the field of Information Technology, Insurance, Finance, Marketing and Strategic Management. As on March 31, 2020, the Board consisted of seven Directors comprising two Executive Directors, two Non-Executive Non-Independent Directors and three Non-Executive Independent Directors, including one Woman Independent Director. Composition of the Board is in compliance with Regulation 17(1) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI Listing Regulations") and the Companies Act, 2013 (hereinafter referred to as "the Act").

The details of each member of the Board along with number of directorship(s)/ committee membership(s) held by Directors in companies other than the Company along with all other requisite information are given herein below.

Name of the Director & DIN	Designation	Original Date of Appointment	Directorship in other Indian Companies	Position held in Committees of the Board of other Indian Public Companies		Shareholding as on March 31, 2020
				As Chair person	As Member	
Mr. Venkatesh N. Chakravarty <sup>§</sup> (DIN: 01102892)	Non-Executive Independent Chairman	15.09.2014	NIL	NIL	NIL	20,000
Mr. Ashank Desai* (DIN: 00017767)	Non-Executive Director (Promoter)	31.05.2019	4	1	2	30,99,552
Mr. Farid Kazani (DIN: 06914620)	Managing Director & Group CFO	15.09.2014	2	NIL	NIL	1,67,650
Mr. Jyotin Mehta* (DIN: 00033518)	Non-Executive Independent Director	05.11.2018	N.A.	N.A.	N.A.	N.A.
Mr. Ketan Mehta (DIN: 00129188)	Non-Executive Director (Promoter)	29.04.2015	NIL	NIL	NIL	27,19,361
Mrs. Madhu Dubhashi <sup>§</sup> (DIN: 00036846)	Non-Executive Independent Director	29.04.2015	9	1	3	1,000
Mr. Radhakrishnan Sundar (DIN: 00533952)	Executive Director (Promoter)	01.06.2015	NIL	NIL	NIL	13,76,968
Mr. Vasant Gujarathi** (DIN: 06863505)	Non-Executive Independent Director	03.03.2020	1	1	NIL	NIL

<sup>§</sup>Re-appointed as Non-Executive Independent Director with effect from April 29, 2020 for their second term of 5 consecutive years, subject to approval of the members at the ensuing Annual General Meeting.

\*Appointed as Non-Executive Promoter Director w.e.f. May 31, 2019.

#Resigned as Non-Executive Independent Director w.e.f. March 2, 2020.

\*\*Appointed as Non-Executive Additional Independent Director w.e.f. March 3, 2020.

#### Notes:

- 1) There are no inter-se relationships between our Board members.
- 2) Directorships in other companies include all companies, whether listed or unlisted and exclude foreign companies, other bodies corporate, guarantee companies and Section 8 companies.
- 3) Number of directorship of the Directors are within the permissible limits as prescribed under Section 165 of the Act and Regulation 17A of SEBI Listing Regulations.

**CORPORATE GOVERNANCE REPORT (Contd.)**

4) 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 ten Committees or Chairman/ Chairperson of more than five Committees across all Indian Public limited companies. For this purpose, only Audit Committee and Stakeholders’ Relationship Committee has been considered as required under Regulation 26 of the SEBI Listing Regulations.

**List of Directorship in other Listed Entities**

Name of the Director	Name of other Listed Entity	Category of Directorship
Mr. Venkatesh N. Chakravarty	None	Not Applicable
Mr. Ashank Desai	Mastek Limited (CIN: L74140GJ1982PLC005215)	Non-Executive Director
	NRB Bearings Limited (CIN: L29130MH1965PLC013251)	Independent Director
Mr. Farid Kazani	None	Not Applicable
Mr. Jyotin Mehta	Not Applicable	
Mr. Ketan Mehta	None	Not Applicable
Mrs. Madhu Dubhashi	Pudumjee Paper Products Limited (CIN: L21098PN2015PLC153717)	Independent Director
	Tube Investments of India Limited (CIN: L35100TN2008PLC069496)	Independent Director
	Sanghvi Movers Limited (CIN: L29150PN1989PLC054143)	Independent Director
Mr. Radhakrishnan Sundar	None	Not Applicable
Mr. Vasant Gujarathi	None	Not Applicable

**b. Skills, Expertise and Competence of the Board of Directors**

Considering size and nature of business of the Company and its material subsidiary, the Directors should possess one or more skills, expertise and competencies as mentioned below.

Skills/ Expertise/ Competencies	Description	Name of the Director
Technology	Significant experience and knowledge in technology industry to identify opportunities & threats for the Company's core business and ability to review the competitive business strategies.	<ul style="list-style-type: none"> <li>●Mr. Ketan Mehta</li> <li>●Mr. Ashank Desai</li> <li>●Mr. Radhakrishnan Sundar</li> </ul>
Global Business	Ability to guide in driving business success in varied geographies, with an understanding of diverse business environments, broad perspective on global market opportunities.	<ul style="list-style-type: none"> <li>●Mr. Venkatesh N. Chakravarty</li> <li>●Mr. Ketan Mehta</li> <li>●Mr. Ashank Desai</li> <li>●Mr. Radhakrishnan Sundar</li> </ul>

Skills/ Expertise/ Competencies	Description	Name of the Director
Mergers and Acquisitions	Ability to evaluate potential target in line with the Company's strategy, appropriate valuation of transaction and operational integration structure with the Company's culture.	<ul style="list-style-type: none"> <li>●Mr. Ketan Mehta</li> <li>●Mr. Farid Kazani</li> </ul>
Financial Acumen	Ability to evaluate and analyze the Company's financial performance, experience in financial management and financial reporting processes.	<ul style="list-style-type: none"> <li>●Mr. Farid Kazani</li> <li>●Mrs. Madhu Dubhashi</li> <li>●Mr. Vasant Gujarathi</li> </ul>
Risk Management	Ability to identify key risks impacting the Company's business and contribute towards development of control mechanism for risk mitigation.	<ul style="list-style-type: none"> <li>●Mr. Venkatesh N. Chakravarty</li> <li>●Mr. Farid Kazani</li> <li>●Mrs. Madhu Dubhashi</li> <li>●Mr. Vasant Gujarathi</li> </ul>
Board Governance	Ability to contribute to the Board's role towards setting & upholding the highest standards of governance & ethics, integrity and protection of shareholders' interests.	<ul style="list-style-type: none"> <li>●Mr. Ashank Desai</li> <li>●Mr. Farid Kazani</li> </ul>

**c. Familiarization Programme for Independent Directors**

In order to familiarize the Independent Directors with the business of the Company, an appropriate induction programme for new Directors and ongoing familiarization programme for the Independent Directors is conducted by the Company. The details of the said familiarization programme are available on the Company's website at web link <https://ir.majesco.com/investor-communications/>. Further, regular updates are provided to the Board by the Company's Senior Management in areas of operations, industry trends, regulatory compliances, competition, strategy and future outlook.

At the time of appointment/ re-appointment, a formal letter of appointment/ re-appointment is issued to every Director, including an Independent Director. The appointment letter, inter alia, explains role, functions, duties and responsibilities as a Director of the Company under various provisions of the Act and the SEBI Listing Regulations. Format of the letter of appointment is available on our website, at <https://ir.majesco.com/>.

The aforesaid programs help the Directors to understand the Company, its business and the regulatory framework in which the Company operates and equip them to effectively fulfil their role as a Director of the Company.



**CORPORATE GOVERNANCE REPORT (Contd.)****d. Meeting of Independent Directors**

The Independent Directors of the Company met once in year, without the attendance of the Executive and Non-Executive Directors and members of the Management of the Company. In the said meeting, the Independent Directors reviewed the matters as stated in the SEBI Listing Regulations and as per the Act. Action items, if any, are communicated and tracked to closure, to the satisfaction of Independent Directors.

**e. Declaration from Independent Directors**

The Independent Directors have furnished declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations. In the opinion of the Board, Independent Directors fulfill the criteria of independence as specified in the Act, the SEBI Listing Regulations and are independent of the management.

Mr. Jyotin Mehta (DIN: 06914620) was appointed as an Independent Director of the Company for a period of five years from November 5, 2018 to November 4, 2023. However, he resigned from his position before the expiry of his tenure, with effect from March 2, 2020, due to certain pre-occupations. He confirmed that there was no other material reason for his resignation.

**f. Attendance of the Directors at Board Meetings and Annual General Meeting (“AGM”)**

During the year ended March 31, 2020, six Board meetings were held on May 15, 2019, August 13, 2019, November 14, 2019, December 12, 2019, February 10, 2020 and March 16, 2020.

Attendance of the Directors at Board meetings held during the Financial year (FY) 2019-20 and AGM held on August 6, 2019, is given below.

Name of the Director	Number of Board Meetings		AGM
	Held	Attended	
Mr. Venkatesh N. Chakravarty	6	6	Y
Mr. Ashank Desai*	5	4	Y
Mr. Farid Kazani	6	6	Y
Mr. Jyotin Mehta#	5	5	Y
Mr. Ketan Mehta	6	5	N
Mrs. Madhu Dubhashi	6	6	N
Mr. Radhakrishnan Sundar	6	5	Y
Mr. Vasant Gujarathi**	1	1	N.A.

\*Appointed as Non-Executive Promoter Director w.e.f. May 31, 2019.

#Resigned as Non-Executive Independent Director w.e.f. March 2, 2020.

\*\*Appointed as Non-Executive Additional Independent Director w.e.f. March 3, 2020.

**g. Board Procedures**

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. The Board meets at least once in each quarter, with not more than four months gap between two meetings. Additional meetings are held based on necessity. The Board meets inter alia to review the performance and the financial results of the Company. All the items on the Agenda are accompanied by detailed notes giving information on the related agenda item and in case of certain matters such as financial/ business plans, financial results etc. detailed presentations are made by the concerned Management representatives at the meetings. The Agenda papers are circulated well in advance before each meeting to all the Directors. The Board members in consultation with the Chairman may bring up other matters for discussion at the Board meetings.

All the requisite information as mentioned in Regulation 17(7) read with Part A of Schedule II to the SEBI Listing Regulations is regularly placed before the Board for its consideration.

To enable the Board to discharge its responsibilities properly, the directors are effectively briefed at every Board meeting. Senior Management members are also invited to attend the meetings to provide additional inputs on the items being discussed by the Board. All major matters involving policy formulation, strategy and business plans etc. are considered by the Board.

The minutes of the Board meetings are circulated to all Directors. The minutes of meetings of the Audit Committee and other Committees of the Board are noted on regular basis by the Board at its meetings.

**B. COMMITTEES OF THE BOARD**

The Board has constituted following committees and laid out terms of reference for each committee.

- (i) Audit Committee

**CORPORATE GOVERNANCE REPORT (Contd.)**

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

**(i) Audit Committee**

Terms of Reference

- (a) Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (b) Recommendation for appointment, remuneration and terms of appointment of auditors;
- (c) Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- (d) Review, with the management, of the annual financial statements and Auditor's report thereon before submission to the Board for approval, with particular reference to following:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013;
  - Any changes in accounting policies & practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion(s), if any, in the draft audit report
- (e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (f) Review with the management, the statement of uses/ application of funds raised through an issue

(public issue, rights issue, preferential issue, etc., as the case may be), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

- (g) Review and monitoring of the auditor's independence & performance and effectiveness of audit process;
- (h) Approval or any subsequent modification of related party transactions of the Company;
- (i) Scrutiny of inter-corporate loans and investments;
- (j) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (k) Evaluation of Internal Financial Controls and Risk Management Systems/ Policies;
- (l) Review, with the management, of performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- (m) Review the adequacy of internal audit function, reporting structure coverage and frequency of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (n) Discussion with internal auditors of any significant findings and follow-up thereon;
- (o) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board;
- (p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit and have post-audit discussion to ascertain any area of concern;
- (q) Looking into the reasons for substantial defaults in payment to depositors, debenture holders, shareholders (in the case of non-payment of declared dividends) and creditors, as may be applicable;

## CORPORATE GOVERNANCE REPORT (Contd.)

- (r) Review the functioning of the Whistle-Blower Mechanism;
- (s) Approval of appointment of Chief Financial Officer of the Company, after assessing qualifications, experience, background, etc. of the candidate;
- (t) Review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments; and
- (u) To carry out any other functions as may be assigned by the Board of Directors of the Company.

The minutes of the Audit Committee are also circulated to the Board of Directors. The Chairman of the Audit Committee apprises the Board on the recommendations made by the committee. At the beginning of the financial year, the Committee reviews the areas to be covered by the internal audit and approves annual internal audit programme for the current year. The Committee reviews the performance of the internal auditor and statutory auditor and advises the Board on the re-appointment of internal and statutory auditors. During the year under review, the Board accepted all the recommendations made by the Audit Committee.

Details of composition, meetings held and attendance during FY 2019-20.

The Committee met six times on May 15, 2019, August 13, 2019, November 14, 2019, December 12, 2019, February 10, 2020 and March 16, 2020.

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Jyotin Mehta <sup>#</sup> (Chairman)	Independent Director	5	5
Mr. Vasant Gujarathi* (Chairman)	Independent Director	1	1
Mrs. Madhu Dubhashi	Independent Director	6	6
Mr. Radhakrishnan Sundar	Executive Director	6	5
Mr. Venkatesh N. Chakravarty	Independent Director	6	6

<sup>#</sup>Resigned as Non-Executive Independent Director w.e.f. March 2, 2020.

\*Appointed as Non-Executive Independent Director w.e.f. March 3, 2020.

(ii) **Nomination and Remuneration Committee**Terms of Reference

- (a) To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- (b) To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
- (c) To devise a policy on diversity of the Board of Directors;
- (d) To identify persons who are qualified to become Director or who may be appointed in senior management of the Company in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- (e) To ascertain whether to extend or continue the term of appointment of the Independent Director, on basis of performance evaluation report of Independent Directors;
- (f) To decide, formulate and amend detailed terms and conditions of the Employees Stock Option Plan, governed by the guidelines issued by SEBI (Share Based Employee Benefits) Regulations, 2014 and as amended from time to time;
- (g) To finalize the stock options to be granted to the employees of the Company under the scheme and finalization of incentive plan for the employees of the Company;
- (h) To recommend compensation structure of the Managing/ Executive Director;
- (i) To recommend performance incentives to be paid to Managing/ Executive Director.
- (j) To fix sitting fees for Non-Executive Directors for attending Board/ Committee meetings;
- (k) To ensure the following—
- 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;

## CORPORATE GOVERNANCE REPORT (Contd.)

- 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.
- (l) To recommend to the Board, all remuneration, in whatever form, payable to senior management. Senior Management shall comprise all members of management one level below the Board including Chief Financial Officer and Company Secretary.

Details of composition, meetings held and attendance during FY 2019-20

The Nomination and Remuneration Committee met five times on May 15, 2019, August 13, 2019, November 14, 2019, December 12, 2019 and March 16, 2020.

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mrs. Madhu Dubhashi (Chairperson)	Independent Director	5	5
Mr. Ketan Mehta	Non-Executive Director	5	4
Mr. Venkatesh N. Chakravarty	Independent Director	5	5

During the year, performance evaluation exercise of the Board as a whole, Board Committees and Peer Evaluation of the Directors was carried out by following internal methodology, details of which are provided in the Board of Directors' Report.

**Criteria of Performance Evaluation of Independent Directors**

- i. Independent Directors are expected to bring in objectivity and independent view during the Board's deliberations relating to the Company's strategy, performance and risk management and ensure highest standards of financial probity and corporate governance.
- ii. Independent Directors are also expected to commit and allocate sufficient time to meet the expectations of their role, to the satisfaction of the Board.vv

- 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 precondition to their appointment as Independent Directors, they are required to declare their directorships and interest to the Board, in writing in the prescribed format, at the time of their appointment.
- iv. The key elements in which every Independent Director is expected to contribute are: Strategy, Performance, Risk, People, Reporting and Compliance.

**(iii) Investors' Grievances and Stakeholders' Relationship Committee**

Terms of Reference

- (a) Review of measures taken for effective exercise of voting rights by shareholders;
- (b) Review of adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- (c) Review of various measures and initiatives taken by the Company for improving shareholders' services such as to reduce quantum of unclaimed dividends, to ensure timely receipt of dividend warrants/ annual report/ statutory notices by the shareholders of the Company.

Details of composition, meetings held and attendance during FY 2019-20

The Committee met six times on May 15, 2019, August 13, 2019, October 18, 2019, December 12, 2019, February 10, 2020 and March 16, 2020.

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Venkatesh N. Chakravarty (Chairman)	Independent Director	6	6
Mr. Farid Kazani	Managing Director & Group CFO	6	6
Mr. Radhakrishnan Sundar	Executive Director	6	5

## CORPORATE GOVERNANCE REPORT (Contd.)

Mrs. Varika Rastogi, Company Secretary and Compliance Officer acts as the Secretary to the Committee.

Your Company has designated e-mail ID, [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com) for the redressal of any shareholders' related grievances exclusively for the purpose of registering service requests by members/stakeholders. Your Company has also displayed the said e-mail ID under Investors section at its website <https://ir.majesco.com/others/> and other relevant details prominently, for investors/ shareholders' awareness.

**Details of request received and resolved during the FY 2019-20**

Nature of Request	Opening Balance as on April 1, 2019	Re-ceived	Re-solved	Out-standing as on March 31, 2020
Non-receipt of Annual Report	NIL	20	20	NIL
Non-receipt of shares	NIL	11	11	NIL

All requests were resolved to the satisfaction of shareholders.

**(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**

- Formulation and recommendation 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;
- Recommendation of the amount of expenditure to be incurred on the activities;
- Monitoring of the Corporate Social Responsibility Policy of the Company from time to time.

**Details of composition, meetings held and attendance during FY 2019-20**

The Committee met three times on August 13, 2019, February 10, 2020 and March 16, 2020.

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Venkatesh N. Chakravarty (Chairman)	Independent Director	3	3
Mr. Farid Kazani	Managing Director & Group CFO	3	3
Mr. Radhakrishnan Sundar	Executive Director	3	3

**C. REMUNERATION PAID TO DIRECTORS DURING THE FINANCIAL YEAR ENDED MARCH 31, 2020**

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

Details of sitting fees paid to Independent Directors are provided in Form MGT-9, attached as Annexure-IV to the Board of Directors' Report.

**ii. Criteria for making payment to Non-Executive Directors**

Members of the Company at 3<sup>rd</sup> AGM held on August 11, 2016 has approved the payment of remuneration by way of commission to Non-Executive Directors, sum not exceeding 1% per annum of net profit of the Company for all Non-Executive Directors in aggregate for one FY. However, no commission has been paid to Non-Executive Directors during the FY 2019-20.

Mr. Venkatesh N. Chakravarty, Independent Director and Chairman, was granted 6,725 stock options on July 25, 2011 at grant price of ₹ 80.01/- per option. The said options were granted pursuant to the Scheme of Arrangement ("Scheme") between Mastek Limited, Majesco Limited and Majesco Software and Solutions India Private Limited, 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.



## CORPORATE GOVERNANCE REPORT (Contd.)

## iii. Remuneration paid to Executive Directors

Details of the remuneration paid to Executive Directors are provided in Form MGT-9, attached as Annexure IV to the Board of Directors' Report.

During the year, 98,600 Restricted Stock Units were granted to Mr. Farid Kazani, Managing Director & Group CFO. Options shall vest at the rate of 33.33% at the end of each year from the date of grant. First option shall vest only after a period of twelve months from the date of grant. Vested options can be exercised within a period of seven years from the date of vesting.

Service Contract, Notice Period and Severance Pay

The Company has executed contract with Mr. Farid Kazani, Managing Director & Group CFO, for a period of three years with effect from July 4, 2017 to July 3, 2020, and his notice period for resignation is three months.

Further, the Company is proposed to enter into contract for re-appointment of Mr. Farid Kazani, Managing Director & Group CFO for a further period of three years with effect from July 4, 2020 to July 3, 2023, subject to approval of members at ensuing AGM and his notice period for resignation under the said contract is also proposed as three months.

Mr. Radhakrishnan Sundar was re-appointed as Executive Director of the Company for the period of three years with effect from June 1, 2018 to May 31, 2021 and his notice period for resignation is three months.

## D. GOVERNANCE TO SHAREHOLDERS

AGM held during last three years

Financial Year	Details of date, day, time and venue of AGM	Summary of Special Resolution(s) passed
2018-19	Date: August 6, 2019 Day: Tuesday, Time: 11:00 A.M. Venue: Hotel "Country Inn and Suites By Radisson", Plot No. X-4/5-B, TTC Industrial Area, MIDC, Mahape, Shilphata Road, Navi Mumbai - 400 701	Alteration of Objects Clause of Memorandum of Association of the Company.

Financial Year	Details of date, day, time and venue of AGM	Summary of Special Resolution(s) passed
2017-18	Date: August 3, 2018 Day: Friday, Time: 11:00 A.M. Venue: Country Inn and Suites By Radisson, Plot No. X-4/5-B, TTC Industrial Area, MIDC, Mahape, Shilphata Road, Navi Mumbai - 400 701	Re-appointment of Mr. Radhakrishnan Sundar as an Executive Director of the Company.
2016-17	Date: August 4, 2017 Day: Friday, Time: 11:00 A.M. Venue: Fortune Select Exotica, Plot no. 16, Sector 19D, Palm Beach Road, Vashi, Navi Mumbai - 400 705	Re-appointment of Mr. Farid Kazani as Managing Director of the Company.

Extraordinary General Meetings (EGM) held during last three years

Financial Year	Details of date, day, time and venue of EGM	Summary of Special Resolution(s) passed
2019-20	N. A.	N. A.
2018-19	N. A.	N. A.
2017-18	Date: January 11, 2018 Day: Thursday, Time: 10:15 A.M. Venue: Four Points by Sheraton, Sector 30 A, Vashi, Navi Mumbai - 400 701	i. Increase in the Authorized Share Capital and consequently alteration to the Capital Clause of Memorandum of Association of the Company. ii. Alteration of Articles of Association of the Company. iii. Further Issue of Securities.

Details of Postal Ballot

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report. However, during the year under review, approval of shareholders of the Company was sought through Postal Ballot and details of the same are given below:

Date of Postal Ballot Notice:	March 16, 2019
Voting Period:	April 1, 2019 at 9:00 A.M. (IST) to April 30, 2019 at 5:00 P.M. (IST)
Date of Declaration of result:	April 30, 2019
Date of Approval:	April 30, 2019

## CORPORATE GOVERNANCE REPORT (Contd.)

## Summary of Voting Pattern:

Description of the Resolution	Type of Resolution	No. of votes polled	Votes cast in favor		Votes cast against	
			No. of votes	%	No. of votes	%
Sale and transfer of India Insurance Products & Services Business on slump sale basis.	Special	1,52,48,936	1,50,67,862	98.81	1,81,074	1.19

Mr. Mukesh Sarswat, Practicing Company Secretary, was appointed as the scrutinizer for carrying out the above postal ballot exercise in a fair and transparent manner.

## Procedure for Postal Ballot:

In compliance with Sections 108 and 110 and other applicable provisions of the Act read with the related rules, the Company provided electronic voting (e-voting) facility, in addition to physical ballot, to its members. For this purpose, the Company had engaged the services of National Securities Depository Limited (NSDL). Postal ballot notices and forms were dispatched, along with postage-prepaid business reply envelopes to the registered members/beneficiaries.

The Company had also published a notice in the newspapers declaring the details of dispatch of notice, cut-off date, e-voting period and other mandatory requirements. Voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members who wanted to exercise their votes by physical postal ballot were requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of voting period and those using e-voting option were requested to vote before 5:00 P.M. (IST) on the last date of e-voting.

On completion of scrutiny, the Scrutinizer submitted his report to the Company Secretary of the Company and the results of the voting were announced by the Company Secretary of the Company. The results are displayed on the Company's website, <https://ir.majesco.com/investor-communications/>, besides being communicated to the Stock Exchanges, Depository and Registrar & Share Transfer Agent. The resolution is deemed to have been passed on the last date for receipt of duly completed Postal Ballot Forms and Remote E-voting i.e. April 30, 2019.

## Communication with the Shareholders

The Board of Directors of the Company approves the quarterly, half yearly and annual financial results in the format prescribed under Regulation 33 of the SEBI Listing Regulations. The approved financial results are submitted

to the Stock Exchanges within the prescribed time. The financial results and other statutory notices are published in newspapers Financial Express (English) and Mumbai Lakshadeep (Marathi).

The Company's website has a separate section where the shareholders' information is available. The financial results are also displayed on the Company's website at <https://ir.majesco.com/financial-information/quarterly-earnings/>. Annual Reports of the Company are also available on the website in a user-friendly and downloadable form. Other information relating to quarterly shareholding pattern, quarterly corporate governance report are available on the Company's website at <https://ir.majesco.com/>.

## E. GENERAL SHAREHOLDERS' INFORMATION

## Seventh AGM

Seventh AGM of the Company for the FY 2019-20 is scheduled to be held on Thursday, September 24, 2020 at 10:00 A.M. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) mode.

## Financial Year

The Company follows April-March as the financial year.

## Tentative Calendar for financial year ending March 31, 2021

The tentative dates of meeting of the Board of Directors for consideration of quarterly/ annual financial results are as follows.

## Book Closure Date

From Saturday, September 19, 2020 to Thursday, September 24, 2020 (both days inclusive)

## Dividend

The Board of Directors at its meeting held on March 16, 2020, approved Interim dividend for FY 2019-20 at the rate of 40% i.e. ₹ 2/- per equity share of face value of ₹ 5/- each. The said dividend has duly been paid within 30 days of date of declaration.

## Listing on Stock Exchanges and Stock Code

Name and Address of the Exchange	Stock Code	ISIN
National Stock Exchange of India Limited (NSE)	MAJESCO	INE898S01029
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051		
BSE Limited (BSE)	539289	
Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001		

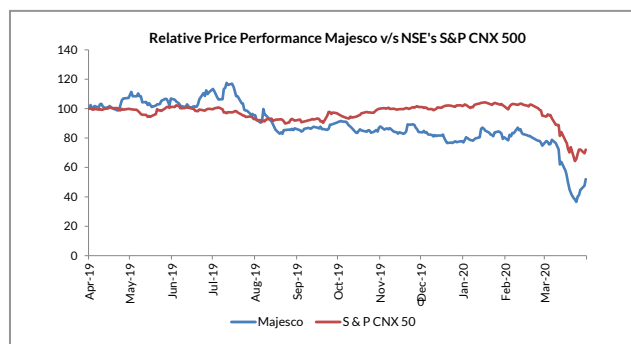
The Company has paid listing fees to the Stock Exchanges for the FY 2020-21.

## CORPORATE GOVERNANCE REPORT (Contd.)

**Market Price Data**

Monthly high and low price of equity shares of the Company on NSE and BSE during financial year ended March 31, 2020

Month and year	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume (Total traded quantity)	High (₹)	Low (₹)	Volume (Total traded quantity)
April 2019	530.00	480.00	46,211	530.00	480.00	6,52,548
May 2019	553.00	486.70	72,239	554.75	491.70	10,03,730
June 2019	559.00	480.40	49,731	558.65	488.00	4,60,254
July 2019	588.40	450.05	1,32,355	587.10	447.00	9,36,418
August 2019	494.95	399.80	37,412	495.00	399.30	7,44,539
September 2019	456.50	410.00	28,537	456.70	410.00	5,75,582
October 2019	462.00	401.00	19,712	462.00	405.00	4,41,047
November 2019	454.00	396.25	59,523	454.40	395.80	7,27,484
December 2019	421.95	364.35	50,814	422.25	364.00	6,14,496
January 2020	433.15	375.80	42,476	433.70	375.35	6,23,284
February 2020	451.00	360.00	40,279	451.95	359.20	6,70,146
March 2020	405.00	170.55	74,813	407.65	167.95	6,10,533

**Majesco Share Price Performance Versus NSE's S&P CNX 500****Registrar & Share Transfer Agent (RTA) and Contact details**

The name of the Company's RTA is changed to KFin Technologies Private Limited from Karvy Fintech Private Limited effective December 5, 2019. The Company has communicated this information to the stock exchanges and also made it available on the Company's website.

Kfin Technologies Private Limited

Selenium Tower B, Plot 31-32, Financial District,  
Nanakramguda, Hyderabad - 500 032, India

Telephone: +91 40 6716 1633

Toll Free no: 1800-345-4001

Fax: +91 40 2342 0814

E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Website: [www.kfintech.com](http://www.kfintech.com)

**Share Transfer System**

The SEBI, effective from April 1, 2019, has barred physical transfer (except cases of transmission or transposition) of shares of listed companies and mandated transfer of securities only in the dematerialized form. However, investors are not barred from holding shares in physical form.

Transfer of equity shares in electronic form are effected through the depositories with no involvement of the Company.

We request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts and email IDs with the respective depository participants to enable us to provide better service.

**Distribution of Shareholding as on March 31, 2020**

Range no. of shares	No. of Shareholders	% to Holders	No. of Shares	% to Equity
1- 500	18,876	89.69	16,86,631	5.88
501-1000	1,080	5.13	8,19,854	2.86
1001-5000	849	4.03	18,06,543	6.29
5001-10000	109	0.52	7,82,736	2.73
10001 and above	132	0.63	2,36,06,183	82.25
<b>Total</b>	<b>21,046</b>	<b>100.00</b>	<b>2,87,01,947</b>	<b>100.00</b>

**Dematerialisation of Shares**

As on March 31, 2020, 99.41% of our shares were held in dematerialized form and the rest in physical form. Shares held in demat and physical mode (folio-based) are as follows:

Date	Status of shares - Physical versus Demat Mode				
	Physical	%	Demat	%	Total
March 31, 2020	1,68,900	0.59	2,85,33,047	99.41	2,87,01,947
March 31, 2019	1,89,743	0.67	2,81,55,698	99.33	2,83,45,441

**Summary of Shareholding Pattern as on March 31, 2020**

Sr. No.	Description	As on March 31, 2020	
		No. of Shares	% Equity
<b>I</b>	<b>Promoter Shareholding</b>		
	Indian Promoters	75,40,283	26.27
	Non-Resident/ Foreign Promoters	34,37,889	11.98
	<b>Total (I)</b>	<b>1,09,78,172</b>	<b>38.25</b>
<b>II</b>	<b>Institutional Shareholding</b>		
	Mutual Funds	35,63,324	12.41
	Alternate Investment Fund	2,52,922	0.88
	Foreign Portfolio Investors & Foreign Institutional Investor	28,94,800	10.09
	Banks	22,857	0.08
	<b>Total (II)</b>	<b>67,33,903</b>	<b>23.46</b>

## CORPORATE GOVERNANCE REPORT (Contd.)

Sr. No.	Description	As on March 31, 2020	
		No. of Shares	% Equity
III	Public Shareholding (excluding above categories)	1,09,89,872	38.29
	<b>Grand Total (I+II+III)</b>	<b>2,87,01,947</b>	<b>100.00</b>

Outstanding GDRs/ADRs/Warrants or any convertible instruments:

There are no outstanding GDRs/ ADRs/ Warrants except stock options granted to the employees of the Company and its subsidiaries. Outstanding stock options after vesting, when exercised, shall increase the paid-up equity share capital of the Company to that extent.

Commodity price risk or foreign exchange risk & hedging activity:

The Company is exposed to foreign exchange risk on account of nature of its transactions. The Company, in accordance with its risk management policies and procedures, enters into hedging transactions with the banks. Please refer notes to the Financial Statements in this regard. The Company does not have any exposure hedged through commodity derivatives.

The Company does not deal in commodities and hence the disclosure is not required to be given for commodity hedging activities.

Off-shore Development Centers:

The Company's step-down subsidiary has Off-Shore Software Development Centers at Mahape, Navi Mumbai and Pune. Full address of the Company's centers/ offices is available elsewhere in the Annual Report.

Address for correspondence by shareholders/ investors:

Company	Registrar & Share Transfer Agent
Mrs. Varika Rastogi Company Secretary MNDC, MBP-P-136, Mahape, Navi Mumbai - 400 710 Ph. No. : (022) 6150 1800 Fax No. : (022) 277 81320 E-mail ID: <a href="mailto:investors.grievances@majesco.com">investors.grievances@majesco.com</a> Website: <a href="http://www.majesco.com">www.majesco.com</a>	Kfn Technologies Private Limited (Unit: Majesco Limited) Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Hyderabad - 500 032 Ph. No. : (040) 6716 1633 Toll Free no.: 1800 345 4001 Fax No. : (040) 2342 0814 E-mail ID: <a href="mailto:einward.ris@kfnitech.com">einward.ris@kfnitech.com</a> Website: <a href="http://www.kfnitech.com">www.kfnitech.com</a>

Credit Rating obtained during the financial year under review:

Not applicable

## F. OTHER DISCLOSURES

**Disclosure 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 2019-20, 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 financial statements.

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

**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**

The Company has complied with all requirements specified under the SEBI Listing Regulations as well as other Regulations and guidelines of SEBI. No penalties or 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.

**Vigil Mechanism/ Whistle Blower Policy**

The Company has in place the necessary vigil mechanism as envisaged under Section 177 of the Act and Regulation 22 of the SEBI Listing Regulations. During the year under review, no personnel has been denied access to the Audit Committee.

**Details of compliance with mandatory requirements and adoption of non-mandatory requirement of SEBI Listing Regulations**

The Company has disclosed and complied with all mandatory requirements under the SEBI Listing Regulations. The details of these compliances have been given in the relevant sections of this report.

Among non-mandatory requirements of the SEBI Listing Regulations, the Company has complied with the following:

## CORPORATE GOVERNANCE REPORT (Contd.)

Separate Posts of Chairman and Chief Executive Officer:

The position of Chairman and Managing Director/ Chief Executive Officer is bifurcated in the Company. An Independent Non-Executive Chairman heads the Board. Managing Director is separate position.

Shareholders' Rights: Quarterly/ half-yearly financial Results along with the press release and key highlights are made available on the website of the Company <https://ir.majesco.com/financial-information/quarterly-earnings/>.

Unmodified Opinion in audit report: The Auditors of the Company have issued Audit Reports with unmodified opinion on the standalone and consolidated financial statements for the year ended March 31, 2020.

Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee, attends the Audit Committee meetings and interacts directly with the Audit Committee.

**Policy for determining Material Subsidiaries**

The Company has a policy on Material Subsidiary and same is placed on the website of the Company at <https://ir.majesco.com/policies/>.

**Policy on dealing with Related Party Transactions**

The Policy on dealing with Related Party Transactions is available on the Company's website at <https://ir.majesco.com/policies/>.

**Commodity price risk and commodity hedging activities**

The Company does not deal in commodities and hence the disclosure is not required to be given for commodity hedging activities.

**Details of utilization of funds raised through preferential allotment or qualified institutional placement**

During the year 2019-20, the Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

**Certificate from Company Secretary in Practice**

Mr. Abhishek Bhate & Co., Company Secretary in Practice, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the Directors on the Board of the Company has

been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/ Ministry of Corporate Affairs or any other statutory authority. The certificate is enclosed with this section as **Annexure A.**

**Recommendations of Committees of the Board**

There were no instances during the FY 2019-20, wherein the Board had not accepted recommendations made by any committee of the Board.

**Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part**

Total fees of ₹ 288.62 Lakhs for FY 2019-20, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

**Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Majesco Group follows a strict zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder, for prevention and redressal of complaints of sexual harassment at workplace.

- i. Number of complaints filed during the financial year – Nil
- ii. Number of complaints disposed of during the financial year – Nil
- iii. Number of complaints pending as on end of the financial year – Nil

**Compliances with Corporate Governance disclosure requirements as specified in the SEBI Listing Regulations**

The Company complies with all mandatory requirements as per Regulations 17 to 27 and Regulation 46(2) of the SEBI Listing Regulations. There were no instances of non-compliance on any matter related to the capital markets.



## CORPORATE GOVERNANCE REPORT (Contd.)

### **Managing Director (MD) & Chief Financial Officer (CFO) Compliance Certificate**

Pursuant to Regulation 17(8) of the SEBI Listing Regulations, MD and CFO have issued Compliance Certificate 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.

### **Disclosures with respect to demat suspense account/ unclaimed suspense account**

Not Applicable

### **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 and the total number of dematerialized shares held with NSDL and CDSL.

### **Accounting treatment in preparation of Financial Statements**

Indian Accounting Standards (IND-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Amendment Rules, 2016, have been followed in preparation of the financial statements of the Company in all material aspect.

### **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 accountability.

From the FY 2020-21, the Company has opted to maintain the business processes on NetSuite platform, which will improve business operations across the sales, finance, procurement, product delivery and support

organizations. It will provide better business insights, streamlined business processes and a standardized technology platform, enabling Company to serve its customers more efficiently.

### **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 India 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 India 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 [www.majesco.com](http://www.majesco.com) and register yourself for regular updates.

### **Management Discussion and Analysis**

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

### **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.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the employees in their business dealings and in particular on matters relating to integrity in the workplace, 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.

### **Prevention of Insider Trading**

The Company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and Immediate Relatives with a view to regulate trading in securities by the Directors



## CORPORATE GOVERNANCE REPORT (Contd.)

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 implementation of the Code.

In order to have proper Internal Control System as mandated by the SEBI, the Company has implemented an Insider Trading Monitoring tool. This tool facilitates obtaining pre-clearance approval, submitting initial

disclosures, period-end disclosures and continuous disclosures on trading in shares of Majesco Limited. It helps the Company to monitor trading in shares of the Company by Promoters/ Directors/ Designated Employees/ other Insiders and maintain the data in electronic form.

### **Compliance Certificate**

The Certificate obtained from M/s. Abhishek Bhat & Co., Company Secretary in Practice (Membership Number: 27747; CP Number: 10230) is provided in the Annual Report for compliance with the SEBI Listing Regulations.

# Annexure A: Certificate from Company Secretary in Practice

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

**MAJESCO LIMITED**

Mastek New Development Centre, MBP-P-136,

Mahape, Navi Mumbai, Mumbai,

Maharashtra – 400 710

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Majesco Limited having CIN - L72300MH2013PLC244874 and having registered office at Mastek New Development Centre, MBP-P-136, Mahape, Navi Mumbai, Mumbai, Maharashtra – 400 710 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status on the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Ashank Datta Desai	00017767	31/05/2019
2	Mrs. Madhu Dubhashi	00036846	29/04/2015
3	Mr. Ketan Mehta	00129188	29/04/2015
4	Mr. Radhakrishnan Sundar	00533952	01/06/2015
5	Mr. Venkatesh Narayanan Chakravarty	01102892	15/09/2014
6	Mr. Vasant Vitthaldas Gujarathi	06863505	03/03/2020
7	Mr. Farid Lalji Kazani	06914620	15/09/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Abhishek Bhate & Co**

**CS Abhishek Bhate**

Proprietor

ACS – 27747, COP – 10230

Place: Thane

Date: May 29, 2020

## 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](http://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.

Date: May 29, 2020

Place: Navi Mumbai

**Farid Kazani**

Managing Director & Group CFO

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## CERTIFICATE FROM PRACTISING COMPANY SECRETARY ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

I have examined the compliance of conditions of Corporate Governance by Majesco Limited, for the financial year ended March 31, 2020, 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**

Proprietor

ACS - 27747, COP - 10230

Place: Thane

Date: May 29, 2020

# COMPLIANCE CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

*[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

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 reviewed Financial Statements and Cash Flow Statements for the financial year ended March 31, 2020 and that to the best of our knowledge, information 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, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates of the Company’s code of conduct.
- 3) 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 pertaining to financial reporting 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.
- 4) 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 & Group CFO

**Kunal Karan**  
Chief Financial Officer

Date: May 29, 2020  
Place: Navi Mumbai

# BUSINESS RESPONSIBILITY REPORT

## Introduction

The Securities and Exchange Board of India (SEBI), vide its circular dated December 26, 2019, has mandated the top 1,000 companies, based on market capitalization, to prepare a 'Business Responsibility Report' as a part of the Annual Report. This is as per clause (f) of sub regulation (2) of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Report outlines the organization's performance from the environmental, social and governance perspective.

Majesco Limited ("the Company"), being part of the top 1,000 listed entities, has developed this Business Responsibility Report based on the suggested framework of SEBI and the National Voluntary Guidelines, released by the Ministry of Corporate Affairs.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L72300MH2013PLC244874
2.	Name of the Company	Majesco Limited
3.	Registered address	MNDC, MBP-P-136, Mahape, Navi Mumbai - 400710, Maharashtra
4.	Website	<a href="https://ir.majesco.com/">https://ir.majesco.com/</a>
5.	E-mail id	investors.grievances@majesco.com
6.	Financial Year reported	April 1, 2019 to March 31, 2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC Code: 681 - Real Estate Activities NIC Code: 642 - Activities of Holding Company
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	(i) Leasing of office premises (ii) Holding investment in material subsidiary, Majesco (USA) Please note that Majesco (USA) is engaged in the business of providing software, consulting and information technology services for Life & Annuity (L&A) and Property & Casualty (P&C) insurers.
9.	Total number of locations where business activity is undertaken by the Company	
	a. Number of International Locations (Provide details of major 5)	The Company's material subsidiary (along with its subsidiaries) has presence in North America, UK, Ireland, Malaysia and Singapore.
	b. Number of National Locations	Navi Mumbai - Airoli and Mahape, Pune
10.	Markets served by the Company- Local/ State/ National/ International	The Company carries out business activity only in India. The Company's material subsidiary carries out business activity in North America, UK, Ireland, Malaysia, Singapore and India.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	FY 2019-20 Standalone (₹ in Lakhs)	FY 2019-20 Consolidated (₹ in Lakhs)
1.	Paid-up Capital	1,435	1,435
2.	Total Turnover	1,024	1,04,048
3.	Total profit after taxes	2,397	9022
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Majesco Limited - ₹ 15.25 Lakhs Majesco Software and Solutions India Private Limited (Indian step-down subsidiary) - ₹ 77.85 Lakhs Total - ₹ 93.10 Lakhs (2% of Average Profit of 3 preceding years)	
5.	List of activities in which expenditure in 4 above has been incurred	Please see below: Majesco Limited activities - Table I Majesco Software and Solutions India Private Limited (Step-down subsidiary) - Table II	

## BUSINESS RESPONSIBILITY REPORT (CONTD.)

Majesco Limited CSR activities – Table I

Sr. No.	CSR Projects/ Activities identified	Amount spent on the Projects or Programs (₹ in Lakhs)	Amount spent: Direct or through implementing agency*
1.	<b>Providing for leukocyte filters to thalassaemia patients</b> Activities: a. Estimate the number of blood transfusions per month. b. Place orders with the supplier of leukocyte filters. c. Accept delivery of leukocyte filters at the day care centre. d. Use one leukocyte filter with every blood transfusion.	7.32	Think Foundation
2.	<b>Aajivika: Creating sustainable livelihood opportunities for underprivileged women artisans</b> Activities: a. To mobilize work opportunities for skilled underprivileged women through exhibitions, job work and orders. b. To build capacities of underprivileged women to be self-employed.	5.00	Srujna Charitable Trust
3.	<b>Construction of residential education institution for tribal children</b> Activities: a. Construction of residential school for tribal children. The next phase of the project aims to achieve the following activities: b. Provision of formal education to tribal children. c. Ensure improvement of overall health of the children. d. Eradicate malnourishment through provision of daily four course meals and an early starter snack for children, throughout the year. e. Ensure holistic development of children from tribal backgrounds in areas of academics, sports, arts, culture and citizenship virtues.	2.15	Parivaar Education Society
4.	Mastek Foundation	0.78	
	<b>Total Funds spent towards CSR activities</b>	<b>15.25</b>	

Majesco Software and Solutions India Private Limited (Indian step-down subsidiary) – Table II

Sr. No.	CSR Project/Activities	Amount spent on the Project (₹ in Lakhs)	Name of the Implementing NGO
1.	<b>Project 1: Construction of residential education institution for tribal children</b> Activities: a. Construction of residential school for tribal children. The next phase of the project aims to achieve the following activities: b. Provision of formal education to tribal children. c. Ensure improvement of overall health of the children. d. Eradicate malnourishment through provision of daily four course meals and an early starter snack for children, throughout the year. e. Ensure holistic development of children from tribal backgrounds in areas of academics, sports, arts, culture and citizenship virtues.		



## BUSINESS RESPONSIBILITY REPORT (CONTD.)

Sr. No.	CSR Project/Activities	Amount spent on the Project (₹ in Lakhs)	Name of the Implementing NGO
	<p><b>Project 2: Sponsorship for a Seva Kutir towards quality education and healthcare for tribal children</b></p> <p>Activities:</p> <ol style="list-style-type: none"> <li>Elimination and reduction of chronic hunger and severe malnourishment among children.</li> <li>Lower incidence of sickness.</li> <li>Overall improvement of children's educational status, increased motivation to study and complete school education.</li> <li>Learning of good habits and behavioral patterns such as those relating to cleanliness of the body and surroundings and civic virtues.</li> <li>Significant improvements in English and Hindi language skills such as reading, writing comprehension, etc. For instance, depending on their age/grade, ability to read words, sentences paragraphs etc.</li> <li>Significant improvements in mathematical skills such as additions, subtraction, multiplication, geometrical shapes, concepts such as LCM/HCF, square roots etc, depending on their age/grade.</li> <li>Improvements in learning outcomes of other subjects such as social science, science etc.</li> </ol>	21.70	Parivaar Education Society
2.	<p><b>Purchase of medicines for treatment of tribal patients at MAHAN Trust's Mahatma Gandhi Tribal Hospital</b></p> <p>Activities:</p> <ol style="list-style-type: none"> <li>Treatment of serious patients.</li> <li>Treatment of patients on OPD basis.</li> <li>Treatment of youths and adults (16 to 60 years).</li> </ol>	15.00	MAHAN Trust
3.	<p><b>Happy Kids Program</b></p> <p>Activities:</p> <ol style="list-style-type: none"> <li>Academic growth.</li> <li>Extra-curricular activities.</li> <li>Social empowerment.</li> <li>Career mapping and guidance.</li> </ol>	10.00	Ra Foundation
4.	<p><b>Sponsorship for cardiac operations of underprivileged children</b></p> <p>Activities:</p> <ol style="list-style-type: none"> <li>Alleviate the burden of child health and relieve families from related debt by providing high quality cardiac surgeries.</li> </ol>	06.00	Sri Sathya Sai Sanjeevani Center for Child Heart Care
5.	<p><b>Sponsorship for nutrition program of specially abled children and adults</b></p> <p>Activities:</p> <ol style="list-style-type: none"> <li>Develop the challenged children and adults to the extent possible as per their individual capabilities.</li> <li>Provision of timely food and holistic nutrition.</li> </ol>	06.00	Sangopita

**BUSINESS RESPONSIBILITY REPORT (CONTD.)**

Sr. No.	CSR Project/Activities	Amount spent on the Project (₹ in Lakhs)	Name of the Implementing NGO
6.	<b>Rahat: Relief &amp; rehabilitation for Covid-19 affected migrant labourers</b> Activities: a. Reach comprehensive family kits of essentials – largely dry ration, personal care material to the affected communities in areas well known for migration and related geographies.	05.00	Goonj
7.	Treatment and relief for Covid-19 affected patients	10.00	Jaslok Hospital
8.	Mastek Foundation	04.15	
	<b>Total funds spent towards CSR activities</b>	<b>77.85</b>	

**SECTION C: OTHER DETAILS****1. Does the Company have any Subsidiary Companies?**

As on March 31, 2020, the Company had 1 subsidiary and 8 step-down subsidiaries. The details of the same are given in the Directors' Report.

**2. Does the Subsidiary Companies participate in the Business Responsibility Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

The Company's Indian step-down subsidiary, Majesco Software and Solutions India Private Limited, participates in the Business Responsibility initiatives of the Company.

**3. Does any other entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities [Less than 30%, 30-60%, More than 60%]**

No.

**SECTION D: BUSINESS RESPONSIBILITY INFORMATION****1. Details of Director/Directors responsible for Business Responsibility**

Business Responsibility functions are inter alia monitored by Corporate Social Responsibility Committee of the Company, formed as per Section 135 of the Companies Act, 2013.

**(a) Details of the Director responsible for implementation of the Business Responsibility Policy**

- DIN: 06914620
- Name: Mr. Farid Kazani
- Designation: Managing Director & Group CFO

**(b) Details of the Business Responsibility head**

No.	Particulars	Details
1	DIN	Not Applicable
2	Name	Mrs. Varika Rastogi
3	Designation	Company Secretary
4	Telephone number	022-6150 1800
5	E-mail ID	Varika.Rastogi@majesco.com

## BUSINESS RESPONSIBILITY REPORT (CONTD.)

## 2. Principle-wise (as per NVGs) Business Responsibility Report Policy/Policies

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine (9) areas of Business Responsibility:

Principle 1	P1	Businesses should conduct and govern themselves with ethics, transparency and accountability.
Principle 2	P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3	P3	Businesses should promote the wellbeing of all employees.
Principle 4	P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5	P5	Businesses should respect and promote human rights.
Principle 6	P6	Businesses should respect, protect and make efforts to restore the environment.
Principle 7	P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8	P8	Businesses should support inclusive growth and equitable development.
Principle 9	P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

## (a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for?	Y	NA	Y	Y	NA	NA	NA	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	NA	Y	Y	NA	NA	NA	Y	Y
3	Does the policy conform to any national/international standards?	N	NA	N	Y*	NA	NA	NA	Y*	N
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board of Directors?*	Y	NA	Y	Y	NA	NA	NA	Y	Y
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	NA	Y	Y	NA	NA	NA	Y	Y
6	Indicate the link for the policy to be viewed online	<a href="https://ir.majesco.com/">https://ir.majesco.com/</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	NA	Y	Y	NA	NA	NA	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	NA	Y	Y	NA	NA	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	NA	Y	Y	NA	NA	NA	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	NA	Y	Y	NA	NA	NA	Y	Y

\*Corporate Social Responsibility Policy has been formed in accordance with requirements of the Companies Act, 2013.

\*\*As per Company practice, all the policies are approved by the concerned functional head depending upon the nature of the policy. Each policy has a policy owner and the respective policy owners are responsible for implementation of the policy. Implementation of policies is reviewed as a part of internal governance.

## BUSINESS RESPONSIBILITY REPORT (CONTD.)

### 3. Governance related to Business Responsibility

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the Business Responsibility performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.

As this is the first year of applicability of Business Responsibility Report to the Company, going forward, the BR performance will be assessed annually.

- (b) Does the Company publish a Business Responsibility or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This is the first year the Company shall publish Business Responsibility Report. It would be published annually. Hyperlink will be provided in the Annual Report of the Company.

- (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Not Applicable.

- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

Not Applicable.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

Not Applicable.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Not Applicable.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with ethics, transparency and accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The policy covers the Company only.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Nil.

### Principle 2: Product Lifecycle Sustainability

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Not Applicable.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):

### Principle 3: Employee Wellbeing

Businesses should promote the wellbeing of all employees.

1. Please indicate the total number of employees.

As on March 31, 2020, the strength of permanent employees on roll stood at 2404 Employees (on consolidated basis).

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

As on March 31, 2020, the strength of employees hired on sub-contractual stood at 94 and direct consultant stood at 14 (on consolidated basis).

3. Please indicate the number of permanent women employees.

As on March 31, 2020, the strength of permanent women employees stood at 839 (on consolidated basis).

4. Please indicate the number of permanent employees with disabilities.

Nil.

5. Do you have an employee association that is recognized by management?

No.

6. What percentage of your permanent employees is members of this recognized employee association?

Not Applicable.

**BUSINESS RESPONSIBILITY REPORT (CONTD.)**

7. Please indicate the number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Not Applicable	Not Applicable
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your employees were given safety & skill upgradation training in the last year?

	Safety training	Skill up-gradation training
Permanent Employees	100%	98.20%
Permanent Women Employees	100%	97.90%
Casual/Temporary/ Contractual Employees	100%	89.50%

**Principle 4: Stakeholder Engagement**

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its stakeholders as a part of its stakeholder engagement process.

Key categories are:

- 1) Customers/Clients;
- 2) Shareholders/Investors;
- 3) Employees;
- 4) Vendors;
- 5) Regulatory Bodies;
- 6) Industry Forum; and
- 7) Community.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes, the Company commits to operate in an economically, socially and environmentally responsible

manner. The Company's initiatives in the areas of Corporate Social Responsibility are targeted to bring meaningful difference in the lives of marginalized section of community.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

As a part of CSR initiative, the Company and its Indian step-down subsidiary, has partnered with NGOs, through Mastek Foundation. The beneficiaries of these NGOs belong to the marginalized, economically weaker and disadvantaged sections of the society. The CSR program manager of Mastek Foundation updates the Company about various implementations made under respective projects in various locations.

**Principle 5: Human Rights**

Businesses should respect and promote Human Rights.

1. Does the policy of the Company on Human Rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Not Applicable.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Not Applicable.

**Principle 6: Environmental Management**

Businesses should respect, protect and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

No.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

No.

3. Does the Company identify and assess potential environmental risks? Y/N

No.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

No.

## BUSINESS RESPONSIBILITY REPORT (CONTD.)

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

No.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the Company has obtained Maharashtra Pollution Control Board license for the financial year.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

No show cause notices were received by the Company either from CPCB or SPCB.

### Principle 7: Public Advocacy

**Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.

The Company is member of The National Association of Software and Service Companies (NASSCOM).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

Not Applicable.

### Principle 8: Inclusive Growth

**Businesses should support inclusive growth and equitable development.**

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

Yes, the Company considers Corporate Social Responsibility as an important aspect of its operations. It has aligned its thrust areas in line with the requirements of Schedule VII to the Companies Act, 2013. To oversee implementation of various initiatives, the Company has formed a Board Level Committee called Corporate Social Responsibility (CSR) Committee.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

The projects were undertaken through Mastek Foundation.

3. Have you done any impact assessment of your initiative?

No.

4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

The Company and its Indian step-down subsidiary cumulatively spent total ₹ 93.10 Lakhs towards various CSR activities during 2019-20. The details of the amount incurred and areas covered are mentioned in foregoing paragraphs of this report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The total spend was contributed to the corpus of "Mastek Foundation" which was formed to pursue CSR activities, as may be permitted under the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended.

### Principle 9: Value for Customers

**Businesses should engage with and provide value to their customers and consumers in a responsible manner.**

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Nil.

2. Does the Company display product information on the product label, over and above what is mandated, as per local laws? Yes/No/N.A. /Remarks (additional information)

Not Applicable.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Nil.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

No.



# INDEPENDENT AUDITOR'S REPORT

To the Members of **Majesco Limited**

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the standalone financial statements of Majesco Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in equity and statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 2.20 to the financial statements which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Valuation and Recognition of slump sale of business undertaking</b></p> <p>Refer Note 35 of Standalone Financial statements.</p> <p>The Company has recognised net profit of Rs. 1,869 lakhs on sale of its business undertaking as a going concern on slump sale basis to Majesco Software and Solutions Private Limited ('step down subsidiary') during the year.</p> <p>The same is considered as key audit matter as it involves transaction with related party and carved out of financial information of the sold business and recording the profit and its resultant tax impact in the financial statements</p>	<p><b>Our audit procedures in respect of this area include but are not limited to:</b></p> <ul style="list-style-type: none"> <li>• Obtained and read the business transfer agreement between the Company and its step down subsidiary</li> <li>• Read the minutes of meetings of Board of Directors of the Company</li> <li>• Verified the receipt of purchase consideration of Rs. 2,437 lakhs from the bank statement</li> <li>• Verified the appropriateness of Net assets amounting to Rs. 569 lakhs transferred on sale of business undertaking on book value as on April 1, 2019 and recording of resultant net profit of Rs. 1,869 lakhs</li> </ul>

**INDEPENDENT AUDITOR'S REPORT (Contd.)**

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
		<ul style="list-style-type: none"> <li>• Reviewed the resultant tax impact on this transaction by involving our internal tax specialists</li> <li>• Reviewed the appropriateness of disclosures made in the standalone Ind AS financial statements.</li> </ul>

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Director's report, Corporate Governance report and other information published along with but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

**Other Matter**

The Ind AS standalone financial statements of the Company for the year ended 31<sup>st</sup> March, 2019, were audited by another auditor whose report dated May 15, 2019 expressed an unmodified opinion on those statements.

Our opinion is not modified in respect of this matter.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone 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 as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
  - (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 does not have any pending litigations which would impact its financial position
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

**For MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Anita Somani**  
Partner  
Membership No. 124118  
UDIN: 20124118AAAACL5969

Place: Mumbai  
Date: May 29, 2020

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

### ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MAJESCO LIMITED

#### Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Anita Somani**  
Partner  
Membership No. 124118  
UDIN: 20124118AAAACL5969

Place: Mumbai  
Date: May 29, 2020

## ANNEXURE B

### TO THE INDEPENDENT AUDITOR'S REPORT

#### ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MAJESCO LIMITED FOR THE YEAR ENDED MARCH 31, 2020

[Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
- (b) All the fixed assets (Property, Plant and Equipment) have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order 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 regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, customs duty, cess and any other statutory dues on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Rs.	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Non grant of TDS and advance tax and levy of interest u/s 234A, 234B, and 234c,	5,66,29,584	AY 2015-16	Rectification application filed with the Assessing Officer.

- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.

## ANNEXURE B

### TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- 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. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

**For MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Anita Somani**  
Partner  
Membership No. 124118  
UDIN: 20124118AAAACL5969

Place: Mumbai  
Date: May 29, 2020



## ANNEXURE C

### TO THE INDEPENDENT AUDITOR'S REPORT

#### ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MAJESCO LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in 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 with reference to standalone financial statements of Majesco Limited ("the Company") as of March 31, 2020 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 with reference to standalone financial statements 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) (the "Guidance Note"). 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 Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to standalone financial statements 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 internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to standalone financial statements.

#### Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements 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 standalone 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 standalone financial statements.

## **ANNEXURE C**

### **TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)**

#### **Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Anita Somani**  
Partner  
Membership No. 124118  
UDIN: 20124118AAAACL5969

Place: Mumbai  
Date: May 29, 2020

**STANDALONE BALANCE SHEET**

AS AT MARCH 31, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	932	264
Capital work-in-progress		878	-
Investment property	5	-	730
Financial assets			
Investments	7	51,500	39,984
Loans	8	33	31
Other financial assets	9	11	-
Deferred tax asset (net)	34	106	-
Income tax assets (net)	10	778	572
Other non current assets	11	3	-
<b>Total non-current assets</b>		<b>54,241</b>	<b>41,581</b>
<b>Current assets</b>			
Financial assets			
Investments	12	2,800	8,238
Cash and cash equivalents	13	7	9
Bank balances other than cash and cash equivalent	14	11	4,500
Other assets	15	126	36
Income tax assets (net)	16	-	150
Other current assets	17	259	359
<b>Total current assets</b>		<b>3,203</b>	<b>13,292</b>
<b>Assets of Disposal group classified as held for Sale</b>		<b>-</b>	<b>905</b>
<b>Total assets</b>		<b>57,444</b>	<b>55,778</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	1,435	1,417
Other equity	19	54,697	52,640
<b>Total equity</b>		<b>56,132</b>	<b>54,057</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Other financial liabilities	20	-	382
Employee Benefit obligations	21	27	18
Deferred tax liabilities (net)	34	-	181
Other non-current liabilities	22	-	5
<b>Total non-current liabilities</b>		<b>27</b>	<b>586</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	23	-	-
a) Dues of micro enterprises and small enterprises		-	-
b) Dues of creditors other than micro enterprises and small enterprises		11	68
Other financial liabilities	24	1,137	688
Other current liabilities	25	128	37
Employee Benefit obligations	26	9	6
<b>Total current liabilities</b>		<b>1,285</b>	<b>799</b>
<b>Total liabilities</b>		<b>1,312</b>	<b>1,385</b>
<b>Liabilities directly associated with Assets of Disposal group classified as held for sale</b>		<b>-</b>	<b>336</b>
<b>Total Equity and Liabilities</b>		<b>57,444</b>	<b>55,778</b>
Summary of significant accounting policies	2		
Other notes	35 to 53		

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

As per our report of even date

For and on behalf of the Board

**For MSKA & Associates**Chartered Accountants  
FRN: 105047W**Farid Kazani**Managing Director & Group CFO  
DIN - 06914620**Venkatesh Chakravarty**Non-Executive Chairman and Independent Director  
DIN - 01102892**Anita Somani**Partner  
M. No - 124118**Vasant Gujarathi**Non-Executive and Independent Director  
DIN - 06863505**Kunal Karan**

Chief Financial Officer

**Varika Rastogi**Company Secretary  
M. No - F7864

Place: Mumbai

Date: May 29, 2020

Place: Navi Mumbai

Date: May 29, 2020

# STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>INCOME</b>			
Revenue from operations	27	1,024	974
Other income, net	28	815	2,359
<b>Total income</b>		<b>1,839</b>	<b>3,333</b>
<b>EXPENSES</b>			
Employee benefits expense	29	711	544
Finance costs	30	34	28
Depreciation and amortization expense	31	62	69
Other expenses	32	409	759
<b>Total expenses</b>		<b>1,216</b>	<b>1,400</b>
<b>Profit before exceptional items and tax</b>		<b>623</b>	<b>1,933</b>
Exceptional items - income	33	1,869	-
<b>Profit before tax</b>		<b>2,492</b>	<b>1,933</b>
<b>Income tax expense</b>			
Current tax	34	629	452
Tax credit of earlier years		(40)	-
Deferred tax		(494)	82
<b>Total income tax expense</b>		<b>95</b>	<b>534</b>
<b>Profit for the year from continuing operations (A)</b>		<b>2,397</b>	<b>1,399</b>
<b>Profit for the year from discontinued operations before tax</b>	35	-	(227)
<b>Tax expenses of Discontinued operations</b>		-	(45)
<b>Profit for the year from discontinuing operations (B)</b>		-	(182)
<b>Profit for the year C=(A+B)</b>		<b>2,397</b>	<b>1,217</b>
<b>Other comprehensive income / (loss)</b>			
<b>Continuing operations</b>			
Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) on gratuity plan		2	-
Tax on remeasurement gains / (losses) on gratuity plan		(2)	-
<b>Other comprehensive income / (loss) for the year from continuing operations (D)*</b>		<b>(0)</b>	<b>-</b>
<b>Other comprehensive income / (loss) for the year from discontinuing operations (E)</b>	35	-	(1)
<b>Other comprehensive income / (loss) for the year F=(D+E)*</b>		<b>(0)</b>	<b>(1)</b>
<b>Total comprehensive income for the year (C+F)</b>		<b>2,397</b>	<b>1,216</b>
Earnings per share- Continuing operations			
Basic (₹)		8.42	4.95
Diluted (₹)		8.13	4.76
Earnings per share-Discontinuing operations			
Basic (₹)		-	(0.64)
Diluted (₹)		-	(0.62)
Earnings per share-Total			
Basic (₹)		8.42	4.31
Diluted (₹)		8.13	4.14
Summary of significant accounting policies	2		
Other notes	35 to 53		

\*\*"0" denotes amount less than ₹ 0.5 Lakhs.

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

As per our report of even date

For and on behalf of the Board

**For MSKA & Associates**  
 Chartered Accountants  
 FRN: 105047W

**Farid Kazani**  
 Managing Director & Group CFO  
 DIN - 06914620

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

**Anita Somani**  
 Partner  
 M. No - 124118

**Vasant Gujarathi**  
 Non-Executive and Independent Director  
 DIN - 06863505

**Kunal Karan**  
 Chief Financial Officer

**Varika Rastogi**  
 Company Secretary  
 M. No - F7864

Place: Mumbai  
 Date: May 29, 2020

Place: Navi Mumbai  
 Date: May 29, 2020

## STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2020

### (A) Equity share capital

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 5/- each issued, subscribed and fully paid				
Opening	2,83,45,441	1,417	2,81,22,396	1,406
Add: Issued during the year	3,56,506	18	2,23,045	11
Closing	2,87,01,947	1,435	2,83,45,441	1,417

### (B) Other equity

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Reserves and Surplus				
	Employee stock options outstanding account	Securities premium	General reserve	Retained earnings	Total
Balance as at April 1, 2019	2,295	24,003	2,806	23,536	52,640
Profit for the year	-	-	-	2,397	2,397
Other comprehensive loss (OCI) for the year*	-	-	-	(0)	(0)
<b>Total comprehensive income for the year</b>	-	-	-	<b>2,397</b>	<b>2,397</b>
Employee stock option expenses (Refer note 29)	253	-	-	-	253
FV of Employee Stock options given to employees of subsidiaries (Refer note 38)	261	-	-	-	261
Dividend	-	-	-	-	-
Dividend distribution tax	-	-	-	(1,203)	(1,203)
Exercise of employee stock options	-	349	-	-	349
Transfer on exercise of options	(498)	498	-	-	-
Vested/unvested options cancelled during the year(Refer note 38)	(105)	-	-	105	-
<b>Balance as at March 31, 2020</b>	<b>2,206</b>	<b>24,850</b>	<b>2,806</b>	<b>24,835</b>	<b>54,697</b>

\*\*"0" denotes amount less than ₹ 0.5 Lakhs.

# STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2020 (CONTD.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Reserves and Surplus				
	Employee stock options outstanding account	Securities premium	General reserve	Retained earnings	Total
Balance as at April 1, 2018	1,888	23,595	2,806	22,295	50,584
Profit for the year	-	-	-	1,218	1,218
Other comprehensive income (OCI) for the year	-	-	-	(1)	(1)
<b>Total comprehensive income for the year</b>	-	-	-	<b>1,217</b>	<b>1,217</b>
Employee stock option expenses (Refer note 29)	203	-	-	-	203
FV of Employee Stock options given to employees of subsidiaries (Refer note 38)	329	-	-	-	329
Exercise of employee stock options	-	307	-	-	307
Transfer on exercise of options	(101)	101	-	-	-
Vested/unvested options cancelled during the year (Refer note 38)	(24)	-	-	24	-
<b>Balance as at March 31, 2019</b>	<b>2,295</b>	<b>24,003</b>	<b>2,806</b>	<b>23,536</b>	<b>52,640</b>

## Nature and purpose of reserve

### (a) Employee Stock options outstanding account (ESOOA)

The Employee stock options outstanding account is used to record the fair value of equity-settled share based payment transactions. The amounts recorded in this account are transferred to share premium upon exercise of stock options. In case of cancellation of options, corresponding balance is transferred to Retained earnings.

### (b) Securities premium

Amounts received on issue of shares in excess of the par value has been classified as securities premium.

### (c) General reserve

This represents appropriation of profit by the Company.

### (d) Retained earnings

Retained earning comprise of the Company's prior years' undistributed earnings after taxes.

The accompanying notes 1 to 53 are an integral part of the standalone financial statements.

## As per our report of even date

**For MSKA & Associates**  
Chartered Accountants  
FRN: 105047W

**Anita Somani**  
Partner  
M. No - 124118

Place: Mumbai  
Date: May 29, 2020

**Farid Kazani**  
Managing Director & Group CFO  
DIN - 06914620

**Vasant Gujarathi**  
Non-Executive and Independent Director  
DIN - 06863505

## For and on behalf of the Board

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

**Kunal Karan**  
Chief Financial Officer

**Varika Rastogi**  
Company Secretary  
M. No - F7864

Place: Navi Mumbai  
Date: May 29, 2020



## STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before exceptional items and tax	623	1,933
<b>Adjustments for:</b>		
Depreciation and amortization expenses	62	69
Share based payment expense	253	201
Finance costs	34	28
Interest income - on fixed deposits	(430)	(267)
Profit on sale and revaluation of current investments (mutual funds)	(384)	(2,070)
Guarantee commission	-	(22)
<b>Operating profit/(loss) before working capital changes</b>	<b>158</b>	<b>(128)</b>
<b>Changes in working capital:</b>		
(Increase)/Decrease in non current and current financial assets	(103)	13
Decrease/(increase) in non-current and current other assets	101	(37)
Increase in non-current and current other financial liabilities	67	192
Increase in non-current and current provisions	13	22
(Decrease)/Increase in trade payables	(57)	38
Increase/(Decrease) in non-current and current other current liabilities	86	(123)
<b>Cash generated/(used) in operations</b>	<b>265</b>	<b>(23)</b>
Income tax paid	(441)	(547)
<b>Net cash flows used in operating activities (A)</b>	<b>(176)</b>	<b>(569)</b>
<b>Cash flow from investing activities</b>		
Payment for property, plant and equipment and intangible assets and CWIP	(888)	(23)
Payment for investment property	-	(10)
Proceeds from sale of Business (exceptional items)	2,438	-
Payment for purchase of investments (mutual funds)	(15,975)	(41,148)
Proceeds from Sale of investments (mutual funds)	21,846	65,861
Proceeds from sale of property, plant and equipment	5	-
Investment in subsidiaries	(11,306)	(23,202)
Net proceeds/(investment in) from fixed deposits	4,489	(1,499)
Interest received	430	267
<b>Net cash flow generated in investing activities (B)</b>	<b>1,039</b>	<b>246</b>

# STANDALONE STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED MARCH 31, 2020 (CONTD.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Cash flow from financing activities</b>		
Proceeds from issuance of equity shares (net)	372	318
Dividend paid (including tax)	(1,203)	-
Interest and other finance charges paid	(34)	(28)
<b>Net cash flow generated/(used) from financing activities (C)</b>	<b>(865)</b>	<b>290</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(2)</b>	<b>(33)</b>
Net Cash flows from discontinued operations	-	29
Cash and cash equivalents at the beginning of the year	9	13
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>9</b>
<b>Cash and cash equivalents comprise (Refer note 13)</b>		
Balances with banks		
Current accounts	7	9
Cash on hand*	0	-
<b>Total cash and bank balances at end of the year</b>	<b>7</b>	<b>9</b>

\*"0" denotes amount less than ₹ 0.5 Lakhs.

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS-7 "Statement of Cash Flows".
  - Figures in brackets indicate cash outflow.
  - Previous year figures have been regrouped or reclassified wherever necessary.
- The accompanying notes 1 to 53 are an integral part of the standalone financial statements.

As per our report of even date

For and on behalf of the Board

**For MSKA & Associates**  
Chartered Accountants  
FRN: 105047W

**Farid Kazani**  
Managing Director & Group CFO  
DIN - 06914620

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

**Anita Somani**  
Partner  
M. No - 124118

**Vasant Gujarathi**  
Non-Executive and Independent Director  
DIN - 06863505

**Kunal Karan**  
Chief Financial Officer

**Varika Rastogi**  
Company Secretary  
M. No - F7864

Place: Mumbai  
Date: May 29, 2020

Place: Navi Mumbai  
Date: May 29, 2020

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 1 GENERAL CORPORATE INFORMATION

Majesco Limited ("Company") is 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 center at Mahape and has a subsidiary in USA. The Company has 8 step down subsidiaries including one development center in India all of which operate in the same business.

The Board of Directors of the Company in its meeting held on May 15, 2019 has approved to include in the main objects clause of Memorandum of Association of the Company, the business of leasing of immovable and movable properties of all kinds.

The Board of Directors approved the Standalone financial statements for the year ended March 31, 2020 and authorized for issue on May 29, 2020.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation and presentation

##### (a) Statement of Compliance with Ind AS

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

##### (b) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy 2.16 on financial instruments)
- ii) Share based payment transactions
- iii) Defined benefit and other long-term employee benefits

All assets and liabilities have been classified as current or non-current as per the Company's

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 rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

##### (c) Use of estimates

The preparation of standalone financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years if the revision effects such periods. Also key sources of estimation uncertainty is mentioned below:

##### i) Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policy, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

##### ii) The fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where level 1 input are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

techniques and inputs, used in determining the fair value of various assets, liabilities and share based payments are disclosed in notes to standalone financial statements.

**iii) Actuarial valuation:**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the statement of profit or loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to standalone financial statements.

**iv) Impairment of Investment in Subsidiary:**

The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**2.2 Property, plant and equipment**

Property, plant and equipment 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, and expenses incidental to acquisition and installation. Subsequent expenditures related to an item of Property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

**Depreciation methods, estimated useful lives**

Depreciation on Property, plant and equipment is provided when the assets are ready for use 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. Based on technical evaluation the management estimates the useful lives of significant items of property, plant and equipment as follows:

Property, plant and equipment	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

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 II of the Companies Act, 2013.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition.

Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Losses arising from the retirement of, and gains or losses arising from disposal of Property, plant and equipment measured as the difference between amount realized and net carrying value which are carried at cost are recognized in the Statement of Profit and Loss. under 'Other Income/ Other Expenses'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as change in accounting estimates.

**2.3 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 28 years from the date of original capitalization. The Company, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit or loss as exceptional items in the period of derecognition, if the amount is significant.

### 2.4 Intangible assets 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.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful Life
Computer Software	1 - 3 years

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to preparing the asset for its intended use. Research and development costs and software development costs incurred under contractual arrangements with customers are accounted as expenses in the Statement of Profit and Loss.

### 2.5 Impairment of non-financial 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 exists or may have decreased.

### 2.6 Leases

#### Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognized over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

#### Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

There is no change in accounting for lease between Ind AS 116 and erstwhile Ind AS 17 from lessor's perspective. Hence, the Company is not required to make any adjustments on transition to Ind AS 116 for lease in which it acts as lessor

### 2.7 Employee benefits

#### (a) Short-term obligations

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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**(b) Other long-term employee benefit obligations****(i) Defined contribution plan**

The Company has defined contribution plans for post employment benefits in the form of provident fund, employees' state insurance, labour welfare fund, pension fund (NPS) and superannuation fund in India which are administered through Government of India and/or Life Insurance Corporation of India (LIC).

**(ii) 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 Other Comprehensive Income (OCI) as income or expense (net of taxes).

**Compensated absences:** The employees of the Company are also entitled for other long-term benefit in the form of compensated absences as per the policy of the Company. Leave encashment vests with employees on an annual basis for leave balance above the upper limit as per the Company'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 Company's policy. Liability for such benefit is provided on the basis of actuarial valuation, 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) Share based payments**

Stock options granted to employees of the Company and its subsidiaries (direct and step down) under the stock option scheme covered by Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014 are accounted using the fair value method. The fair value of options granted to its employees is recognized in the statement of profit and loss on a graded vesting basis over the vesting period of the option. The fair value of options granted to the employees of its subsidiaries are accounted as "Investment in subsidiaries" on a graded vesting basis over the vesting period of the option.

**2.8 Foreign currency transactions**

- i) Functional and presentation currency:** The standalone financial statements are prepared in Indian Rupees. The Indian Rupee is the functional currency of the Company.
- ii) Foreign currency transactions and balances:** 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 transactions are translated at the rate on the date of transaction.
  - c) All resulting exchange differences on translation are taken directly to the Statement of Profit and Loss.

**2.9 Fair value measurement**

The Company measures financial instruments, such as, investments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The management determines the policies and procedures for both recurring fair value measurement and disclosure. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 2.11 Revenue recognition

The Board of Directors of the Company in its meeting held on May 15, 2019 has approved to include in the main objects clause of Memorandum of Association of the Company, the business of leasing of immovable and movable properties of all kinds. Accordingly, Company has shown its income from rent as revenue from operations.

The rent income for the year ended March 31, 2019 has also been shown as revenue from operations for comparison purpose.

### 2.12 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. Income from current investments are recognized periodically based on fair value through profit and loss (FVTPL) as on reporting date. Retained gains/losses are recognized on the date on which these investments are sold.

### 2.13 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.

#### (a) Current income tax

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid. 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.

#### (b) Deferred tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

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.

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.

**2.14 Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 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. Contingent assets are neither recognized nor disclosed in the standalone financial statements.

A contingent liability recognized in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognized in accordance with the requirements for provisions above or the amount

initially recognized less, when appropriate, cumulative amortization recognized in accordance with the requirements for revenue recognition.

**2.15 Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**2.16 Financial instruments**

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payables are recognized net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non derivative financial assets comprising amortized cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL) and non derivative financial liabilities at amortized cost or FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

- a) Non-derivative financial assets
  - (i) Financial assets at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met:

    - (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortized cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

(ii) Debt instruments at FVTOCI

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the asset's contractual cash flow represent SPPI

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognized in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss. Interest earned is recognized under the effective interest rate (EIR) model.

(iii) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading

is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognized in OCI which is not subsequently recycled to statement of profit and loss.

(iv) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition the Company may elect to designate the financial asset, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL. Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

b) Non-derivative financial liabilities

(i) Financial liabilities at amortized cost

Financial liabilities at amortized cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

(ii) Financial liabilities at FVTPL

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognized in the statement of profit and loss.

c) Investment in subsidiaries

Investment in subsidiaries are carried at cost plus additional fair value of ESOP granted to employees of subsidiaries net of impairment, if any.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

### 2.17 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares are shown in other equity under securities premium as a deduction, net of tax, from the proceeds.

### 2.18 Earnings per share

Basic earnings per share (EPS) are calculated by dividing the net profit / (loss) 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.

### 2.19 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),

- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the Balance Sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

### 2.20 Rounding off amounts

All amounts disclosed in standalone financial statements and notes have been rounded off to the nearest Lakhs as permitted in Schedule III of the Act, unless otherwise stated.

### 2.21 Impact of COVID-19

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been/was further extended till May 31, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The Company do not foresee any large scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. In assessing the recoverability of PPE, CWIP and investments in mutual funds, the Company has considered internal and external information up to the date of approval of these standalone financial statement including economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

conditions, the Company expects to recover the carrying amount of these assets. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting controls etc. and is of the view that based on its present assessment this situation does not materially impact this Standalone financial statement. However, the actual impact of COVID-19 on the Company's standalone financial statement

may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

**3 RECENT ACCOUNTING PRONOUNCEMENTS**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

4 PROPERTY, PLANT AND EQUIPMENT

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Gross block				Depreciation				Net block		
	As at April 1, 2019	Additions/ Adjustments	Deductions/ Adjustments	Transfer from investment property#	As at March 31, 2020	For the year	Deductions/ Adjustments	Transfer from investment property#	Assets of disposal group classified as held for sale	As at March 31, 2020	As at March 31, 2019
<b>A) Owned assets</b>											
Buildings	117	-	-	1,099	1,216	48	35	369	-	452	69
Computers*	1	2	-	-	3	1	0	-	-	1	0
Plant and equipment	26	-	-	-	26	16	6	-	-	22	10
Furniture and fixtures	246	2	-	-	248	231	6	-	-	237	15
Vehicles	99	-	(11)	-	88	77	11	-	(7)	81	7
Office equipment*	10	0	-	-	10	5	2	-	-	7	5
<b>Total (A)</b>	<b>499</b>	<b>4</b>	<b>(11)</b>	<b>1,099</b>	<b>1,591</b>	<b>378</b>	<b>60</b>	<b>(7)</b>	<b>(7)</b>	<b>800</b>	<b>121</b>
<b>B) Leased assets</b>											
Leasehold land	170	-	-	-	170	27	2	-	-	29	143
<b>Total (B)</b>	<b>170</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170</b>	<b>27</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>143</b>
<b>Total (A + B)</b>	<b>669</b>	<b>4</b>	<b>(11)</b>	<b>1,099</b>	<b>1,761</b>	<b>405</b>	<b>62</b>	<b>(7)</b>	<b>(7)</b>	<b>829</b>	<b>264</b>

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Gross block				Depreciation				Net block		
	As at April 1, 2018	Additions/ Adjustments	Deductions/ Adjustments	Transfer from investment property	As at March 31, 2019	For the year	Deductions/ Adjustments	Transfer from investment property	Assets of disposal group classified as held for sale	As at March 31, 2019	As at April 1, 2018
<b>A) Owned assets</b>											
Buildings	117	-	-	-	117	43	4	-	-	48	74
Computers*	95	-	-	-	1	54	25	-	(78)	1	0
Plant and equipment	99	17	-	-	26	42	17	-	(43)	16	57
Furniture and fixtures	913	34	-	-	246	850	20	-	(639)	231	63
Vehicles	99	-	-	-	99	58	19	-	-	77	41
Office equipment	52	12	-	-	10	6	12	-	(13)	5	46
<b>Total (A)</b>	<b>1,375</b>	<b>63</b>	<b>-</b>	<b>-</b>	<b>499</b>	<b>1,053</b>	<b>97</b>	<b>-</b>	<b>(773)</b>	<b>378</b>	<b>322</b>
<b>B) Leased assets</b>											
Leasehold land	170	-	-	-	170	25	2	-	-	27	145
<b>Total (B)</b>	<b>170</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170</b>	<b>25</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>145</b>
<b>Total (A + B)</b>	<b>1,545</b>	<b>63</b>	<b>-</b>	<b>-</b>	<b>669</b>	<b>1,078</b>	<b>99</b>	<b>-</b>	<b>(773)</b>	<b>405</b>	<b>467</b>

\*"0" denotes amount less than ₹ 0.5 Lakhs.

# During the year, carrying amount of investment property has been transferred to property, plant and equipment because the property is now used for supply of services and not for investment purpose.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**5 INVESTMENT PROPERTY**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Gross Block</b>		
Opening	1,099	1,089
Add : Addition during the year	-	10
Less : Deductions / adjustments	-	-
Less : Reclassified to Property plant and equipment (Refer note below)	(1,099)	-
	-	<b>1,099</b>
<b>Less : Accumulated depreciation</b>		
Opening	369	339
Add : Depreciation for the year	-	30
Less : Deductions / adjustments	-	-
Less : Reclassified to Property plant and equipment (Refer note below)	(369)	-
Closing	-	<b>369</b>
<b>Net block</b>	-	<b>730</b>

**Note:**

During the year, carrying amount of investment property has been transferred to property, plant and equipment because the property is now used for supply of services and not for investment purpose.

**Information regarding income and expenditure of Investment property**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Rental income derived from investment properties (Refer note 40(c)(i))	-	974
Operating expenses generating rental income	-	249
Profit arising from investment properties before depreciation and indirect expenses	-	725
Less – Depreciation	-	30
<b>Profit arising from investment properties before indirect expenses</b>	-	<b>695</b>

The Mahape property has been given on rent to one of its step down subsidiary company, Majesco Software and Solutions India Private Limited based on a rental agreement. During the year ended March 31, 2020 and March 31, 2019, the Company has earned rental income of ₹ Nil and ₹ 974 Lakhs respectively. (Refer note 40 (c)(i)).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**6 INTANGIBLE ASSETS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Gross block					Depreciation				Net block		
	As at April 1, 2019	Additions/ Adjustments	Deductions/ Adjustments	Assets of disposal group classified as held for sale	As at March 31, 2020	As at April 1, 2019	For the year	Deductions/ Adjustments	Assets of disposal group classified as held for sale	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Computer Software	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-	-

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Gross block					Depreciation				Net block		
	As at April 1, 2018	Additions/ Adjustments	Deductions/ Adjustments	Assets of disposal group classified as held for sale	As at March 31, 2019	As at April 1, 2018	For the year	Deductions/ Adjustments	Assets of disposal group classified as held for sale	As at March 31, 2019	As at March 31, 2019	As at April 1, 2018
Computer Software	40	-	-	(40)	-	5	13	-	(18)	-	-	35
<b>Total</b>	40	-	-	(40)	-	5	13	-	(18)	-	-	35

**7 FINANCIAL ASSETS- NON CURRENT INVESTMENTS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>A. Investment in subsidiary - quoted</b>		
Investments measured at cost		
In equity shares - fully paid-up		
<b>Majesco</b>		
3,21,11,234 (March 31, 2019: 3,01,11,234) equity shares of USD0.002 each (Refer Note 50)	51,500	39,934
The above includes fair value of options granted to employees of the subsidiaries and stepdown subsidiaries ₹ 2,403 (₹ 2,142 as at March 31, 2019) (Refer note 19(A))		
<b>Total (A)</b>	<b>51,500</b>	<b>39,934</b>
<b>B. Other investments - unquoted</b>		
Investments measured at amortized cost		
500, (face value ₹ 10,000/- each) Secured Non Convertible Redeemable REC Capital Gains tax exemption bonds*	-	50
<b>Total (B)</b>	<b>-</b>	<b>50</b>
<b>Total (A+B)</b>	<b>51,500</b>	<b>39,984</b>
<b>Aggregate book value of:</b>		
Quoted investments	51,500	39,934
Unquoted investments	-	50
<b>Aggregate market value of:</b>		
Quoted investments	1,32,661	1,46,805
<b>Aggregate impairment of:</b>		
Quoted investments	-	-
Unquoted investments	-	-

\*The same has been reclassified to current investment due to maturity within next 12 months

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**8 NON-CURRENT FINANCIAL ASSETS - LOANS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured, considered good</b>		
Security deposits	33	31
<b>Total</b>	<b>33</b>	<b>31</b>

**9 NON-CURRENT FINANCIAL ASSETS - OTHERS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance held with bank as margin money against bank guarantee	11	-
<b>Total</b>	<b>11</b>	<b>-</b>

**10 INCOME TAX ASSETS (NET)**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance income tax (net of provision of tax ₹ 1,805 (March 31, 2019: ₹ 1,026))	778	572
<b>Total</b>	<b>778</b>	<b>572</b>

**11 OTHER NON-CURRENT ASSETS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital advance	1	-
Prepaid expenses	2	-
<b>Total</b>	<b>3</b>	<b>-</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**12 FINANCIAL ASSETS CURRENT - INVESTMENTS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Investments carried at fair value through profit and loss (FVTPL)</b>		
<b>A. Investments in Mutual Funds (Quoted)</b>		
UTI Credit Risk Fund - Regular Growth Plan*	-	2,186
Franklin India Short Term Income Plan - Retail Plan - Growth*	-	2,277
Franklin India Low Duration Fund - Growth*	-	2,261
Reliance Liquid Fund - Growth Plan - Growth Option	-	279
Nippon India Liquid Fund - Growth Plan - Growth Option	559	-
UTI Liquid Cash Plan - Regular Growth Plan	-	295
L&T Liquid Fund - Regular Growth	-	26
SBI Liquid Fund Regular Growth	557	230
Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	514	125
ICICI Prudential Liquid Fund - Growth	25	199
HDFC Liquid Fund - Regular Plan - Growth	-	235
Franklin India Liquid Fund - Super Institutional Plan	557	-
Kotak Liquid Regular Plan Growth	538	125
<b>Total</b>	<b>2,750</b>	<b>8,238</b>
<b>B. Other investments - unquoted</b>		
Investments measured at amortized cost		
500, (face value ₹ 10,000/- each) Secured Non Convertible Redeemable REC Capital Gains tax exemption bonds (refer note 7B)	50	-
<b>Total (B)</b>	<b>50</b>	<b>-</b>
<b>Total (A+B)</b>	<b>2,800</b>	<b>8,238</b>

\* These investments costing Nil (March 31, 2019: ₹ 6,000 Lakhs) and fair value Nil (March 31, 2019: ₹ 6,724 Lakhs) were under lien with HSBC Bank for stand by documentary credit (SBDC) of Nil (March 31, 2019: USD 10 Million) given by HSBC Bank, for the term loan availed by Majesco, USA, subsidiary of the Company. The term loan availed from HSBC has been fully repaid by Majesco US, subsidiary during the previous year and the lien has been removed during the current year.

**12.1 Aggregate value of quoted and unquoted investments is as follows:**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Aggregate book value of:</b>		
Quoted investments	2,750	8,238
Unquoted investments	50	-
<b>Aggregate market value of:</b>		
Quoted investments	2,750	8,238
<b>Aggregate impairment of:</b>		
Quoted investments	-	-
Unquoted investments	-	-

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**12.2 Details of investments in Mutual Funds (Quoted) designated at FVTPL:**

Particulars	Face Value (in ₹)	(Number of units)	
		As at March 31, 2020	As at March 31, 2019
Reliance Liquid Fund - Growth Plan - Growth Option	1000/-	-	6,146
Nippon India Liquid Fund - Growth Plan - Growth Option	1000/-	11,591	-
UTI Liquid Cash Plan - Regular Growth Plan	1000/-	-	9,684
UTI Credit Risk Fund - Regular Growth Plan	10/-	-	1,30,66,435
L&T Liquid Fund - Regular Growth	1000/-	-	1,012
SBI Liquid Fund Regular Growth	1000/-	18,012	7,884
Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	100/-	1,61,863	41,727
ICICI Prudential Liquid Fund - Growth	100/-	8,400	72,250
HDFC Liquid Fund - Regular Plan - Growth	1000/-	-	6,406
Franklin India Short Term Income Plan - Retail Plan - Growth	1000/-	-	56,967
Franklin India Low Duration Fund - Growth	1000/-	-	1,04,00,968
Kotak Liquid Regular Plan Growth	1000/-	13,442	3,326
Franklin India Liquid Fund - Super Institutional Plan	1000/-	18,755	-

**13 CASH AND CASH EQUIVALENTS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Cash and cash equivalents consists of the followings:</b>		
Balances with banks		
Current accounts	7	9
Cash on hand*	0	-
<b>Total</b>	<b>7</b>	<b>9</b>

\*"0" denotes amount less than ₹ 0.5 Lakhs.

**14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date		
Restricted(Refer note 14.1)	-	500
Others	-	4,000
Earmarked balances with banks		
Unpaid dividend account	11	-
<b>Total</b>	<b>11</b>	<b>4,500</b>

**14.1** As at March 31, 2020, fixed deposits of Nil (Previous Year ₹ 500 Lakhs) with Standard Chartered Bank were under lien for PCFC facility availed by Majesco Software and Solutions India Private Limited, step down subsidiary of the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**15 CURRENT FINANCIAL ASSETS - OTHERS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest accrued on fixed deposits	2	36
Reimbursable expenses receivables (Refer note 40 (d)(iv))	124	-
<b>Total</b>	<b>126</b>	<b>36</b>

**16 INCOME TAX ASSETS (NET)**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance income tax (net of provision of tax March 31, 2019: ₹ 395)	-	150
<b>Total</b>	<b>-</b>	<b>150</b>

**17 OTHER CURRENT ASSETS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Gratuity fund - excess of fund balance over obligation	-	1
Balance with statutory authorities	-	3
Advances to suppliers	5	104
Advances to employees	-	1
Prepaid expenses	6	2
Others (Refer note below)	248	248
<b>Total</b>	<b>259</b>	<b>359</b>

**Note:** Share of stamp duty ₹ 248, (March 31, 2019: ₹ 248) against demand on Mastek Ltd by the office of the superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme, paid under protest.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**18 EQUITY SHARE CAPITAL**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorized</b>		
5,00,00,000 (March 31, 2019:5,00,00,000) Equity Shares of ₹ 5/- each	2,500	2,500
<b>Total</b>	<b>2,500</b>	<b>2,500</b>
<b>Issued, subscribed and paid up</b>		
2,87,01,947 (March 31, 2019: 2,83,45,441) equity shares of ₹ 5/- each fully paid	1,435	1,417
<b>Total</b>	<b>1,435</b>	<b>1,417</b>

**(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year**

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount in ₹ Lakhs	No. of shares	Amount in ₹ Lakhs
Outstanding at the beginning of the year	2,83,45,441	1,417	2,81,22,396	1,406
Add : Shares issued on exercise of options	3,56,506	18	2,23,045	11
<b>Outstanding at the end of the year</b>	<b>2,87,01,947</b>	<b>1,435</b>	<b>2,83,45,441</b>	<b>1,417</b>

**(b) Rights, preferences and restrictions attached to shares:**

Equity Shares: The Company has only one class of equity shares having par value of ₹ 5/- per share. Each shareholder is entitled to one vote per share held and carry a right to dividend. Dividend if any declared is payable in Indian Rupees.

**(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Ashank Desai	30,99,552	10.80%	30,99,552	10.93%
Sudhakar Venkatraman Ram	16,31,763	5.69%	18,31,763	6.46%
Ketan Mehta	27,19,361	9.47%	27,19,361	9.59%
Amansa Holdings Private Limited	18,49,280	6.44%	13,55,743	4.78%
<b>Total</b>	<b>92,99,956</b>	<b>32.40%</b>	<b>90,06,419</b>	<b>31.76%</b>

- (d)** No class of shares have been issued as bonus shares or for consideration other than cash by the Company since its incorporation.
- (e)** Shares reserved for issue under options as at March 31, 2020 and March 31, 2019, were 16,38,035 and 19,43,506 respectively (Refer note 38).
- (f)** No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.
- (g)** 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**19 OTHER EQUITY**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(A) Employee Stock options outstanding account (ESOOA)</b>		
Opening balance	2,295	1,888
Add: Employee stock option expense	253	203
Add: Employee stock option expense of subsidiaries	261	329
Less- Transferred to securities premium on exercise of stock options	(498)	(101)
Less: Transferred to retained earnings on cancellation of vested/unvested options	(105)	(24)
<b>Closing balance</b>	<b>2,206</b>	<b>2,295</b>
<b>(B) Securities premium</b>		
Opening balance	24,003	23,595
Add : Addition on account of exercise of shares under ESOP	349	307
Add : Transferred from employee stock options outstanding account on exercise of options	498	101
<b>Closing balance</b>	<b>24,850</b>	<b>24,003</b>
<b>(C) General reserve</b>		
Opening balance	2,806	2,806
<b>Closing balance</b>	<b>2,806</b>	<b>2,806</b>
<b>(D) Retained earnings</b>		
Opening balance	23,536	22,295
Add: Net Profit/(loss) for the current year	2,397	1,399
Add : Remeasurement gain / (loss) on gratuity plan*	(0)	-
Add : Net Profit/(loss) for current year from discontinued operations	-	(181)
Less: Dividend including tax (Refer note 46)	(1,203)	(1)
Add: Transferred from ESOOA on cancellation of vested/unvested options	105	24
<b>Closing balance</b>	<b>24,835</b>	<b>23,536</b>
<b>Total</b>	<b>54,697</b>	<b>52,640</b>

\*"0" denotes amount less than ₹ 0.5 Lakhs.

**20 OTHER NON-CURRENT FINANCIAL LIABILITIES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits (Refer note 40(d)(iii))	-	382
<b>Total</b>	<b>-</b>	<b>382</b>

**21 EMPLOYEE BENEFIT OBLIGATIONS - NON CURRENT**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits (Refer note 37 (B) and (C))		
Provision for gratuity (funded) (net)	9	-
Provision for leave encashment (unfunded)	18	18
<b>Total</b>	<b>27</b>	<b>18</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**22 OTHER NON-CURRENT LIABILITIES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred lease liability (Refer note 40(d)(iii))	-	5
<b>Total</b>	<b>-</b>	<b>5</b>

**23 TRADE PAYABLES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	11	68
<b>Total</b>	<b>11</b>	<b>68</b>

\* Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

**24 OTHER FINANCIAL LIABILITIES - CURRENT**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Credit balance in bank account	-	5
Capital creditors	160	25
Employee related payables	91	72
Accrued expenses	424	583
Unpaid special dividend	11	3
Security deposits (Refer Note 40 (d) (iii))	432	-
Other payables	19	-
<b>Total</b>	<b>1,137</b>	<b>688</b>

**25 OTHER CURRENT LIABILITIES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred lease liability (Refer note 40(d)(iii))	3	28
Statutory dues payable	125	9
<b>Total</b>	<b>128</b>	<b>37</b>

**26 EMPLOYEE BENEFIT OBLIGATIONS - CURRENT**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for leave encashment (unfunded) (Refer note 37 (C))	9	6
<b>Total</b>	<b>9</b>	<b>6</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**27 REVENUE FROM OPERATIONS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent income (Refer note 40 (c)(i) & 49)	1,024	974
<b>Total</b>	<b>1,024</b>	<b>974</b>

**28 OTHER INCOME**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on fixed deposits	430	267
Profit on sale and revaluation of current investments (mutual funds)	384	2,070
Gain on foreign currency transactions and translation (net)	1	-
Guarantee commission (Refer note 40(c)(iii))	-	22
<b>Total</b>	<b>815</b>	<b>2,359</b>

**29 EMPLOYEE BENEFITS EXPENSE**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages, bonus and other allowances	418	312
Contribution to provident fund, ESI and other funds (Refer note 37 (A))	25	18
Gratuity expenses	6	5
Compensated absences expenses	8	6
Employee stock option scheme compensation (Refer note 38)	253	201
Staff welfare expenses	1	2
<b>Total</b>	<b>711</b>	<b>544</b>

**30 FINANCE COSTS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Other finance charges	34	28
<b>Total</b>	<b>34</b>	<b>28</b>

**31 DEPRECIATION AND AMORTIZATION EXPENSE**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on tangible asset (Refer note 4)	62	39
Depreciation on investment property (Refer note 5)	-	30
<b>Total</b>	<b>62</b>	<b>69</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**32 OTHER EXPENSES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Travelling and conveyance	20	40
Professional fees (Refer Note (a) below)	222	325
Hardware and software expenses	2	4
Repairs and maintenance		
Buildings	46	243
Rent	6	-
Advertisement and publicity	5	1
Communication Charges	4	-
Rates and taxes	46	103
Insurance	7	18
Electricity	12	-
Printing and stationery	5	-
Stock exchange listing fees	10	10
CSR expenditure / Donations	15	11
Miscellaneous expenses	9	4
<b>Total</b>	<b>409</b>	<b>759</b>

\*Note : The following is the break-up of auditors remuneration (exclusive of service tax & GST)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Payment to auditors for:</b>		
i. Statutory audit	13	18
ii. Limited review	4	6
<b>Total</b>	<b>17</b>	<b>24</b>

**33 EXCEPTIONAL ITEMS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit on sale of business (Refer note 35)	1,869	-
<b>Total</b>	<b>1,869</b>	<b>-</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

34 INCOME TAX

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(a) Deferred tax relates to the following:</b>		
<b>Deferred tax assets</b>		
On provision for employee benefits	20	6
On disallowance u/s 35DD of Income Tax Act, 1961	18	37
MAT Credit Entitlement #	79	-
	<b>117</b>	<b>43</b>
<b>Deferred tax liabilities</b>		
On fair valuation gain/(losses) on current investment	4	214
On property, plant and equipment	7	9
On others*	0	1
	<b>11</b>	<b>224</b>
<b>Deferred tax asset / (liability), net</b>	<b>106</b>	<b>(181)</b>
Cumulative MAT credit not recognized as at the balance sheet date	-	382
<b>(b) Reconciliation of deferred tax assets/ (liabilities) (net):</b>		
Opening balance	(181)	35
Tax (liability)/asset recognized in Statement of Profit and Loss	534	(92)
Tax liability recognized in OCI:		
On re-measurement gain/(losses) of post employment benefit obligation	(2)	-
MAT Credit Asset utilized for AY 2020-21	(245)	-
Reclassified under disposal group held for sale	-	(124)
<b>Closing balance</b>	<b>106</b>	<b>(181)</b>
<b>(c) Deferred tax assets / (liabilities) to be recognized in Statement of Profit and Loss</b>		
Deferred tax liability	210	(115)
Deferred tax asset	324	23
	<b>534</b>	<b>(92)</b>

\*"0" denotes amount less than ₹ 0.5 Lakhs.

# During the current financial year, the Company has recognized deferred tax assets on Minimum Alternate Taxes and other timing difference on the basis of projection of taxable profit for fiscal 2020 and onwards. Uptill now, having regard to the operations of the Company, there was no certainty with regards to the utilization of the said deferred tax assets. Having regard to the restructuring exercise carried out as stated in Note 35 and better visibility of the ultimate taxable income for fiscal 2020 and onwards the Company has concluded it will continue to fall out of MAT regime and accordingly the utilization of these credits have become more certain from FY 2019-20 onwards.



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
<b>(d) Income tax expense - Continuing operations (A)</b>		
Current tax	629	452
Deferred tax (income) / charge	(534)	82
<b>Total</b>	<b>95</b>	<b>534</b>
<b>(e) Income tax expense - Discontinued operations (B)</b>		
Current tax	-	(54)
Deferred tax charge / (income)	-	9
<b>Total</b>	<b>-</b>	<b>(45)</b>
<b>(f) Reconciliation of tax charge</b>		
Profit before tax	2,492	1,933
Statutory Income Tax Rate	29.12%	29.12%
Income tax expense on the same at tax rates applicable	726	563
Tax effects of :		
Effect of deferred tax created at different rates	-	(2)
Items not deductible to tax	28	70
MAT credit recognized	(382)	-
Tax effect of transfer of business	(191)	-
DTA/DTL not transferred to MSS IPL on business transfer	(1)	-
Prior year tax credits	9	4
Impact of lower effective tax rates on rental income	(84)	(101)
Others	(10)	-
<b>Income tax expense</b>	<b>95</b>	<b>534</b>

**35**

In order to achieve the twin objective of consolidation of entire Insurance Software and Products Business under Majesco, USA, subsidiary of the Company and to ensure greater operational synergies, Management of the Company has proposed to sell, transfer and dispose off, as a going concern and on a slump sale basis, the Company's India Insurance Products & Services Business ("India Business"), together with the use of all the licenses, permits, consents and approvals whatsoever, and all related assets (excluding all immovable assets) and liabilities together with employees, to Majesco Software and Solutions India Private Limited, (MSSIPL) a step-down subsidiary which is a wholly owned step-down subsidiary of Majesco, USA, for a lump sum consideration of ₹ 2,437 Lakhs on basis of Valuation Report obtained from an independent valuer, subject to certain adjustments at or after closing, as agreed between the Company and MSSIPL, with effect from April 1, 2019.

This has been approved by the Board of Directors at their meeting held on March 16, 2019 and approval of shareholders was thereafter obtained on April 30, 2019. The Board of Directors of MSSIPL has also given the approval to the proposed transaction and the Business Transfer Agreement was signed as on April 1, 2019. The conditions precedent to transfers were completed on May 15, 2019 and the purchase consideration was of ₹ 2,437 Lakhs was received and the net profit of ₹ 1,869 Lakhs has been recognized and shown under exceptional items during the year ended March 31, 2020.

The Company has classified the transactions and balances of the "India Business" as discontinued operations for the year ended March 31, 2019 in these standalone financial statements as required under Ind AS 105, "Non-current assets held for sale and discontinued operations".

The comparative quarter and year ended as on March 31, 2019 are restated as if the transactions occurred at the beginning of the comparative period i.e. April 1, 2018.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

## A. Profit and loss from Discontinued operations

(All amounts in ₹ Lakhs, unless otherwise stated)		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Discontinued operations</b>		
<b>Income</b>		
Revenue from operations		
Information technology services	-	1,935
Other income, net	-	-
<b>Total income</b>	<b>-</b>	<b>1,935</b>
<b>Expenses</b>		
Employee benefits expense		
Salaries, wages, bonus and other allowances	-	935
Contribution to Provident Fund, ESI and other funds	-	45
Gratuity Expenses	-	8
Compensated absences expenses	-	11
Employee stock option scheme compensation	-	2
Staff welfare expenses	-	17
	<b>-</b>	<b>1,018</b>
Depreciation and amortization expense		
Depreciation on tangible assets	-	60
Amortization of intangible assets	-	13
	<b>-</b>	<b>73</b>
Other expenses		
Travelling and conveyance	-	22
Consultancy and sub-contracting charges (Refer note 40(C)(ii))	-	858
Professional fees (includes Payment to auditors Nil : Previous year ₹ 11)	-	33
Hardware and software expenses	-	68
Repairs and maintenance	-	26
Advertisement and publicity	-	2
Communication charges	-	1
Recruitment and training expenses	-	3
Insurance	-	1
Electricity	-	28
Membership and subscription	-	1
Provision/(reversal) for doubtful debts , net	-	21
Printing and stationery	-	1
Hire Charges	-	3
Miscellaneous expenses	-	3
	<b>-</b>	<b>1,071</b>
<b>Total expenses</b>	<b>-</b>	<b>2,162</b>
<b>Profit / (Loss) before tax</b>	<b>-</b>	<b>(227)</b>
<b>Income tax expense</b>		
Current tax	-	(54)
Deferred tax	-	9
<b>Total income tax expense</b>	<b>-</b>	<b>(45)</b>
<b>Profit (loss) for the year from discontinued operations</b>	<b>-</b>	<b>(182)</b>
<b>Other comprehensive income / (loss)</b>		
Items that will not be reclassified to profit or loss		
Remeasurement gains losses on gratuity plan	-	(1)
Tax on remeasurement losses on gratuity plan	-	0
<b>Other comprehensive Income / (loss) for the year from discontinued operations</b>	<b>-</b>	<b>(1)</b>
<b>Total comprehensive Income / (loss) from discontinued operations for the year</b>	<b>-</b>	<b>(183)</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**B. Carrying amounts of the total assets to be disposed and the total liabilities to be settled as at March 31, 2020**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	-	165
Intangible assets	-	22
Deferred tax assets (net)	-	124
<b>Total non-current assets</b>	<b>-</b>	<b>311</b>
<b>Current assets</b>		
Financial assets		
Trade receivables	-	299
Other assets	-	215
Other current assets	-	80
<b>Total current assets</b>	<b>-</b>	<b>594</b>
<b>Total assets</b>	<b>-</b>	<b>905</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Provisions	-	35
<b>Total non-current liabilities</b>	<b>-</b>	<b>35</b>
<b>Current liabilities</b>		
Financial liabilities		
Trade payables		
a) Dues of micro enterprises and small enterprises	-	-
b) Dues of creditors other than micro enterprises and small enterprises	-	74
Other financial liabilities	-	162
Other current liabilities	-	34
Provisions	-	31
<b>Total current liabilities</b>	<b>-</b>	<b>301</b>
<b>Total liabilities</b>	<b>-</b>	<b>336</b>
<b>Net carrying amount of disposal group classified as held for sale</b>	<b>-</b>	<b>569</b>

**C. Cash flow attributable to operating, investing and financing activities for the year ended March 31, 2020**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
a. Net cash flows from operating activities	-	89
b. Net cash flow used in investing activities	-	(60)
c. Net cash flow from financing activities	-	-
<b>Total</b>	<b>-</b>	<b>29</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**36 EARNINGS PER SHARE**

Basic earnings per share amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit/(loss) attributable to equity holders after adjusting by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on outstanding stock options

The components of basic and diluted earnings per share for total operations are as follows:

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Net profit for the year attributable to equity shareholders	2,397	1,217
(b) Weighted average number of outstanding equity shares considered for basic EPS	2,84,78,398	2,82,28,356
Add : Effect of dilutive potential equity shares arising from outstanding employee stock options	9,99,321	11,99,055
Number of shares considered for diluted EPS	2,94,77,719	2,94,27,411
(c) Earnings per share (Face value per share ₹ 5/- each (Previous year ₹ 5/- each))		
Basic (₹)	8.42	4.31
Diluted (₹)	8.13	4.14
Out of above:		
(i) Earnings per share (Face value per share ₹ 5/- each) attributable to Continuing operations		
Basic (₹)	8.42	4.95
Diluted (₹)	8.13	4.76
(ii) Earnings per share (Face value per share ₹ 5/- each) attributable to Discontinued operations		
Basic (₹)	-	(0.64)
Diluted (₹)	-	(0.62)

\* The weighted average number of shares takes into account the weighted average effect of changes arising from issue of new shares and ESOP transactions during the year.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**37 EMPLOYEE BENEFITS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(A) Defined contribution plans</b>		
During the year, the Company has recognized the following amounts in the Statement of Profit and Loss (Refer note 29)		
Contribution to provident fund	11	2
Contribution to superannuation fund	8	9
Contribution to national pension scheme	6	6
Contribution to employees' deposit linked insurance	-	1
<b>Total</b>	<b>25</b>	<b>18</b>
<b>(B) Defined benefit plans - Gratuity</b>		
Liability for employee defined benefits plan has been determined by an Actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS - 19, "Employee Benefits", the details of which are as under. The liability is fully funded through and approved trust with Life Insurance Corporation of India.		
<b>i) Actuarial assumptions</b>		
Discount rate (per annum)	6.45%	7.30%
Rate of increase in salary	7.00%	7.00%
Expected average remaining working lives of employees (years)	11	25.43
Attrition rate (across various age groups)	0 - 22%	0 - 22%
Expected rate of return on plan assets	7.50%	7.50%
<b>ii) Changes in the present value of defined benefit obligation</b>		
Present value of obligation at the beginning of the year	118	105
Current service cost	6	15
Settlements	(62)	-
Interest on defined benefit obligation	4	8
Actuarial (gain)/ loss on obligations	1	(1)
Benefits paid	(4)	(9)
<b>Present value of obligation at the end of the year</b>	<b>63</b>	<b>118</b>
<b>iii) Change in fair value of assets</b>		
Fair value of plan assets - opening	122	124
Expected return on plan assets	4	9
Remeasurement due to; actual return on planned assets less expected interest on planned assets	3	(2)
Settlements	(71)	-
Benefits paid	(4)	(9)
Fair value of plan assets - closing	54	122
<b>iv) Expense recognized as Employee benefits expense in the Statement of Profit and Loss</b>		
Current service cost	6	7
Interest on net defined benefit liability / (asset)*	0	(2)
<b>Total</b>	<b>6</b>	<b>5</b>
<b>v) Income recognized as OCI in the Statement of Profit and Loss</b>		
Remeasurements during the year due to:		
Changes in financial assumptions	3	-
Experience adjustments	(2)	-
Actual return on plan assets less expected interest on plan assets	(3)	-
Adjustment to recognize the effect of asset ceiling	-	-
<b>Total</b>	<b>(2)</b>	<b>-</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>vi) Assets and liabilities recognized in the Balance Sheet:</b>		
Present value of funded defined benefit obligation - opening	63	118
Fair value of plan assets	(54)	(122)
<b>Net liability/ (asset) recognized in Balance Sheet</b>	<b>9</b>	<b>(4)</b>
Included in Employee benefit obligation/(Other current assets) (Refer note 17,21 and 35)	9	(4)
<b>vii) Expected contribution to the fund in the next year</b>	<b>9</b>	<b>10</b>

**viii) Sensitivity Analysis**

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and expected salary increase. A quantitative sensitivity analysis for significant assumptions is furnished below :

Particulars	As at March 31, 2020		As at March 31, 2019	
	In (%)	In ₹	In (%)	In ₹
<b>Impact on defined benefit obligation</b>				
Discount rate				
0.5% increase	(2.30)%	60	(4.12)%	113
0.5% decrease	2.39%	63	4.45%	123
Rate of increase in salary				
0.5% increase	2.37%	63	4.45%	123
0.5% decrease	(2.29)%	60	(4.15)%	113

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	
<b>ix) Maturity profile of defined benefit obligations</b>	
Year ended March 31,	
2021	24
2022*	0
2023*	0
2024*	0
2025*	0
2025 onwards	59

\*"0" denotes amount less than ₹ 0.5 Lakhs.

<b>(C) Defined benefit plans - leave encashment</b>		
<b>i) Assets and liabilities recognized in the Balance Sheet:</b>		
Opening Balance	24	68
Charged during the year (Refer note 29)	8	6
Amount paid during the year	(5)	(50)
<b>Net liability recognized in Balance Sheet</b>	<b>27</b>	<b>24</b>
Disclosed as Employee Benefit Obligations - Non current (Refer note 21)	18	18
Disclosed as Employee Benefit Obligations - current (Refer note 26)	9	6



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**38 EMPLOYEE STOCK OPTION SCHEME**

**(a) Nature and extent of employee stock option scheme 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. On the date of demerger all employees of Mastek who were having options of Mastek Limited were granted equal number of options of the Company.

The Company introduced the scheme for granting up to 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. 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.

The Company has granted employee stock options to its employees and also to employees of its direct and indirect subsidiaries. As per the demerger scheme of Mastek employees of Mastek Limited who were having options of Mastek on date of demerger were granted equal number of options of the Company. These options are mostly granted at the market price on the date of grant. 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 were recognized and amortized on a straight line basis over the vesting period in the previous GAAP. On the date of transition to Ind-AS i.e. April 1, 2016, the Company carried out a fair valuation of all the unvested options as on that date and debited Retained earnings by ₹ 214 Lakhs and ₹ 30 Lakhs on account of options relating to employees of Mastek Limited and the Company respectively with a credit to the employee stock option outstanding account considering the same as equivalent to cost of employee stock option granted by Mastek Limited to employees of Majesco Group as per the said scheme of demerger since the management of the Company does not expect a separate recovery of the same amount from Mastek Limited or recovery from the Company by Mastek Limited. Accordingly no further adjustments for fair value have been made in respect of these options. The fair value of the unvested options relating to the employees of its subsidiaries and step down subsidiaries amounting to ₹ 677 Lakhs was debited to Investment in subsidiary account with the corresponding credit to the employee stock options outstanding account as part of the Ind AS transition adjustment.

For the year ended March 31, 2020 and March 31, 2019 the fair value of the options both vested and unvested options granted to the employees of the Company was determined and the incremental amount of ₹ 253 Lakhs and ₹ 203 Lakhs respectively were charged to the employee benefit expense with a corresponding credit to Employee stock options outstanding account.

For the year ended March 31, 2020 and March 31, 2019 similar amount relating to employees of its subsidiaries and step down subsidiaries amounting to ₹ 261 Lakhs and ₹ 329 Lakhs respectively was debited to the Investment in subsidiary account with the corresponding credit to Employee stock options outstanding account.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	WAEP (₹)	Number	WAEP (₹)
Options outstanding at beginning of the year	19,43,506	188	22,52,012	193
<b>Add:</b>				
Options granted during the year	1,53,000	159	54,000	218
<b>Less:</b>				
Options exercised during the year	3,56,506	104	2,23,045	142
Options lapsed during the year	3,840	86	11,377	120
Options cancelled during the year	98,125	232	1,28,084	370
Options outstanding at the end of the year	16,38,035	202	19,43,506	188
Options exercisable at the end of the year	13,16,526		15,13,502	

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs used on the date of grant for the years ended:

Particulars	As at March 31, 2020	As at March 31, 2019
Dividend yield (%)	0%	0%
Risk free interest rate (%)	5.50% - 7.10%	7.20%
Expected life of share options (years)	Upto 5 years	Upto 5 years
Expected volatility (%)	30.00%-36.00%	34.00%
Weighted average share price (₹)	461.07	507.19
<b>(b) Stock options exercised during the year :</b>		
Number of options exercised during the year	3,56,506	2,23,045
Weighted average share price at the date of exercise (₹)	104	142

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

Particulars	Options Outstanding	Weighted Average Exercise Price (₹)	Weighted Average remaining Contractual Life (years)
<b>As at March 31, 2020</b>			
<b>Range of exercise price (₹)</b>			
5-100	5,52,571	45	4.31
101-200	3,64,841	118	3.68
Above 200	7,20,623	365	5.80
<b>As at March 31, 2019</b>			
<b>Range of exercise price (₹)</b>			
5-100	7,25,160	53	4.30
101-200	4,48,318	118	4.62
Above 200	7,70,028	357	6.57

**(d) Information on stock options granted during the year :**

Particulars	As at March 31, 2020	As at March 31, 2019
Number of options granted during the year	1,53,000	54,000
Option pricing model used	Black-Scholes option-pricing model	
Weighted average share price (₹)	461	507
Exercise price (₹)	159	218
Expected volatility (%)	30.00%-36.00%	34.00%
Option life (vesting period and exercise period)	Upto 5 years	Upto 5 years
Dividend yield (%)	0%	0%
Risk free interest rate (%)	5.50% - 7.10%	7.20%

**(e) Effect of share-based payment plan on the Balance Sheet and Statement of Profit and Loss :**

Employee stock options outstanding account (Refer note 19A)	2,206	2,295
Employee stock compensation expenses (Refer note 29)	253	203

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**39 LEASE**

**Non-cancellable operating lease**

**As a lessor**

The Company has given building on non-cancellable operating leases. These lease arrangement is for a period of 60 months. There are no contingent rent in the agreement.

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rental Income recognized in the statement of profit and loss	994	974
<b>Commitments for minimum lease payments in relation to non-cancellable operating leases are receivable as follows:</b>		
Not later than one year	166	994
Later than one year and not later than five years	-	166
Later than five years	-	-

**40 RELATED PARTY DISCLOSURES**

**(A) Names of related parties and description of relationship as identified and certified by the Company as at March 31, 2020**

	Name of the Related Party	Country	Relationship
1	Majesco	USA	Subsidiary
2	Majesco Software and Solutions Inc.	USA	Step down subsidiary
3	Majesco (UK) Ltd.	United Kingdom	Step down subsidiary
4	Majesco Software And Solutions India Private Ltd.	India	Step down subsidiary
5	Majesco Canada Ltd.	Canada	Step down subsidiary
6	Majesco Sdn Bhd.	Malaysia	Step down subsidiary
7	Majesco Asia Pacific Pte Ltd.	Singapore	Step down subsidiary
8	Exaxe Holding Limited	Ireland	Step down subsidiary
9	Exaxe Limited	Ireland	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)

Radhakrishnan Sundar (Executive Director)

Ketan Mehta (Director)

Ashank Desai (Director w.e.f May 31, 2019)

Jyotin Kantilal Mehta (Director resigned on March 02, 2020)

Vasant Vitthalidas Gujarathi (Director w.e.f March 03, 2020)

Madhu Dubhashi (Director)

Venkatesh Chakravarty (Director)

Kunal Karan (Chief Financial Officer)

Varika Rastogi (Company Secretary)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(C) Details of transactions with related party in the ordinary course of business:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
i. Rental income (Refer note 27)		
Majesco Software and Solutions India Private Limited.	1,024	945
ii. Consultancy and sub-contracting charges (Refer note 35)		
Majesco Software and Solutions India Private Limited.	-	854
iii. Guarantee commission (Refer note 28)		
Majesco	-	22
iv. Reimbursable / other expenses recovered		
Majesco	-	47
Majesco Software and Solutions Inc.	-	46
Majesco (UK) Ltd.	-	10
Majesco Software and Solutions India Private Limited.	387	406
Majesco Canada Limited	-	6
Majesco Sdn Bhd	-	12
Coverall Systems Inc	-	27
Majesco Asia Pacific Pte Ltd.	-	5
v. Reimbursement of expenses		
Majesco Software and Solutions India Private Limited.	22	-
vi. Business transfer related considerations		
Majesco Software and Solutions India Private Limited.	2,437	-
vii. Remuneration to key management personnel		
Farid Kazani	312	135
Radhakrishnan Sundar	24	24
Kunal Karan	57	44
Varika Rastogi	28	21
Nishant Shirke	-	1
viii. Investment made in Majesco	11,306	23,202
ix. Other benefits to key management personnel		

(All amounts in ₹ Lakhs, unless otherwise stated)

For the year ended March 31, 2020	Provident Fund	National Pension Scheme	Gratuity	Leave encashment	Superannuation	Share based benefit
Farid Kazani	6	5	3	4	8	138
Radhakrishnan Sundar	3	-	1	-	-	-
Kunal Karan	2	2	1	1	2	-
Varika Rastogi*	1	-	0	-	-	-

For the year ended March 31, 2019	Provident Fund	National Pension Scheme	Gratuity	Leave encashment	Superannuation	Share based benefit
Farid Kazani	5	5	2	4	7	39
Radhakrishnan Sundar	3	-	-	-	-	-
Kunal Karan	2	1	1	1	2	-
Varika Rastogi	1	-	-	-	-	-
Nishant Shirke	-	-	-	1	-	-

\*"0" denotes amount less than ₹ 0.5 Lakhs.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**x. Consideration received by Company on exercise of options**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Farid Kazani	12	10
xi. Fair value of vested and unvested options granted to employees of Majesco and step down subsidiaries debited to the carrying value of investment in Majesco.	261	329

**(D) Amount due to / from related party**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
i. Trade payables:		
Majesco Software and Solutions India Private Limited.	-	63
ii. Advances received:		
Majesco Software and Solutions India Private Limited	-	4
iii. Other liabilities:		
Security and other deposits (Refer note 20 and 24)		
Majesco Software and Solutions India Private Limited	432	382
Deferred lease liability (Refer note 22,25)		
Majesco Software and Solutions India Private Limited	3	33
iv. Reimbursable expenses receivable:		
Majesco Software and Solutions India Private Limited	124	-

**(E) Terms and conditions of transactions with related parties**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free.

**41 COMMITMENTS AND CONTINGENCIES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>A. Guarantees:</b>		
(a) Corporate guarantee secured by lien on mutual funds with initial cost of Nil (2019: by lien against mutual funds with initial cost of ₹ 4000 Lakhs) given to HSBC India for Standby Documentary Credit (SBDC) favoring HSBC Bank USA National Association for extending a term loan to the extent of USD 10 Million to Majesco, USA, a subsidiary of the Company (Refer note 12 and 14)	-	6,916
(b) Lien marked on fixed deposit of the Company with Standard Chartered Bank for PCFC granted to step-down subsidiary (Refer note 14)	-	500
<b>Total</b>	<b>-</b>	<b>7,416</b>
The loan has been completely repaid by Majesco USA and the Company has completed the documentation and filing of satisfaction of charge with the Registrar of companies on May 08, 2019.		
<b>B. Capital and other commitments</b>		
Capital commitments :		
Estimated amount of contract remaining to be executed on capital account not provided for	903	2

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**42 SEGMENT REPORTING**

As per Ind AS 108 - Operating Segment, if a financial report contains both consolidated financial statements of a parent that is within the scope of this Ind AS as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS 108 - Operating Segment has been given in the consolidated financial statements of the Company.

**43 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The Company's financial instruments consist primarily of cash and cash equivalents, short term investments in time deposits and mutual funds, restricted cash, trade payable, and accrued liabilities. The carrying amount of cash and cash equivalents, short term investments in time deposits and mutual funds, restricted cash, trade payable and accrued liabilities as of the reporting date approximates their fair market value due to the relatively short period of time of original maturity tenure of these instruments. Classification of the financial assets and financial liabilities is given below:

(All amounts in ₹ Lakhs, unless otherwise stated)

Fair Value and Carrying Amount	As at March 31, 2020			As at March 31, 2019		
	Fair value through Profit and loss	Fair value through Other comprehensive income	Amortized Cost	Fair value through Profit and loss	Fair value through Other comprehensive income	Amortized Cost
<b>FINANCIAL ASSETS- NON CURRENT</b>						
Investments (other than investment in subsidiary)	-	-	-	-	-	50
Security deposits	-	-	33	-	-	31
Balance held with bank as margin money against bank guarantee	-	-	11	-	-	-
<b>FINANCIAL ASSETS- CURRENT</b>						
Investments	2,750	-	50	8,238	-	-
Cash and cash equivalents	-	-	7	-	-	9
Bank balances other than cash and cash equivalents	-	-	11	-	-	4,500
Other Financial assets	-	-	126	-	-	36
<b>FINANCIAL LIABILITIES- NON CURRENT</b>						
Other financial liabilities	-	-	-	-	-	382
<b>FINANCIAL LIABILITIES- CURRENT</b>						
Trade payables	-	-	11	-	-	68
Other financial liabilities	-	-	1,137	-	-	688



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

### 44 FAIR VALUE HIERARCHY

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 3 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	(All amounts in ₹ Lakhs, unless otherwise stated)	
	As at March 31, 2020	As at March 31, 2019
<b>Level 1 (Quoted price in active markets)</b>		
Investments in mutual funds carried at fair value through profit and loss	2,750	8,238
<b>Level 2 (Based on observable inputs)</b>		
Disclosure of fair value of investment property (Refer note 5)	-	10,468

### 45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

#### (A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates and other market changes.

##### Foreign currency risk

The Company does not have any foreign currency exposure and also do not hold or issue derivative financial instruments. Hence, there is no foreign currency risk to the Company.

##### Interest rate risk

The Company does not have any borrowings and its investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

#### (B) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and credit worthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents, time deposits and investment in mutual fund. The Company maintains its cash and cash equivalents, time deposits and investment in mutual fund, with banks and mutual fund houses having good reputation, good past track record, and who meet the minimum threshold requirements under the counterparty risk assessment process, and reviews their credit-worthiness on a periodic basis.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)****(C) Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The Company's current assets aggregate to ₹ 3,203 Lakhs (March 31, 2019 - ₹ 13,292 Lakhs) including current investments, cash and cash equivalents and bank balances against aggregate current liability of ₹ 1,285 Lakhs (March 31, 2019 - ₹ 799 Lakhs) and non current liabilities ₹ 27 Lakhs (March 31, 2019 - ₹ 586 Lakhs) on the reporting date. While the Company's total equity stands at ₹ 56,132 Lakhs (March 31, 2019 - ₹ 54,057 Lakhs), it has no borrowings. Hence liquidity risk or risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

**46 CAPITAL MANAGEMENT**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Board of Directors at their meeting held on March 16, 2020 had declared Interim Dividend of ₹ 2/- per share of nominal value of ₹ 5/- each for the financial year ended March 31, 2020. The Company has complied with necessary provisions of The Companies Act, 2013 relating to payment of dividend.

During the previous year, the Board of Directors had declared a special dividend of 30% (₹ 1.5/- per equity share of ₹ 5/- each) which was approved by shareholders at Annual General Meeting of the Company held on August 03, 2019.

The Board of Directors of the Company in the meeting held on August 3, 2018 approved the payment of Special Dividend @ ₹ 1/- per share (face value ₹ 5/- per share), to eligible shareholders.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The Company do not have any debt for the year ended March 31, 2020 and March 31, 2019. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		As at March 31, 2020	As at March 31, 2019
Total equity	(i)	56,132	54,057
Total debt	(ii)	-	-
Overall financing	(iii) = (i) + (ii)	56,132	54,057
Gearing ratio	(ii) / (iii)	NA	NA

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**47 UNHEDGED FOREIGN CURRENCY BALANCES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Currency	As at March 31, 2020		As at March 31, 2019	
		Foreign currency in Lakhs	₹ in Lakhs	Foreign currency in Lakhs	₹ in Lakhs
I. Assets		NIL	NIL	NIL	NIL
II. Liabilities					
Payables (trade and others financial liabilities)	USD	-	-	1	69
Total Liabilities		-	-	1	69
Unhedged payables		-	-	1	69

**48 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE**

As per section 135 of the Companies Act, 2013 ("the Act"), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013

- The gross amount required to be spent by the Company during the year is ₹ 15 Lakhs (2019-₹ 11 Lakhs).
- The details of the amount spent during the year on CSR activities are as follows :

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	March 31, 2020			March 31, 2019		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
1. Construction/acquisition of any asset	-	-	-	-	-	-
2. On purpose other than (1) above	15	-	15	11	-	11

**49 CHANGE IN OBJECTS CLAUSE OF MEMORANDUM OF ASSOCIATION:**

The Board of Directors of the Company in its meeting held on May 15, 2019 has approved to include in the main objects clause of Memorandum of Association ("MOA") of the Company, the business of leasing of immovable and movable properties of all kinds. Accordingly, Company has shown its income from rent as revenue from operations.

The rent income for the year ended March 31, 2019 has also been shown as revenue from operations for comparison purpose. Further during FY 2019-20, due to amendment of MOA of Company, Investment property (Building) has been transferred to PPE at its carrying value as at April 1, 2019.

**50 ACQUISITION OF ADDITIONAL STAKE IN MAJESCO, USA**

The Company has entered into a share purchase agreement with Mastek (UK) Limited (the "Seller") on December 12, 2019, for acquisition of 20,00,000 shares of Majesco (USA), a material subsidiary of the Company ("SPA"). In consideration for purchase of the shares, the Company has paid the Seller ₹ 11,306 Lakhs (USD 15.94 Million), based on closing stock price of Majesco (USA) on the NASDAQ on December 11, 2019. Accordingly, from December 12, 2019, stake of the Company in its material subsidiary i.e. Majesco (USA), increased to 74.6% from existing 69.9%.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**51** During the year ended March 31, 2020 the Company has entered into a 'Cost sharing arrangement' with one of its subsidiary by which the subsidiary shall pay a proportion of the total salary costs incurred by the Company from April 1, 2019 based on the estimated time spent for the work of the subsidiary by the identified personnel. Accordingly during the current year, the Company has recovered ₹ 95 Lakhs and ₹ 15 Lakhs towards employee benefit expenses and other direct expenses respectively for the FY 2019-20.

**52 DISAGGREGATE REVENUE INFORMATION**

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2020 by offerings and contract-type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	March 31, 2020	March 31, 2019
<b>Revenue by offerings-Included under discontinued operations (Refer note 35)</b>		
License	-	38
Support and Maintenance	-	1,694
Professional services	-	203
<b>Total</b>	<b>-</b>	<b>1,935</b>
<b>Revenues by contract type</b>		
Fixed Bid	-	1,278
Time and Materials	-	657
<b>Total</b>	<b>-</b>	<b>1,935</b>
<b>Revenue by offerings-Included under Continuing operations</b>		
Rent Income (Based on rates agreed with the customer)	1,024	974

**53 PREVIOUS YEAR FIGURES HAVE BEEN REGROUPED/ RECLASSIFIED TO CONFIRM PRESENTATION AS PER IND AS AS REQUIRED BY SCHEDULE III OF THE ACT.**

The accompanying notes 1 to 53 are an integral part of the standalone financial statements.

As per our report of even date

**For MSKA & Associates**  
Chartered Accountants  
FRN: 105047W

**Anita Somani**  
Partner  
M. No - 124118

Place: Mumbai  
Date: May 29, 2020

**Farid Kazani**  
Managing Director & Group CFO  
DIN - 06914620

**Vasant Gujarathi**  
Non-Executive and Independent Director  
DIN - 06863505

For and on behalf of the Board

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

**Kunal Karan**  
Chief Financial Officer

**Varika Rastogi**  
Company Secretary  
M. No - F7864

Place: Navi Mumbai  
Date: May 29, 2020

# INDEPENDENT AUDITOR'S REPORT

To the Members of **Majesco Limited**

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying consolidated financial statements of Majesco Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2020, of consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 2.22 to the financial statements which states that the management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Revenue Recognition</b></p> <p>Refer Note 2.7 and 66 of Financial statement</p> <p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in accordance with Ind AS 115 "Revenue from Contracts with Customers". This includes accuracy of revenues and critical estimates of onerous obligations in fixed price contracts.</p>	<p><b>Our audit procedures in respect of this area include but are not limited to:</b></p> <p>Our audit approach consisted of testing of the design of the internal controls and substantive testing as follows:</p> <ol style="list-style-type: none"> <li>1. Evaluated the design of internal controls relating to implementation of the revenue accounting standard.</li> <li>2. Selected a sample of continuing and new contracts, and tested the design of the internal controls, relating to identification of the distinct performance obligations and determination of transaction price. We carried</li> </ol>

## INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and the appropriateness of the basis used to measure revenue recognized over a period in respect of long-term contracts. Additionally, the revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue by its offerings and contract type.</p>	<p>out a combination of procedures involving enquiry and observation, review of evidence in respect of operation of these controls.</p> <p>3. Selected a sample of continuing and new contracts and performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Read and analysed the distinct performance obligations in these contracts identified by the management, to confirm if they are fair and reasonable.</li> <li>• Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.</li> <li>• Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation / judgement of the variable consideration.</li> <li>• In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified using substantive testing of actual and estimated efforts from the time recording and budgeting systems to evaluate their reasonableness.</li> <li>• Selected samples of contracts and performed a review of changes in efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract.</li> <li>• Selected samples from all streams of contracts to carry out a detailed analysis on recognition of revenue as per the five steps given in standard and is consistently applied.</li> <li>• Evaluated appropriateness of disclosure provided as per revenue standard, its completeness and accuracy.</li> </ul>



## INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	<p><b>Tax expenses and related disclosures</b>  <b>Refer Note 38 and 44 (B) of Financial statement</b></p> <p>The group operates in various countries and is subject to income tax liability in those countries, majorly in India and United States (US), which also includes uncertain tax position on cross border transfer pricing arrangements. Significant Judgment is required in assessing the range of possible outcomes for these tax matters. Management has made an assessment to determine the outcome of these uncertain tax positions and made an accrual or consider it to be a possible contingent liability. Given the various tax pronouncements being made in India and US and the uncertainty and application of significant judgment in this area in terms of the eventual outcome of litigations, we determined the tax expenses to be a key audit matter.</p>	<p><b>Our audit procedures in respect of this matter include but are not limited to:</b></p> <p>Our audit approach consisted of verifying the the design of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to tax computation and disclosure in financial statements</li> <li>• Obtained the tax working for various countries and verified the completeness and accuracy of the calculations.</li> <li>• Obtained statement of Uncertain tax position and read the select key correspondences made to the Income Tax authorities.</li> <li>• Inquired the matter with the management for further course of action.</li> <li>• Obtained and evaluated the independent confirmations from the consultants representing the Company before the various authorities.</li> <li>• Engaged auditor's experts, to conclude on the management assumptions and evaluation provided by the management</li> </ul>

#### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Director's report, Corporate Governance report and other information published along with but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of 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 Act. 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

## INDEPENDENT AUDITOR'S REPORT (Contd.)

ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

### Other Matter

The Ind AS financial statements of the Group for the year ended 31<sup>st</sup> March, 2019, were audited by another auditor whose report dated May 15, 2019 expressed an unmodified opinion on those statements.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) 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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of 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 31<sup>st</sup> March, 2020 taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

**INDEPENDENT AUDITOR'S REPORT (Contd.)**

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note 44 (B) to the consolidated financial statements.
  - 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 – Refer Note 22 and 27 to the consolidated financial statements in respect of such items as it relates to the Group
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India.
2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

**For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Anita Somani**

Partner

Membership No. 124118

UDIN: 20124118AAAACM3114

Place: Mumbai

Date: May 29, 2020

# ANNEXURE A

## TO THE INDEPENDENT AUDITOR'S REPORT

### ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJESCO LIMITED

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**For MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Anita Somani**  
Partner  
Membership No. 124118  
UDIN: 20124118AAAACM3114

Place: Mumbai  
Date: May 29, 2020

## **ANNEXURE B**

### **TO THE INDEPENDENT AUDITOR'S REPORT**

#### **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJESCO LIMITED**

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Majesco Limited on the consolidated Financial Statements for the year ended March 31, 2020]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to consolidated financial statements of Majesco Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies 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 are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies 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 ("the 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 the respective 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 Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company and its subsidiary company, which are companies incorporated in India, 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 the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to consolidated financial statements 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 internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 judgement, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls with reference to consolidated financial statements of the Holding company and its subsidiary companies, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

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

## **ANNEXURE B**

### **TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)**

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 consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Anita Somani**  
Partner  
Membership No. 124118  
UDIN: 20124118AAAACM3114

Place: Mumbai  
Date: May 29, 2020



**CONSOLIDATED BALANCE SHEET**

AS AT MARCH 31, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	2,429	3,051
Right-of-use assets		2,071	-
Capital work-in-progress		963	5
Goodwill on consolidation	6	26,160	24,706
Other intangible assets	6	5,139	6,071
<b>Financial assets</b>			
Investments	7	-	50
Loans	8	357	332
Other financial assets	9	58	331
Deferred tax assets (net)	38	6,523	5,179
Income tax assets (net)	10	1,037	920
Other non-current assets	11	1,703	447
<b>Total non-current assets</b>		<b>46,440</b>	<b>41,092</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	12	7,280	8,662
Trade receivables	13	19,806	11,960
Cash and cash equivalents	14	34,295	10,986
Bank balances other than cash and cash equivalents	15	175	20,665
Other financial assets	16	111	2,114
Income tax assets (net)	17	48	-
Other current assets	18	16,600	15,670
<b>Total current assets</b>		<b>78,315</b>	<b>70,057</b>
<b>Total Assets</b>		<b>1,24,755</b>	<b>1,11,150</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19	1,435	1,417
Other equity	20	68,364	66,284
<b>Total equity attributable to equity holders of the Company</b>		<b>69,799</b>	<b>67,701</b>
Non-controlling interests		14,674	12,816
<b>Total equity</b>		<b>84,473</b>	<b>80,517</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	21	51	76
Other financial liabilities	22	2,330	2,016
Employee benefit obligations	23	3,277	2,747
Other non-current liabilities	24	-	2,356
<b>Total non-current liabilities</b>		<b>5,658</b>	<b>7,195</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	25	-	287
Trade payables		-	-
a) Dues of micro enterprises and small enterprises		-	-
b) Dues of creditors other than micro enterprises and small enterprises	26	3,047	1,651
Other financial liabilities	27	13,424	12,971
Other current liabilities	28	17,490	6,839
Employee benefit obligations	29	663	758
Income tax liabilities (net)	30	-	932
<b>Total current liabilities</b>		<b>34,624</b>	<b>23,438</b>
<b>Total liabilities</b>		<b>40,282</b>	<b>30,633</b>
<b>Total Equity and Liabilities</b>		<b>1,24,755</b>	<b>1,11,150</b>
Summary of significant accounting policies	2		
Other notes	40 to 67		

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

As per our report of even date

For and on behalf of the Board

For MSKA &amp; Associates

Chartered Accountants  
FRN: 105047W

Farid Kazani

Managing Director & Group CFO  
DIN - 06914620

Venkatesh Chakravarty

Non-Executive Chairman and Independent Director  
DIN - 01102892

Anita Somani

Partner  
M. No - 124118

Vasant Gujarathi

Non-Executive and Independent Director  
DIN - 06863505

Kunal Karan

Chief Financial Officer

Varika Rastogi

Company Secretary  
M. No - F7864

Place: Mumbai

Date: May 29, 2020

Place: Navi Mumbai

Date: May 29, 2020

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>INCOME</b>			
Revenue from operations	31	1,04,048	98,810
Other income, net	32	2,172	2,810
<b>Total income</b>		<b>1,06,220</b>	<b>1,01,620</b>
<b>EXPENSES</b>			
Employee benefit expenses	33	69,413	66,107
Finance costs	34	202	361
Depreciation and amortization expenses	35	3,401	1,961
Other expenses	36	22,971	23,185
<b>Total expenses</b>		<b>95,987</b>	<b>91,614</b>
<b>Profit before exceptional items and tax</b>		<b>10,233</b>	<b>10,006</b>
Exceptional items - loss / (gain)	37	(1,497)	(274)
<b>Profit before tax</b>		<b>11,730</b>	<b>10,280</b>
<b>Income tax expense</b>			
Current tax		2,904	3,415
Tax Credit- Prior period	38	(40)	-
Deferred tax		(156)	(309)
<b>Total income tax expense</b>		<b>2,708</b>	<b>3,106</b>
<b>Profit for the year</b>		<b>9,022</b>	<b>7,174</b>
<b>Other comprehensive income / (loss)</b>			
Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) on gratuity plan		8	(129)
Tax on remeasurement gain / (loss) on gratuity plan		11	38
		<b>19</b>	<b>(91)</b>
Items that will be reclassified to profit or loss			
(i) Net change in fair value of cash flow hedge		(1,459)	221
Tax on net change in fair value of cash flow hedge		378	(64)
(ii) Exchange differences on translation of foreign operations		5,034	(53)
		<b>3,953</b>	<b>104</b>
<b>Total other comprehensive income for the year</b>		<b>3,972</b>	<b>13</b>
<b>Total comprehensive income for the year</b>		<b>12,994</b>	<b>7,187</b>
<b>Profit / (loss) for the year attributable to :</b>			
Equity shareholders of the Company		6,914	5,404
Non controlling interests		2,108	1,770
<b>Other comprehensive income attributable to :</b>			
Equity shareholders of the Company		2,943	9
Non controlling interests		1,029	4
<b>Total comprehensive income / (loss) attributable to :</b>			
Equity shareholders of the Company		9,857	5,413
Non controlling interests		3,137	1,774
Earnings per share	39		
Basic (₹)		24.28	19.14
Diluted (₹)		23.45	18.36
Summary of significant accounting policies	2		
Other notes	40 to 67		

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

As per our report of even date

For and on behalf of the Board

**For MSKA & Associates**  
 Chartered Accountants  
 FRN: 105047W

**Farid Kazani**  
 Managing Director & Group CFO  
 DIN - 06914620

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

**Anita Somani**  
 Partner  
 M. No - 124118

**Vasant Gujarathi**  
 Non-Executive and Independent Director  
 DIN - 06863505

**Kunal Karan**  
 Chief Financial Officer

**Varika Rastogi**  
 Company Secretary  
 M. No - F7864

Place: Mumbai  
 Date: May 29, 2020

Place: Navi Mumbai  
 Date: May 29, 2020

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED MARCH 31, 2020

### (A) Equity share capital

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 5/- each issued, subscribed and fully paid up				
Opening	2,83,45,441	1,417	2,81,22,396	1,406
Add: issued during the year	3,56,506	18	2,23,045	11
Closing	2,87,01,947	1,435	2,83,45,441	1,417

### (B) Other equity

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Capital reserve	Reserves and Surplus				Items of OCI			Total other equity
		Employee stock options outstanding account	Securities premium	General reserve	Retained earnings	Hedging reserve account	Foreign currency translation reserve		
<b>Balance as at April 1, 2019</b>	5,219	6,429	29,970	3,988	20,817	177	(316)	66,284	
Profit for the year	-	-	-	-	6,913	-	-	6,913	
Other comprehensive income / (loss)	-	-	-	-	19	(1,081)	5,034	3,972	
Adjustment for non-controlling interest	-	-	-	-	(5)	280	(1,303)	(1,028)	
<b>Total comprehensive income for the year</b>	-	-	-	-	6,927	(801)	3,731	9,857	
Employee stock option scheme expense	-	2,408	-	-	-	-	-	2,408	
Exercise of employee stock options	-	(102)	(357)	(57)	(9,938)	(8)	35	(11,306)	
Purchase of Share in Subsidiary	(879)	-	-	-	(1,203)	-	-	(1,203)	
Special dividend including dividend distribution tax	-	(497)	497	-	-	-	-	-	
Transfer on exercise of options	-	(101)	-	-	101	-	-	-	
Vested/unvested options cancelled during the year	-	-	(321)	-	1,051	-	-	730	
Adjustment for non-controlling interest	-	-	-	-	-	-	-	-	
<b>Balance as at March 31, 2020</b>	4,340	8,137	31,383	3,931	17,755	(632)	3,450	68,364	
<b>Balance as at April 1, 2018</b>	5,219	4,316	23,789	4,272	15,537	67	(278)	52,923	
Profit for the year	-	-	-	-	5,405	-	-	5,405	
Other comprehensive income	-	-	-	-	(91)	157	(53)	12	
Adjustment for non-controlling interest	-	-	-	-	27	(47)	15	(4)	
<b>Total comprehensive income for the year</b>	-	-	-	-	5,341	110	(38)	5,413	
Employee stock option scheme expense	-	2,238	-	-	-	-	-	2,238	
Exercise of employee stock options	-	-	784	-	-	-	-	784	
Right Issues of shares in subsidiary- (Refer note: 59)	-	-	7,738	-	-	-	-	7,738	
Transfer on exercise of options	-	(101)	101	-	-	-	-	-	

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Capital reserve	Reserves and Surplus			Items of OCI			Total other equity
		Employee stock options outstanding account	Securities premium	General reserve	Retained earnings	Hedging reserve account	Foreign currency translation reserve	
Vested/unvested options cancelled during the year	-	(24)	-	-	24	-	-	-
Reclassified from General reserve to Retained earnings	-	-	-	(284)	284	-	-	-
Adjustment for non-controlling interest	-	-	(2,442)	-	(369)	-	-	(2,811)
<b>Balance as at March 31, 2019</b>	<b>5,219</b>	<b>6,429</b>	<b>29,970</b>	<b>3,988</b>	<b>20,817</b>	<b>177</b>	<b>(316)</b>	<b>66,284</b>

**Nature and purpose of reserves**

**(a) Employee Stock options outstanding account (ESOOA)**

The Employee stock options outstanding account is used to record the fair value of equity-settled share based payment transactions. The amounts recorded in this account are transferred to share premium upon exercise of stock options. In case of cancellation of options, corresponding balance is transferred to Retained earnings.

**(b) Securities premium**

Amounts received on issue of shares in excess of the par value has been classified as securities premium.

**(c) General reserve**

This represents appropriation of profit by the group

**(d) Retained earnings**

Retained earnings comprise of the Group prior years' undistributed earnings after taxes.

**(e) Hedging reserve account**

The hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs.

**(f) Foreign currency translation reserve**

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

The accompanying notes 1 to 67 are an integral part of the consolidated financial statements.

**As per our report of even date**

**For MSKA & Associates**  
 Chartered Accountants  
 FRN: 105047W

**Anita Somani**  
 Partner  
 M. No - 124118

Place: Mumbai  
 Date: May 29, 2020

**Farid Kazani**  
 Managing Director & Group CFO  
 DIN - 06914620

**Vasant Gujarathi**  
 Non-Executive and Independent Director  
 DIN - 06863505

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

**Kunal Karan**  
 Chief Financial Officer

**For and on behalf of the Board**

**Varika Rastogi**  
 Company Secretary  
 M. No - F7864

Place: Navi Mumbai  
 Date: May 29, 2020

# CONSOLIDATED STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before exceptional items and tax	10,233	10,006
Adjustments for:		
Depreciation and amortization expenses	2,475	1,961
Depreciation and amortization expense - right-of-use assets	927	-
Employee stock option expense	2,297	2,254
Finance costs	33	361
Finance costs - right-of-use assets	169	-
Rental income	(28)	(6)
Interest income on fixed deposits	(870)	(340)
Income from sale of investments designated as FVTPL (mutual funds)	(479)	(2,176)
Provision for doubtful debts	439	114
Profit on sale of property, plant and equipment	(8)	(6)
Gain on foreign currency transactions and translation (net)	(298)	(208)
Gain on fair valuation of security deposit (net)	(13)	(15)
<b>Operating profit before working capital changes</b>	<b>14,877</b>	<b>11,945</b>
<b>Changes in working capital</b>		
Decrease/(Increase) in non current and current financial assets	1,898	(8,428)
Increase in non-current and current other assets	(211)	(295)
(Increase)/Decrease in trade receivables	(5,728)	545
(Decrease)/Increase in non-current and current financial liabilities	(2,394)	4,506
Increase in non-current and current provisions	111	450
Increase/(Decrease) in trade payables	1,033	(20)
Increase/(Decrease) in non-current and current liabilities	6,277	(853)
<b>Cash generated from operations</b>	<b>15,863</b>	<b>7,850</b>
Income tax paid	(3,918)	(3,079)
<b>Net cash generated from operating activities (A)</b>	<b>11,945</b>	<b>4,771</b>
<b>Cash flow from investing activities</b>		
Payment for property, plant and equipment and intangible assets	(435)	(3,427)
Payment for Capital work in progress	(958)	-
Payment on acquisition of new subsidiary	(550)	(5,367)
Payment on purchase of shares in subsidiary	(11,306)	-
Purchase of investments	(37,795)	(58,183)
Proceeds from disposal / redemption of investments	39,705	82,577
Proceeds from sale disposal of fixed assets	25	150
Net proceeds from/(investment in) fixed deposits	20,490	(18,174)
Rental income	28	6
Interest income on fixed deposits	938	340
<b>Net cash generated/(used) in investing activities (B)</b>	<b>10,140</b>	<b>(2,078)</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2020 (CONTD.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares (net)	1,612	8,536
Repayment of lease liability	(832)	-
Dividend including dividend distribution tax	(1,203)	-
Proceeds / (repayment) from short-term borrowings	(287)	(3,144)
Repayment of long term loan (net)	(24)	(3,338)
Interest and other finance charges paid	(202)	(324)
<b>Net cash (used)/from financing activities (C)</b>	<b>(936)</b>	<b>1,730</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>21,149</b>	<b>4,423</b>
Cash and cash equivalents at the beginning of the year	10,986	5,976
Cash and cash equivalents on acquisition of Exaxe Holdings Limited	-	213
Exchange difference on translation of foreign currency cash and cash equivalents	2,160	374
Cash and cash equivalents at the end of the year	34,295	10,986
<b>Cash and cash equivalents comprise (Refer note 14)</b>		
Balances with banks		
Current accounts	24,454	5,128
EEFC accounts	2,229	3,004
Cash on hand	7,612	-
Fixed deposits with maturity of less than 3 months	-	2,854
<b>Total cash and bank balances at end of the year</b>	<b>34,295</b>	<b>10,986</b>

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS-7 "Statement of Cash Flows".
- Figures in brackets indicate cash outflow.
- Previous year figures have been regrouped or reclassified wherever necessary.

The accompanying notes 1 to 67 are an integral part of the consolidated financial statements.

As per our report of even date

For and on behalf of the Board

**For MSKA & Associates**

Chartered Accountants  
 FRN: 105047W

**Farid Kazani**

Managing Director & Group CFO  
 DIN - 06914620

**Venkatesh Chakravarty**

Non-Executive Chairman and Independent Director  
 DIN - 01102892

**Anita Somani**

Partner  
 M. No - 124118

**Vasant Gujarathi**

Non-Executive and Independent Director  
 DIN - 06863505

**Kunal Karan**

Chief Financial Officer

**Varika Rastogi**

Company Secretary  
 M. No - F7864

Place: Mumbai

Date: May 29, 2020

Place: Navi Mumbai

Date: May 29, 2020



## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 1 GENERAL INFORMATION

Majesco Limited (the 'Company') and its subsidiaries (collectively referred herein under 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") insurance providers, allowing them to manage policy administration, claims management and billing function.

The company is a public limited company incorporated and domiciled in India and has its registered office at Mastek New Development Centre, MBP-P-136 Mahape, Navi Mumbai, Mumbai-400710, Maharashtra,

India. The Company has its primary listings on the BSE Ltd. and National Stock Exchange of India Limited.

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

The Board of Directors approved the Consolidated financial statements for the year ended March 31, 2020 and authorised for issue on May 29, 2020.

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, 2020	% of effective voting power held as at March 31, 2019
<b>Subsidiary</b>			
Majesco (Formerly - MajescoMastek)	USA	74.10%	70.28%
<b>Step down subsidiaries</b>			
Majesco Software and Solutions Inc. (Formerly - MajescoMastek Insurance Software and Solutions Inc.)	USA	74.10%	70.28%
Majesco Canada Ltd. (Formerly - MajescoMastek Canada Ltd.)	Canada	74.10%	70.28%
Cover-All Systems Inc. *	USA	74.10%	70.28%
Majesco (UK) Ltd.	United kingdom	74.10%	70.28%
Majesco Software And Solutions India Private Ltd.	India	74.10%	70.28%
Majesco Sdn Bhd. (Formerly - Mastek MSC Sdn. Bhd.)	Malaysia	74.10%	70.28%
Majesco (Thailand) Co. Ltd. # (Formerly - Mastek MSC (Thailand) Co. Ltd.)	Thailand	-	70.28%
Majesco Asia Pacific Pte Ltd. (Formerly - Mastek Asia Pacific Pte Ltd.)	Singapore	74.10%	70.28%
Exaxe Holding Limited ##	Ireland	74.10%	63.25%
Exaxe Limited ##	Ireland	74.10%	63.25%

\* Merged with Majesco Software and Solutions Inc. w.e.f January 01, 2019.

# Closed w.e.f. January 29, 2019. ## Acquired w.e.f. October 01, 2018.

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)****2 SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES****2.1 Basis of preparation and presentation****(a) Statement of Compliance with Ind AS**

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(b) Basis of measurement**

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy 2.15 on financial instruments)
- ii) Share based payment transactions
- iii) Derivative financial instruments
- iv) Defined benefit and other long-term employee benefits

All assets and liabilities have been classified as current or non-current as per the Group's 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 rendering of service and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

**(c) Use of estimates**

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions

that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years if the revision effects such periods. Also key sources of estimation uncertainty is mentioned below:

**i) Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policy, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

**ii) The fair value measurements and valuation processes:**

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent it is available. Where level 1 input are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs, used in determining the fair value of various assets, liabilities and share based payments are disclosed in notes to financial statements.

**iii) Actuarial valuation:**

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the statement of profit or loss and in other comprehensive income. Such valuation depend upon assumptions

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to financial statements.

### 2.2 Property, plant and equipment

Property, plant and equipment 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, and expenses incidental to acquisition and installation. Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

#### Depreciation methods, estimated useful lives

Depreciation on property, plant and equipment is provided when the assets are ready for use 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 Group. Based on technical evaluation the management estimates the useful lives of significant items of property, plant and equipment as follows:

Property, plant and equipment	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 II of the Companies Act, 2013.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition.

Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Losses arising from the retirement of, and gains or losses arising from disposal of Property, plant and equipment measured as the difference between amount realized and net carrying value which are carried at cost are recognised in the Statement of Profit and Loss. under 'Other Income/ Other Expenses'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as change in accounting estimates.

### 2.3 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group depreciates building component of investment property over 28 years from the date of original capitalization. The Group, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit or loss as exceptional items in the period of derecognition, if the amount is significant.

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

### 2.4 Intangible assets 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.

The Group amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful Life
Computer Software	1 - 3 years
Technology	5 years
Trade Name	9.7 years
Customer relationships	15 years

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to preparing the asset for its intended use. Research and development costs and software development costs incurred under contractual arrangements with customers are accounted as expenses in the Statement of Profit and Loss.

### 2.5 Foreign Currency Transactions

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, Canadian Dollar and Euro are the functional currencies for its subsidiaries located in United States of America, United Kingdom, Malaysia, Thailand, Singapore, Canada and Ireland respectively. Translation of foreign currency into Indian Rupees has been carried out as under :

- 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.
- Income and expenditure of foreign operations are translated at annual average closing exchange rates.

- All resulting exchange differences on translation are taken to reserves under Foreign Currency Translation Reserve through other comprehensive income until the disposal of the investment in subsidiaries.

### 2.6 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The management determines the policies and procedures for both recurring fair value measurement and disclosures. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 2.7 Revenue recognition

#### **Revenue from Operations:**

The Group derives revenues primarily from Information Technology services and offers core software solutions for property and casualty (P&C) and life and annuity (L&A) providers, allowing them to manage policy administration, claim management and billing functions.

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration that the group expects to receive in exchange for those products or services.

Arrangements with customers for software related services are either on a time and material or on a fixed-price or on a fixed-timeframe.

### a) Time and material contracts

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

### b) Fixed-price contracts

Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended are used to measure progress towards completion as there is a direct relationship between input and productivity.

The Groups revenue is categorized broadly into the following types:

- i) Professional Services
- ii) Cloud Services/ Usage based Subscription Services
- iii) Support and Maintenance Services
- iv) License Fee

#### i) Professional Services:

The professional services do not significantly change the base software or its functionalities. They are considered as a distinct deliverable and recognized as a separate obligation over the period of delivery on a percentage completion basis.

#### ii) Cloud Services/ Usage based Subscription Services:

This is a service obligation of the Group over a period of time and is paid by the customer on

a recurring monthly fee based on the service being provided. Given that the obligations to this contract are met on an ongoing basis over the period of the contract, the Group recognizes the revenue on a monthly basis based on the subscriptions earned for the month in which the services are provided on the minimum subscription applicable based on the usage of the customer during that month. In addition to this the Group estimates any variations to this at the end of quarter and true up for the variations when they happen.

### iii) Support and Maintenance:

Support and maintenance are time bound obligations for the Group to be provided over the term of the contract and hence recognized ratably over the term of the contract.

In respect of contracts for software customization, related services and maintenance services, the Group has applied the guidance in Ind AS 115. Revenue from contracts with customer, by applying the revenue recognition criteria after identifying distinct performance obligation. The arrangements with customers generally meet the criteria for considering software customization, development, support and maintenance and related services as distinct performance obligations and income is assigned accordingly.

### iv) License Fee:

- a) For all Licenses sold or delivered prior to April 01, 2018, Group will continue to fulfill its obligation towards the non-distinct support and License arrangements and will continue to recognize revenue over the period of the contract. At the end of the term, if the customer wishes to renew or in case the customer contracts Group to upgrade to the current out of the box version, Group will consider all its obligations under the previous contract as completed and will recognize the going forward License revenue at a point of time in line with the revenue recognition of all current contracts.

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

- b) For all Licenses handed over to the customer in 2018-19, sold as out of the box product, of the License Fees, based on the Groups estimates a percentage is allocable towards the ongoing support to be provided towards maintenance of the base product. Rest of the contracted license fee and implementation fee is recognized in proportion to the work completed for implementation as they are considered integral part of sale of the product.
- c) In contracts wherein the software is considered to be handed over to the customer on acceptance of the base product, the License fees will be recognized for the entire initial term at a point of time after transfer to the customer has occurred, regardless of the payment schedule.
- d) In contracts wherein complex change or roll out of the software which require extensive augmentative integration services to the software to make it ready for the customer for them to derive any value, the License and the augmentative integration services will be treated as combined performance obligation, and license revenue will be recognized together with such professional services revenue over the implementation period on a percentage completion method regardless of the payment schedule.
- e) For all variable License Fees contracts, where the License Fees are structured based on a usage model, the revenue recognition follows the same principle that the Group is adopting for usage-based subscription model included under the relevant section in this policy.

Revenues in excess of invoicing are classified as contract assets (which is classified as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which is classified as unearned revenues).

Contract modifications are accounted for when additions, deletions or changes are approved

either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group presents revenues net of indirect taxes in the Statement of Profit and loss.

Unbilled revenue included in 'Other current financial 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.

### c) Sales Commission

In accordance with our compensation policy we pay one-time sales commissions for new business generated related to professional services contracts and subscription services. The majority of our commissions incurred in FY 2019-20 and 2018-19 related to professional services contracts. Substantially all of our professional services contracts have durations of one year or less and as such commissions for these contracts are expensed as incurred. Commission costs related to subscription contracts were de minimis in FY 2019-20 and 2018-19 and expensed as incurred.

## 2.8 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. Income from current investments are recognised periodically based on fair value through profit and loss (FVTPL) as on reporting



## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

date. Retained gain / loss are recognised on the date on which these investments are sold.

### 2.9 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.

#### (a) Current income tax

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid. 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.

#### (b) Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be

utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

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 their is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

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.

### 2.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### 2.11 Leases

#### As a lessee

The group's lease asset classes primarily consist of leases for office premises. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves the use of an identified asset (ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the group has the right to direct the use of the asset.

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
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At the date of commencement of the lease, the group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**Transition to Ind AS 116**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the group's incremental borrowing rate at the date of initial application. The group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for

the leases to which the group has chosen to apply the practical expedient as per the standard.

The weighted average incremental borrowing rate has been applied to lease liabilities recognised in the balance sheet at the date of initial application is as follows:

<b>Economic Environment</b>	<b>Discounting Rate (in %)</b>
India	8.50%
USA	3.50%
UK	5.25%
Malaysia	3.25%

**2.12 Impairment of non-financial 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.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each Cash Generating Unit (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

**2.13 Provision and contingent liabilities**

Provisions are recognized when the Group has a present legal obligation as a result of past events, and

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

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 Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset, only when such reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

### 2.14 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### 2.15 Financial instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTOCI

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

#### a) Non-derivative financial assets

##### (i) Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
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using the effective interest method, less any impairment loss.

Amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

(ii) Debt instruments at FVTOCI

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the asset's contractual cash flow represent SPPI

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.

(iii) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

(iv) Financial assets at FVTPL

FVTPL is a residual category for financial

assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL. Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

**b) Non-derivative financial liabilities**

(i) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

(ii) Financial liabilities at FVTPL

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.

**c) Derivative financial instruments**

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank. Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in the statement of profit and loss.

- (i) Cash flow hedges: Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective.

To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss. If the hedging instrument no longer meets the

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

- (ii) Others: Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges and the ineffective portion of cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gain / (loss).

### 2.16 Employee benefits

#### (a) Short-term obligations

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.

#### (b) Other long-term employee benefit obligations

##### (i) Defined contribution plan

The Group has defined contribution plans for post employment benefits in the form of provident fund, employees' state insurance, labour welfare fund, pension fund (NPS) 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 Statement of Profit and Loss 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 the Statement of Profit and Loss in the year they are incurred and there are no further obligations under these plans beyond those monthly contributions.

##### (ii) Defined benefit plans

**Gratuity:** The Group has defined benefit plans for post employment benefits in the form of gratuity for its employees in India. The gratuity scheme of the Group 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 Other Comprehensive Income (OCI) as income or expense (net of taxes).

**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 Company'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 Company'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 Statement of Profit and Loss as income or expense.



**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)****(c) Share based payments****Employee stock options:**

Stock options granted to employees of the Company and its subsidiaries under the stock option schemes are covered by Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014. The subsidiary of the Company also has stock option scheme, where options are granted to employees, consultants, directors at an exercise or grant price determined by the Board of Directors on the date of grant. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, based on the estimated fair value of the award and recognizes the cost on a straight-line basis (net of estimated forfeitures) over the employee's requisite service period for the entire award. Forfeitures are estimated on the date of grant and revised if actual or expected forfeiture activity differs materially from the original estimates. The Group estimates the fair value of stock options using a Black-Scholes valuation model. The cost is recorded in Employee benefits expenses.

**2.17 Foreign currency****Functional currency**

The functional currency of Majesco Software and Solution India Private Ltd. (MSSIPL) is the Indian rupee. The functional currencies for Majesco USA, Majesco Software and Solutions Inc, Coverall Systems Inc, Majesco (UK) Ltd. , Majesco Canada Ltd. , Majesco Sdn Bhd. , Majesco (Thailand) Co. Ltd., Majesco Asia Pacific Pte Ltd. and Exaxe Holding Limited are their respective local currencies. These financial statements are presented in Indian rupees (rounded off to Lakhs).

**Transactions and translations**

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the

exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction. The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed of, in full, the relevant amount is transferred to net profit in the Statement of Profit and Loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the Balance Sheet date.

**2.18 Business combination, goodwill and intangible assets**

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs incurred in connection with a business combination are expensed as incurred.

**a) Goodwill on consolidation:**

Goodwill arising on consolidation is stated at cost less impairment losses, were applicable. On



## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit or loss recognised in the Statement of Profit and Loss. On acquisition of an associate or joint venture, the goodwill/capital reserve arising from such acquisitions included in the carrying amount of the investment and also disclosed separately. Impairment loss, if any, to the extent the carrying amount exceed the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or group of CGUs to which it related, which is not larger than an operating segment, and is monitored for internal management purposes.

### b) Intangible assets

Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquire. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

### 2.19 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.20 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.

### 2.21 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest Lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

### 2.22 Impact of COVID-19

The Group do not foresee any large scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. In assessing the recoverability of receivables including unbilled receivables, intangible assets including goodwill, deferred taxes and investments in mutual funds, the Company has considered internal and external information up to the date of approval of these consolidated financial statement including economic forecasts. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The Group has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting controls etc. and is of the view that based on its present assessment this situation does not materially impact this Consolidated financials statement. However, the actual impact of COVID-19 on the Group's Consolidated statement may differ from that estimated and the Group will continue to closely monitor any material changes to future economic conditions.

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security ("CARES") Act, which provides relief to taxpayers affected by the COVID-19. The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

qualified improvement property. The Group continues to examine the provisions of the CARES Act and similar laws enacted internationally and has applied for reliefs relating to deferment of social security payments, government assistance subsidies and certain other payroll and non-income tax credits granted, within and outside of the United States but does not anticipate that it will have a material impact on its business.

### 3 BASIS OF CONSOLIDATION

The Consolidated Financial Statements (CFS) - consolidates the financial statements of the Company and its subsidiaries. Subsidiaries are entities controlled by the Group. The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss. Impairment loss, if any, to the extent the carrying

amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or a group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes. The proportionate share of the Group in the net profits/losses as also in the other comprehensive income is recognised in the Statement of Profit and Loss and the carrying value of the investment is adjusted by a like amount (referred as 'equity method'). All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

#### Operating cycle

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 and Ind AS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

### 4 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

5 PROPERTY, PLANT AND EQUIPMENT

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Gross block					Depreciation				Net block		
	As at April 1, 2019	Additions/ Adjustments	Assets Acquired	Deductions/ Adjustments	Foreign exchange translation adjustments	As at March 31, 2020	For the year	On Assets Acquired	Deductions/ Adjustments	Foreign exchange translation adjustments	As at March 31, 2020	As at April 1, 2019
<b>A) Owned assets</b>												
Buildings	1,216	-	-	-	-	1,216	35	-	-	-	483	768
Plant and Machinery	1,176	119	-	(58)	58	1,295	212	-	(59)	41	867	503
Furniture and Fixtures	2,261	31	-	(64)	58	2,286	136	-	(64)	52	2,085	300
Office Equipment	459	18	-	(23)	4	458	100	-	(22)	2	306	233
Computers	4,732	307	-	(106)	264	5,197	546	-	(106)	254	4,745	681
Vehicles	378	63	-	(32)	3	412	74	-	(16)	2	225	213
<b>Total (A)</b>	<b>10,222</b>	<b>538</b>	<b>-</b>	<b>(283)</b>	<b>387</b>	<b>10,864</b>	<b>1,103</b>	<b>-</b>	<b>(267)</b>	<b>351</b>	<b>8,711</b>	<b>2,698</b>
<b>B) Leased assets</b>												
Leasehold land	170	-	-	-	-	170	2	-	-	-	29	143
Leasehold Improvement	457	-	-	-	27	484	82	-	-	20	349	210
<b>Total (B)</b>	<b>627</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>654</b>	<b>84</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>378</b>	<b>353</b>
<b>Total (A + B)</b>	<b>10,849</b>	<b>538</b>	<b>-</b>	<b>(283)</b>	<b>414</b>	<b>11,518</b>	<b>1,187</b>	<b>-</b>	<b>(267)</b>	<b>371</b>	<b>9,089</b>	<b>3,051</b>

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Gross block					Depreciation				Net block		
	As at April 1, 2018	Additions/ Adjustments	Assets Acquired	Deductions/ Adjustments	Foreign exchange translation adjustments	As at March 31, 2019	For the year	On Assets Acquired	Deductions/ Adjustments	Foreign exchange translation adjustments	As at March 31, 2019	As at April 1, 2018
<b>A) Owned assets</b>												
Buildings	1,206	10	-	-	-	1,216	34	-	-	-	448	792
Plant and Machinery	944	218	-	(14)	28	1,176	157	-	(40)	24	673	412
Furniture and Fixtures	2,130	93	7	(16)	47	2,261	149	-	(5)	27	1,961	340
Office Equipment	527	20	-	(116)	28	459	98	-	(91)	(2)	226	306
Computers	4,246	726	30	(483)	213	4,732	634	3	(453)	160	4,051	538
Vehicles	268	164	-	(56)	2	378	62	-	(20)	(10)	165	135
<b>Total (A)</b>	<b>9,321</b>	<b>1,231</b>	<b>37</b>	<b>(685)</b>	<b>318</b>	<b>10,222</b>	<b>1,134</b>	<b>3</b>	<b>(609)</b>	<b>199</b>	<b>7,524</b>	<b>2,524</b>
<b>B) Leased assets</b>												
Leasehold land	170	-	-	-	-	170	3	-	-	-	27	146
Leasehold Improvement	450	-	-	(77)	84	457	84	-	(10)	8	247	285
<b>Total (B)</b>	<b>620</b>	<b>-</b>	<b>-</b>	<b>(77)</b>	<b>84</b>	<b>627</b>	<b>87</b>	<b>-</b>	<b>(10)</b>	<b>8</b>	<b>274</b>	<b>431</b>
<b>Total (A + B)</b>	<b>9,941</b>	<b>1,231</b>	<b>37</b>	<b>(762)</b>	<b>402</b>	<b>10,849</b>	<b>1,222</b>	<b>3</b>	<b>(619)</b>	<b>207</b>	<b>7,799</b>	<b>2,955</b>

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

6 OTHER INTANGIBLE ASSETS AND GOODWILL

(i) Other intangible assets

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Gross block				Amortization				Net block			
	As at April 1, 2019	Additions/ Adjustments	Assets Acquired	Deductions/ Adjustments	Foreign exchange trans- lation adjust- ments	As at March 31, 2020	For the year	On Assets Acquired	Deduc- tions/ Adjust- ments	Foreign exchange trans- lation adjust- ments	As at March 31, 2020	As at April 1, 2019
Computer Software	2,938	21	-	(1,960)	45	1,044	188	-	(1,961)	31	846	350
Technology	4,904	-	-	-	322	5,226	998	-	-	82	1,569	4,415
Trade Name	244	-	-	-	16	260	26	-	-	4	67	207
Customer relationships	1,112	-	-	-	73	1,185	76	-	-	5	94	1,099
<b>Total</b>	<b>9,198</b>	<b>21</b>	<b>-</b>	<b>(1,960)</b>	<b>456</b>	<b>7,715</b>	<b>1,288</b>	<b>-</b>	<b>(1,961)</b>	<b>122</b>	<b>2,576</b>	<b>6,071</b>

Particulars	Gross block				Amortization				Net block			
	As at April 1, 2018	Additions/ Adjustments	Assets Acquired (Refer Note 53)	Deductions/ Adjustments	Foreign exchange trans- lation adjust- ments	As at March 31, 2019	For the year	On Assets Acquired (Refer Note 53)	Deduc- tions/ Adjust- ments	Foreign exchange trans- lation adjust- ments	As at March 31, 2019	As at April 1, 2018
Computer Software	3,432	23	-	(670)	153	2,938	179	-	(670)	135	2,588	488
Technology	-	-	5,301	-	(397)	4,904	-	507	-	(18)	489	4,415
Trade Name	-	-	264	-	(20)	244	-	38	-	(1)	37	207
Customer relationships	-	-	1,202	-	(90)	1,112	-	13	-	-	13	1,099
<b>Total</b>	<b>3,432</b>	<b>23</b>	<b>6,767</b>	<b>(670)</b>	<b>(354)</b>	<b>9,198</b>	<b>179</b>	<b>558</b>	<b>(670)</b>	<b>116</b>	<b>3,127</b>	<b>488</b>

(ii) Goodwill on consolidation

The group tests goodwill for impairment annually on March 31. The impairment assessment is based on value in use calculations in case of goodwill arising on consolidation as well as goodwill arising on acquisition of business. During the year ended March 31, 2020 the testing did not result in any impairment in the carrying amount of goodwill. The carrying amount of goodwill is attributable to the following CGUs / group of CGUs.

Particulars	(All amounts in ₹ Lakhs, unless otherwise stated)	
	As of March 31, 2020	As of March 31, 2019
Goodwill on consolidation of Majesco Software and Solutions, Inc., USA with Majesco, USA*	24,837	23,470
Goodwill on consolidation of Exaxe Holdings Ltd. with Majesco, USA - (Refer note 53)	1,323	1,236
<b>Total</b>	<b>26,160</b>	<b>24,706</b>

\* The above amounts vary due to exchange fluctuations.

The recoverable amount of above CGUs on aggregate basis are based on value-in-use, which is determined based on five year consolidated business plans of the group that have been prepared by management for internal purposes. The cash flows beyond the planning period are extrapolated using appropriate terminal growth rates. The terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information.

The key assumptions used in value-in-use calculations are as follows:

- Earnings before interest and taxes (EBIT)
- Discount rate
- Anticipated capital expenditure

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

### EBIT Margins:

The margins have been estimated based on past experience after considering incremental revenue arising out of services from the existing and new customers. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; whereas, factors like increased cost of operations may impact the margins negatively.

### Discount rate:

Discount rates reflects current market assessment of the specific CGUs and is estimated based on the weighted average cost of capital for respective CGU/group of CGUs. Pre-tax discount rate used was 14.50%- 24% for the year ended March 31, 2020 (previous year 12%-16%).

### Growth rates:

The growth rates used is in line with the long term average growth rates of the respective industry and country in which the entity operates considering the technology involved and are consistent with the internal / external sources of information. The average growth rates used in extrapolating cash flows ranged from 5% (previous year 4.5%-5.75%)

### Capital expenditure:

The cash flow forecasts of capital expenditure are based on past experience after considering the additional capital expenditure required which is expected to be very nominal.

## 7 FINANCIAL ASSETS- NON CURRENT INVESTMENTS

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Other investments - unquoted		
Investments measured at amortised cost		
5.25 %, 500 nos, (face value ₹ 10,000/- each) in Secured Non Convertible Redeemable REC Capital Gains Tax Exemption bonds*	-	50
<b>Total</b>	-	50

\*The same has been reclassified to current investment due to maturity within next 12 months

Aggregate value of unquoted investments	-	50
Aggregate value of impairment in the value of unquoted investments	-	-

## 8 NON-CURRENT FINANCIAL ASSETS - LOANS

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured, considered good</b>		
Security deposits	357	332
<b>Total</b>	357	332

## 9 NON-CURRENT FINANCIAL ASSETS - OTHERS

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
MTM gains recoverable on outstanding derivative contracts	17	302
Balance held with bank as margin money against bank guarantee	41	30
<b>Total</b>	58	331

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**10 INCOME TAX ASSETS (NET)**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance income tax (net)	1,037	769
<b>Total</b>	<b>1,037</b>	<b>769</b>

**11 OTHER NON-CURRENT ASSETS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital advance	1	37
Prepaid expenses	1,061	109
Unbilled revenue considered good	641	301
<b>Total</b>	<b>1,703</b>	<b>447</b>

**12 FINANCIAL ASSETS CURRENT - INVESTMENTS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Investments carried at fair value through profit and loss</b>		
<b>A. Investments in Mutual Funds (Quoted) (Refer note 12.2)</b>		
Franklin India Short Term Income Plan - Retail Plan - Growth *	-	2,277
Franklin India Low Duration Fund - Growth *	-	2,261
UTI Credit Risk Fund - Regular Growth Plan *	-	2,186
UTI Liquid Cash Plan - Regular Growth Plan	573	370
Reliance Liquid Fund - Growth Plan - Growth Option	559	360
SBI Liquid Fund Regular Growth	1,094	301
HDFC Liquid Fund - Regular Plan - Growth	461	269
Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	1,148	207
Kotak Liquid Regular Plan Growth	1,086	206
ICICI Prudential Liquid Fund - Growth	604	199
L&T Liquid Fund - Regular Growth	-	26
Franklin India Liquid Fund - Super Institutional Plan	1,137	-
Nippon India Liquid Fund - Growth Plan - Growth Option	568	-
<b>Total (A)</b>	<b>7,230</b>	<b>8,662</b>
<b>B. Other investments - unquoted</b>		
Investments measured at amortised cost		
500, (face value ₹ 10,000/- each), Secured Non Convertible Redeemable REC Capital Gains tax exemption bonds	50	-
<b>Total (B)</b>	<b>50</b>	<b>-</b>
<b>Total (A+B)</b>	<b>7,280</b>	<b>8,662</b>



**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

\* These investments costing Nil (March 31, 2019: ₹ 6,000 Lakhs) and fair value Nil (March 31, 2019: ₹ 6,724 Lakhs) were under lien with HSBC Bank for stand by documentary credit (SBDC) of Nil (March 31, 2019: USUSD 10 million) given by HSBC Bank, for the term loan availed by Majesco, USA, subsidiary of the Company. The term loan availed from HSBC has been fully repaid by Majesco US, subsidiary during the previous year and the lien has been removed during the current year.

**12.1 Aggregate value of quoted and unquoted investments is as follows:**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Aggregate book value of:</b>		
Quoted investments	7,230	8,662
Unquoted investments	50	-
<b>Aggregate market value of:</b>		
Quoted investments	7,230	8,662
<b>Aggregate impairment of:</b>		
Quoted investments	-	-
Unquoted investments	-	-

**12.2 Details of investments in Mutual Funds (Quoted) designated at FVTPL:**

Particulars	Face Value (in ₹)	No. of Units	
		As at March 31, 2020	As at March 31, 2019
Franklin India Short Term Income Plan - Retail Plan - Growth	1000/-	-	56,967
Franklin India Low Duration Fund - Growth	10/-	-	1,04,00,968
UTI Credit Risk Fund - Regular Growth Plan	10/-	-	1,30,66,435
UTI Liquid Cash Plan - Regular Growth Plan	1000/-	17,703	12,138
Reliance Liquid Fund - Growth Plan - Growth Option	1000/-	11,591	7,925
SBI Liquid Fund Regular Growth	1000/-	35,357	10,310
HDFC Liquid Fund - Regular Plan - Growth	1000/-	11,880	7,352
Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	100/-	3,61,230	69,187
Kotak Liquid Regular Plan Growth	1000/-	27,154	5,471
ICICI Prudential Liquid Fund - Growth	100/-	2,06,380	72,250
L&T Liquid Fund - Regular Growth	1000/-	-	1,012
Nippon India Liquid Fund - Growth Plan - Growth Option	1000/-	11,783	-
Franklin India Liquid Fund - Super Institutional Plan	1000/-	38,265	-

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**13 TRADE RECEIVABLE**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured		
Considered good	19,806	11,960
Considered doubtful	821	1,288
Less : Allowance for bad and doubtful debts	(821)	(1,288)
<b>Total</b>	<b>19,806</b>	<b>11,960</b>

Expected Credit Loss:- Credit risk is perceived mainly in case of receivables overdue for more than 180 days. The following table gives details of risk concentration in respect of percentage of receivables overdue for more than 180 days:

Receivables overdue for more than 180 days	821	1,288
Total Receivables	20,627	13,248
Overdue for more than 180 days as a % of total receivables	4%	10%
Amount provided against receivables overdue for more than 180 days	821	1,288

**Movement in expected credit loss allowance :**

Opening balance	1,288	1,143
Movement in expected credit loss allowance (Refer note 36)	439	114
Bad debts written off	(982)	-
Effect of foreign currency translation	76	31
<b>Closing balance</b>	<b>821</b>	<b>1,288</b>

**14 CASH AND BANK BALANCES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Cash and cash equivalents</b>		
Balances with banks		
Current accounts *	24,454	5,128
EEFC accounts	2,229	3,004
Cash on hand	7,612	-
Fixed deposits with original maturity of less than 3 months	-	2,854
<b>Total</b>	<b>34,295</b>	<b>10,986</b>
*includes balance in special dividend account	11	3

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
In Fixed deposit with original maturity of more than 3 months but less than 12 months		
Restricted (Refer note 15.1)	-	500
Others	175	20,165
<b>Total</b>	<b>175</b>	<b>20,665</b>

15.1 As at March 31, 2020, fixed deposits of Nil (March 31, 2019 ₹ 500 Lakhs) with Standard Chartered Bank were under lien for PCFC facility availed by Majesco Software and Solutions India Private Ltd., step down subsidiary of the Company.

**16 CURRENT FINANCIAL ASSETS - OTHERS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest accrued on fixed deposits	21	88
MTM gains receivable on outstanding derivative contracts	54	91
Balances with Banks- margin money	-	10
Reimbursable expenses receivables considered good	36	24
Other Advances and Receivable	-	1,901
<b>Total</b>	<b>111</b>	<b>2,114</b>

**17 INCOME TAX ASSETS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance income tax (net)	48	150
<b>Total</b>	<b>48</b>	<b>150</b>

**18 OTHER CURRENT ASSETS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with statutory authorities	900	657
Advances to suppliers	402	417
Advances to employees	168	104
Prepaid expenses	2,625	1,572
Unbilled revenue		
Considered good	12,159	12,635
Considered doubtful	-	-
Less : Provision for doubtful unbilled revenue	-	-
Others *	346	286
<b>Total</b>	<b>16,600</b>	<b>15,670</b>

\*Note: Includes share of stamp duty ₹ 248 Lakhs (March 31, 2019: ₹ 248 Lakhs) against demand on Mastek Ltd by the office of the superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme, paid under protest. Stamps, Gandhinagar, for implementation of the demerger scheme, paid under protest.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**19 EQUITY SHARE CAPITAL**

The Company has only one class of equity share capital having a par value of ₹ 5 per share, referred to herein as equity shares.

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorized</b>		
5,00,00,000 (March 31, 2019: 5,00,00,000) Equity Shares of ₹ 5/- each	2,500	2,500
	<b>2,500</b>	<b>2,500</b>
<b>Issued, subscribed and paid up</b>		
2,87,01,947 (March 31, 2019: 2,83,45,441) equity shares of ₹ 5/- each fully paid up	1,435	1,417
<b>Total</b>	<b>1,435</b>	<b>1,417</b>

**(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year**

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount in ₹ Lakhs	No. of shares	Amount in ₹ Lakhs
Outstanding at the beginning of the year	2,83,45,441	1,417	2,81,22,396	1,406
Add : Shares issued on exercise of options	3,56,506	18	2,23,045	11
<b>Outstanding at the end of the year</b>	<b>2,87,01,947</b>	<b>1,435</b>	<b>2,83,45,441</b>	<b>1,417</b>

**(b) Rights, preferences and restrictions attached to shares:**

Equity Shares: The Company has only one class of equity shares having par value of ₹ 5/- per share. Each shareholder is entitled to one vote per share held and carry a right to dividend. Dividend, if any declared is payable in Indian Rupees.

**(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Ashank Desai	30,99,552	10.80%	30,99,552	10.93%
Sudhakar Venkatraman Ram	16,31,763	5.69%	18,31,763	6.46%
Ketan Mehta	27,19,361	9.47%	27,19,361	9.59%
Amansa Holdings Private Limited	18,49,280	6.44%	13,55,743	4.78%
<b>Total</b>	<b>92,99,956</b>	<b>32.40%</b>	<b>90,06,419</b>	<b>31.76%</b>

(d) No class of shares have been issued as bonus shares or for consideration other than cash by the Company since its incorporation.

(e) Shares reserved for issue under options (Refer note 41)

	As at March 31, 2020	As at March 31, 2019
	16,38,035	19,43,506

(f) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(g) 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.

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**20 OTHER EQUITY**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(A) Capital reserve</b>		
Opening balance	5,219	5,219
Less: Purchase of Share in Subsidiary	(879)	-
Closing balance	4,340	5,219
<b>(B) Employee Stock options outstanding account (ESOOA)</b>		
Opening balance	6,429	4,316
Add: Employee stock option expense	2,408	2,238
Less: Transferred to securities premium on exercise of stock options	(497)	(101)
Less: Transferred to retained earnings on cancellation of vested/unvested options	(101)	(24)
Less: Purchase of Share in Subsidiary	(102)	-
<b>Closing balance</b>	<b>8,137</b>	<b>6,429</b>
<b>(C) Securities premium</b>		
Opening balance	29,970	23,789
Add : Addition on account of exercise of shares under ESOP	354	305
Add : Addition on account of exercise of shares under ESOP - in subsidiary	1,240	479
Add : Addition on account of Right issue- in subsidiary	-	7,809
Less: Adjustment for Non-controlling interest	(321)	(2,442)
Add : Transferred from employee stock options outstanding account on exercise of options	497	101
Less: Expenses on right issue in subsidiary	-	(71)
Less: Purchase of Share in Subsidiary	(357)	-
<b>Closing balance</b>	<b>31,383</b>	<b>29,970</b>
<b>(D) General reserve</b>		
Opening balance	3,988	4,272
Less: Reclassification from General reserve to Retained earnings	-	(284)
Less: Purchase of Share in Subsidiary	(57)	-
<b>Closing balance</b>	<b>3,931</b>	<b>3,988</b>
<b>(E) Retained earnings</b>		
Opening balance	20,817	15,537
Add: Net Profit for the current year	6,913	5,405
Add : Remeasurement gains on gratuity plan	19	(91)
Less: Adjustment for Non-controlling interest on remeasurements gains on gratuity plan	(5)	27
Less: Special dividend including dividend distribution tax	(1,203)	-
Add : Impact on opening Non-controlling interest due to change in control during the year	1,648	138
Less : Non-controlling interest on ESOOA reserve	(529)	(507)
Add: Transferred from ESOOA on cancellation of vested/unvested options	101	24
Add: Reclassification from General reserve to Retained earnings	-	284
Less: Purchase of Share in Subsidiary	(9,938)	-
Less: Reversal on account of Exaxe Minority Purchase	(68)	-
<b>Closing balance</b>	<b>17,755</b>	<b>20,817</b>

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(F) Hedging reserve account - OCI</b>		
Opening balance	177	67
Add: Net change in fair value of cash flow hedge (net of tax)	(1,081)	157
Add: Adjustment for Non-controlling interest	280	(47)
Less: Purchase of Share in Subsidiary	(8)	-
<b>Closing balance</b>	<b>(632)</b>	<b>177</b>
<b>(G) Foreign currency translation reserve - OCI</b>		
Opening balance	(316)	(278)
Add: Exchange gain / (loss) on translation during the year	5,034	(53)
Add: Adjustment for Non-controlling interest	(1,303)	15
Less: Purchase of Share in Subsidiary	35	-
<b>Closing balance</b>	<b>3,450</b>	<b>(316)</b>
<b>Total</b>	<b>68,364</b>	<b>66,284</b>

**21 NON-CURRENT BORROWINGS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured:		
Long term maturities of auto loans (Refer Note (a) below)	51	76
<b>Total</b>	<b>51</b>	<b>76</b>

- (a) Auto loans are obtained against the hypothecation of the vehicles & are repayable within a period of 5 years
- (b) Exaxe Limited ("Step-down subsidiary of Company") had a receivables purchase agreement with AIB Commercial Finance Limited ("AIB Commercial") pursuant to which AIB Commercial would purchase up to EUR 200 in receivables from Exaxe Limited on a discounted basis. In addition, Exaxe Limited had an overdraft facility with Allied Irish Banks, p.l.c. ("AIB") of up to EUR 100. The facility had a variable interest rate and is payable on demand at any time. This facility was secured by the assets of Exaxe Limited. As of March 31, 2020, there were no outstanding balances under these facilities. Both facilities were terminated during the year ended March 31, 2020.

On July 17, 2019, Exaxe Limited and HSBC France, Dublin Branch, entered into a EUR 400 overdraft facility. The facility is for working capital purposes and is subject to review from time to time. Exaxe may terminate the facility at any time without penalty. Interest under the facility is payable at the rate of 3.5% per annum over the prevailing European Central Bank Rate on amounts up to EUR 400 and 7% per annum over such rate on amounts over EUR 400. The facility is secured by a fixed and floating charge over certain assets of Exaxe. Exaxe agreed to certain negative covenants under the facility, including not to create or allow any mortgage or security over its assets or revenues.

**22 OTHER NON-CURRENT FINANCIAL LIABILITIES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred consideration payable on business acquisition (Refer note 53 & 54)	446	2,001
MTM losses on outstanding derivative contracts	575	15
Lease Liabilities	1,309	-
<b>Total</b>	<b>2,330</b>	<b>2,016</b>



**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**23 EMPLOYEE BENEFIT OBLIGATIONS - NON CURRENT**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits ( Refer note 40 )		
Provision for gratuity (funded) (net)	355	408
Provision for leave encashment (unfunded)	2,917	2,339
Others	5	-
<b>Total</b>	<b>3,277</b>	<b>2,747</b>

**24 OTHER NON-CURRENT LIABILITIES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Unearned revenue	-	2,356
<b>Total</b>	<b>-</b>	<b>2,356</b>

**25 SHORT -TERM BORROWINGS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured :		
Working capital loan from banks	-	287
<b>Total</b>	<b>-</b>	<b>287</b>

1. Working capital loan from banks

Nature of borrowing :	Advance fund against receivables
Rate of interest :	Libor + 2%
<b>Security :</b>	
Charge holder	HSBC Bank
Amount	Not applicable
Nature of security	Receivables of US subsidiary and step down subsidiary

**26 TRADE PAYABLES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,047	1,651
<b>Total</b>	<b>3,047</b>	<b>1,651</b>

\* Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**27 OTHER FINANCIAL LIABILITIES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Credit balances in bank accounts	-	295
MTM losses on outstanding derivative contracts	671	94
Current maturities of auto loan obligations	19	19
Deferred consideration payable on business acquisition (Refer note 53 & 54)	763	896
Capital creditors	198	73
Employee related payables	6,857	8,232
Accrued expenses	4,047	3,359
Lease liabilities	858	-
Unpaid special dividend	11	3
<b>Total</b>	<b>13,424</b>	<b>12,971</b>

**28 OTHER CURRENT LIABILITIES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Unearned revenue	15,551	5,265
Provision for cost overrun on contracts	466	439
Advance from customer	2	-
Statutory dues payable	1,372	1,037
Others	99	98
<b>Total</b>	<b>17,490</b>	<b>6,839</b>

**29 EMPLOYEE BENEFIT OBLIGATIONS - CURRENT**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for leave encashment (unfunded) (Refer Note 40)	663	758
<b>Total</b>	<b>663</b>	<b>758</b>

**30 INCOME TAX LIABILITIES (NET)**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Provision for tax	-	932
<b>Total</b>	<b>-</b>	<b>932</b>

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**31 REVENUE FROM OPERATIONS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Information technology services	1,03,338	97,898
Reimbursement of expenses from customers	710	912
<b>Total</b>	<b>1,04,048</b>	<b>98,810</b>

**32 OTHER INCOME**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on fixed deposits	870	340
Gain on foreign currency transactions and translation (net)	579	216
Profit on sale and revaluation of current investments ( mutual funds )	479	2,176
Gain on sale of property, plant and equipment (net)	8	6
Gain on fair valuation of security deposit	13	15
Rental income	28	6
Miscellaneous income	195	51
<b>Total</b>	<b>2,172</b>	<b>2,810</b>

**33 EMPLOYEE BENEFITS EXPENSES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages, bonus and other allowances	59,693	57,324
Contribution to provident fund, ESI and other funds (Refer note 40A)	3,600	3,130
Gratuity expenses	367	275
Compensated absences expenses	1,023	708
Employee stock option expense	2,297	2,254
Staff welfare expenses	2,433	2,416
<b>Total</b>	<b>69,413</b>	<b>66,107</b>

**34 FINANCE COSTS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense on borrowings	24	311
Interest on lease liabilities (Refer Note 42 )	169	-
Amortization of upfront fees paid on borrowings	-	36
Interest on fair valuation of deferred consideration	9	-
Other finance charges*	0	14
<b>Total</b>	<b>202</b>	<b>361</b>

\*"0" denotes amount less than ₹ 0.5 Lakhs.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**35 DEPRECIATION AND AMORTIZATION EXPENSES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment (Refer Note 5)	1,187	1,224
Depreciation on right-of-use assets (Refer Note 42)	927	-
Amortization of intangible assets (Refer Note 6)	1,288	737
<b>Total</b>	<b>3,401</b>	<b>1,961</b>

**36 OTHER EXPENSES**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Travelling and conveyance	4,957	4,702
Consultancy and sub-contracting charges	4,897	6,260
Professional fees	3,553	3,182
Hardware and software expenses	2,965	2,997
Repairs and maintenance		
Buildings	371	517
Others	190	200
Rent	400	1,293
Advertisement and publicity	983	461
Communication charges	761	782
Recruitment and training expenses	689	392
Rates and taxes	211	468
Insurance	493	409
Electricity	449	396
Membership and subscription	478	350
Provision for customer claim	481	-
Provision for doubtful debts ( net) (Refer Note 13)	439	114
Bad debts written off	4	58
Printing and stationery	180	173
Hire charges	120	94
Stock exchange listing fees	34	46
CSR expenditure / donations	106	44
Miscellaneous expenses	210	247
<b>Total</b>	<b>22,971</b>	<b>23,185</b>

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

**37 EXCEPTIONAL ITEMS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Reversal of contingent consideration (Refer note 52 & 54)	(2,012)	(584)
Acquisition Expenses (Refer note 53 & 56)	515	310
	<b>(1,497)</b>	<b>(274)</b>

**38 INCOME TAX**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(A) Deferred tax relates to the following:</b>		
<b>Deferred tax assets</b>		
On property, plant and equipment	467	851
On lease liabilities	395	-
On provision for employee benefits	2,199	1,748
On net operating losses	1,067	1,482
On research and development expenses carry forward	999	1,069
On deduction u/s 35DD of Income Tax Act, 1961	18	37
On provision for doubtful debts	105	337
On unrealized gain on hedging	296	-
On MAT Credit entitlement	79	-
On Stock based compensation	1,273	-
On Contingent consideration	286	-
On Business combination	264	-
On others	129	832
	<b>7,577</b>	<b>6,356</b>
<b>Deferred tax liabilities</b>		
On property, plant and equipment and intangibles	528	802
On fair valuation gain on current investment	4	214
On right of use assets	373	-
On Goodwill others	10	-
On unrealized gain on hedging	-	82
On goodwill acquired through business transfer from Majesco Limited	118	-
On others	21	79
	<b>1,054</b>	<b>1,177</b>
<b>Deferred tax asset, net</b>	<b>6,523</b>	<b>5,179</b>
Cumulative MAT credit not recognised as at the Balance Sheet date	-	382
<b>(B) Summary of deferred tax asset and deferred tax liability</b>		
<b>Balance sheet</b>		
Deferred tax asset	7,577	6,356
Deferred tax liabilities	(1,054)	(1,177)
Deferred tax assets / (liabilities), net	<b>6,523</b>	<b>5,179</b>

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(C) Reconciliation of deferred tax assets / (liabilities) (net):</b>		
Opening balance	5,179	4,623
Tax (liability) / asset recognized in Statement of Profit and Loss	156	309
Tax liability recognized in OCI	389	(27)
On Contingent consideration	843	-
On R&D Credit Reserve	(202)	-
On acquisition of Exaxe Holdings Ltd.	-	22
MAT Credit Asset utilised for AY 2020-21	(254)	-
Exchange difference	412	252
<b>Closing balance</b>	<b>6,523</b>	<b>5,179</b>
<b>(D) Deferred tax charge/credit to be recognized in Statement of Profit and Loss:</b>		
Tax charge	-	-
Tax credit	(156)	(309)
	<b>(156)</b>	<b>(309)</b>

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
<b>(E) Income tax expense</b>		
- Current tax	2,904	3,415
- Tax Credit- Prior period	(40)	-
- Deferred Tax	(156)	(309)
<b>Total</b>	<b>2,708</b>	<b>3,106</b>
<b>(F) Reconciliation of tax charge</b>		
Profit before tax	11,730	10,209
Statutory Income Tax Rate	29.12%	29.12%
Income tax expense on the same at tax rates applicable	3,416	2,973
Tax effects of :		
Effect of deferred tax created at different rates	75	18
Items not deductible for tax purposes	137	954
MAT credit recognised	(382)	-
Effect of income to be assessed at different tax rates	(741)	(119)
Tax credits on R & D deduction	(30)	(257)
Tax effect of transfer of business	(90)	-
Prior year tax credits	20	4
Others	303	(467)
<b>Income tax expense</b>	<b>2,708</b>	<b>3,106</b>

**Notes:**

- i) During the year, the group has recognised deferred tax assets on Minimum Alternate Taxes and other timing difference on the basis of projection of taxable profit for fiscal 2020 and onwards. Uptill now, having regard to the operations of the group there was no certainty with regards to the utilisation of the said deferred tax assets. Having regard to the restructuring exercise carried out as stated in note 63 and better visibility of the ultimate taxable income for fiscal 2020 and onwards the Company has concluded it will continue to fall out of MAT regime and accordingly the utilisation of these credits have become more certain.
- ii) Certain subsidiaries of the group have undistributed earnings which if paid out as dividends, would be subject to tax in the hands of recipient. An associated temporary difference exists, but no deferred tax liability has been recognised as the parent entity plans to re-invest the same and thus able to control the timing of distributions from these subsidiaries.



**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**
**39 EARNINGS PER SHARE**

Basic earnings / (loss) per share amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings / (loss) per share amounts are calculated by dividing the profit/ (loss) attributable to equity holders after adjusting by the weighted average number of equity shares outstanding during the year plus the effect of dilutive potential equity shares arising from outstanding stock options.

The components of basic and diluted earnings per share for total operations are as follows:

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(a) Net profit for the year attributable to equity shareholders</b>	6,914	5,404
<b>(b) Weighted average number of outstanding equity shares*</b>		
Number of shares considered for basic EPS	2,84,78,398	2,82,28,356
Add : Effect of dilutive potential equity shares arising from outstanding stock options considered for diluted EPS	9,99,321	11,99,055
	2,94,77,719	2,94,27,411
<b>(c) Earnings per share (Face value per share ₹ 5/- each(Previous year ₹ 5/-) each)</b>		
Basic (Amount in ₹)	24.28	19.14
Diluted (Amount in ₹)	23.45	18.36

\* The weighted average number of shares takes into account the weighted average effect of changes arising from issue of new shares and ESOP transactions during the year.

**40 EMPLOYEE BENEFITS**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>(A) Defined Contribution Plans</b>		
During the year, the Group has recognized the following amounts in the Statement of Profit and Loss (Refer note 33)		
Contribution to social security	2,121	1,855
Contribution to provident fund	896	786
Contribution to national insurance fund	157	167
Contribution to 401K	149	126
Contribution to superannuation fund	42	37
Contribution to national pension scheme	212	138
Contribution to employees' deposit link insurance	19	18
Contribution to employees' state insurance corporation	3	2
Contribution to labour welfare fund	1	1
<b>Total</b>	<b>3,600</b>	<b>3,130</b>
<b>(B) Defined benefit plans - Gratuity</b>		
<b>i) Actuarial assumptions</b>		
Discount rate (per annum)	6.45%	7.30%
Rate of increase in Salary	7.00%	7.00%
Expected average remaining working lives of employees (years)	26.82	27.67
Expected return on plan assets	7.50%	7.50%
Attrition rate	0 - 22%	0 - 22%
<b>ii) Changes in the present value of defined benefit obligation</b>		
Present value of obligation at the beginning of the year	2,435	2,074
Interest cost	169	149

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Settlements	(62)	-
Current service cost	354	280
Benefits paid	(219)	(161)
Actuarial (gain)/ loss on obligations	99	93
<b>Present value of obligation at the end of the year</b>	<b>2,776</b>	<b>2,435</b>
	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>iii) Change in fair value of assets</b>		
Fair value of plan assets - opening	2,027	2,028
Expected return on plan assets	156	153
Remeasurement due to; actual return on planned assets less expected interest on planned assets	45	(36)
Employer's contribution	193	(118)
Fair value of plan assets - closing	2,421	2,027
<b>iv) Expense recognized as Employee benefits expense in the Statement of Profit and Loss</b>		
Current service cost	354	280
Interest cost	13	(5)
<b>Total expenses recognized in the Statement of Profit and Loss</b>	<b>367</b>	<b>275</b>
<b>v) (Income) / expense recognized as OCI in the Statement of Profit and Loss</b>		
Remeasurements during the year due to:	138	69
Changes in financial assumptions	(101)	23
Experience adjustments	(45)	37
Actual return on plan assets less expected return on plan assets	(8)	129
<b>vi) Assets and liabilities recognized in the Balance Sheet:</b>		
Present value of funded obligation as at the end of the year	2,776	2,435
Fair value of plan assets	(2,421)	(2,027)
<b>Net liability / ( asset ) recognized in Balance Sheet</b>	<b>355</b>	<b>408</b>
<b>vii) Expected contribution to the fund in the next year</b>	<b>355</b>	<b>210</b>

viii) A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	In (%)	In (₹) Lakhs	In (%)	In (₹) Lakhs
<b>Impact on defined benefit obligation</b>				
Discount rate				
0.5% increase	-2.98%	2,693	-3.17%	2,358
0.5% decrease	3.15%	2,863	3.35%	2,517
Rate of increase in salary				
0.5% increase	3.11%	2,862	3.35%	2,517
0.5% decrease	-2.97%	2,693	-3.19%	2,358

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
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(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	
<b>ix) Maturity profile of defined benefit obligation</b>	
Year ended March 31,	
2021	355
2022	308
2023	297
2024	288
2025	286
2025 onwards	1,311

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at	
	March 31, 2020	March 31, 2019
<b>(C) Defined benefit plans - leave encashment</b>		
<b>i) Assets and liabilities recognized in the Balance Sheet:</b>		
Opening Balance	3,097	3,010
Charged during the year (Refer note 33)	1,023	708
Amount paid during the year	(540)	(621)
<b>Net liability recognised in Balance Sheet</b>	<b>3,580</b>	<b>3,097</b>
Included in non-current employee benefit obligation (Refer note 23)	2,917	2,339
Included in current employee benefit obligation (Refer note 29)	663	758

#### 41 EMPLOYEE STOCK OPTION SCHEME

##### A Employee stock option scheme of the Company

##### (a) Nature and extent of employee stock option scheme 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. On the date of demerger all employees of Mastek who were having options of Mastek Limited were granted equal number of options of the Company.

The Company introduced the scheme for granting up to 80,00,000 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. 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.

The Company has granted employee stock options to its employees and also to employees of its direct and indirect subsidiaries. As per the demerger scheme of Mastek employees of Mastek Limited who are having options of Mastek on date of demerger were granted equal number of options of the Company. These options are mostly granted at the market price on the date of grant. 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 were recognised and amortised on a straight line basis over the vesting period in the previous GAAP. On the date of transition to Ind-AS i.e. 1 April, 2016, the Company carried out a fair valuation of all the unvested options as on that date and debited Retained earnings by ₹ 214 Lakhs and ₹ 30 Lakhs on account of options relating to employees of Mastek Limited and the Company respectively with a credit to the employee stock option outstanding account considering the same as equivalent to cost of employee stock option granted by Mastek Limited to employees of Majesco Group as per the said scheme of demerger since the management of the Company does not expect a separate recovery of the same amount from Mastek Limited or recovery from the Company by Mastek Limited. Accordingly no further adjustments for fair value have been made in respect of these options.

For the year ended March 31, 2020 and March 31, 2019 the fair value of the options both vested and unvested options granted

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

to the employees of the Group was determined and the incremental amount of ₹ 253 Lakhs and ₹ 203 Lakhs respectively were charged to the employee benefit expense with a corresponding credit to Employee stock options outstanding account. For the year ended March 31, 2020 and March 31, 2019 similar amount relating to employees of its subsidiaries and step down subsidiaries amounting to ₹ 261 Lakhs and ₹ 329 Lakhs net of recoveries respectively was debited to the Statements of Profit and Loss with the corresponding credit to Employee stock options outstanding account.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	WAEP (₹)	Number	WAEP (₹)
Options outstanding at beginning of the year	19,43,506	188	22,52,012	193
<b>Add:</b>				
Options granted during the year	1,53,000	159	54,000	218
<b>Less:</b>				
Options exercised during the year	3,56,506	104	2,23,045	143
Options lapsed during the year	3,840	86	11,377	120
Options cancelled during the year	98,125	232	1,28,084	370
Options outstanding at the end of the year	16,38,035	202	19,43,506	188
Options exercisable at the end of the year	13,16,526		15,13,502	

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(b) Stock options exercised during the year :</b>		
Number of options exercised during the year	3,56,506	2,23,045
Weighted average share price at the date of exercise (₹)	104	143
<b>(c) 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)</b>		

Particulars	Options Outstanding	Weighted Average Exercise Price (₹)	Weighted Average remaining Contractual Life (years)
<b>As at March 31, 2020</b>			
<b>Range of exercise price (₹)</b>			
5-100	5,52,571	45	4.31
101-200	3,64,841	118	3.68
Above 200	7,20,623	365	5.80
<b>As at March 31, 2019</b>			
<b>Range of exercise price (₹)</b>			
5-100	7,25,160	53	4.30
101-200	4,48,318	118	4.62
Above 200	7,70,028	357	6.57

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
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**(d) Information on stock options granted during the year :**

Particulars	As at March 31, 2020	As at March 31, 2019
Number of options granted during the year	1,53,000	54,000
Option pricing model used	Black-Scholes option-pricing model	
Weighted average share price (₹)	461	507
Exercise price (₹)	159	218
Expected volatility (%)	30.00%-36.00%	34.00%
Option life (vesting period + exercise period)	5 years	upto 5 years
Dividend yield (%)	0%	0%
Risk free interest rate (%)	5.50% - 7.10%	7.20%

**B Employee stock option scheme of the subsidiary, Majesco, USA**

**(a) Nature and extent of employee share-based payment plans that existed during the year:**

**Majesco 2015 Equity Incentive Plan**

In June 2015, Majesco adopted the Majesco 2015 Equity Incentive Plan (the "2015 Plan"). Options and stock awards for the purchase of upto 38,77,263 shares may be granted by the Board of Directors to our employees, consultants and directors at an exercise or grant price determined by the Board of Directors on the date of grant. Options may be granted as incentive or nonqualified stock options with a term of not more than ten years. The 2015 Plan allows the Board of Directors to grant restricted or unrestricted stock awards or awards denominated in stock equivalent units or any combination of the foregoing and may be paid in common stock or other securities, in cash, or in a combination of common stock or other securities and cash. On May 9, 2018, the Board of Directors of Majesco approved an increase of 20,00,000 shares in the amount of shares available for issuance under the 2015 Plan thereby increasing the number of shares available under such plan from 38,77,263 shares to 58,77,263 shares.

Majesco uses the Black-Scholes-Merton option-pricing model ("Black-Scholes") to measure fair value of the share-based awards. The Black-Scholes model requires us to make significant judgments regarding the assumptions used within the model, the most significant of which are the expected stock price volatility, the expected life of the option award, the risk-free interest rate of return and dividends during the expected term.

For the year ended March 31, 2020 and March 31, 2019 the fair value of the options both vested and unvested granted to the employees of the Company, amounting to ₹ 1,783 Lakhs and ₹ 1,722 Lakhs respectively was charged to the Statements of Profit and Loss with a corresponding credit to Employee stock options outstanding account.

**(b) The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	WAEP (₹)	Number	WAEP (₹)
Options outstanding at beginning of year	32,59,267	384	32,78,143	343
<b>Add:</b>				
Options granted during the year	1,60,000	619	3,70,890	492
<b>Less:</b>				
Options exercised during the year	3,41,601	398	1,07,681	351
Options cancelled during the year	2,11,792	379	2,82,085	367
Options outstanding at the end of year	28,65,874	421	32,59,267	384
Option exercisable at the end of year	21,19,448		17,29,358	

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(c) Stock options exercised during the year :</b>		
Number of options exercised during the year	3,41,601	1,07,681
Weighted average share price at the date of exercise (₹)	398	351
<b>(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)</b>		

Particulars	Options Outstanding	Weighted Average Exercise Price (₹)	Weighted Average remaining Contractual Life (years)
<b>As at March 31, 2020</b>			
<b>Range of exercise price (₹)</b>			
₹ 340- 442	22,74,988	371	6.09
₹ 512-712	5,90,886	551	6.98
<b>As at March 31, 2019</b>			
<b>Range of exercise price (₹)</b>			
₹ 335- 435	27,92,561	522	7.9
₹ 504 -540	4,66,709	587	8.4

**(e) Information on stock options granted during the year :**

Particulars	As at March 31, 2020	As at March 31, 2019
Number of options granted during the year	1,60,000	3,70,890
Option pricing model used	Black-Scholes option-pricing model	
Weighted average share price (₹)	619	492
Exercise price (₹)	₹ 572-712	₹ 365- 534
Expected volatility (%)	41% - 46%	41% - 50%
Expected term of share options	3-5 Years	3-5 Years
Dividend yield (%)	0%	0%
Risk free interest rate (%)	1.70%	2.51%

**C Effect of share-based payment plans on the consolidated Balance Sheet and consolidated statement of profit and loss :**

Employee stock options outstanding account (Refer note 20B)	8,137	6,429
Employee stock compensation expenses (Refer note 33)	2,297	2,254



## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

### 42 LEASE

#### Group as a lessee:

For transition, the Group has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Group has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 (earlier all leases were classified as operating leases only) and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Group has used a single discount rate to a portfolio of leases with similar characteristics.

On transition, the Group has adopted IND AS 116: Leases from April 1, 2019. As required under the standard the Group has recognized Right of Use asset (ROU) and corresponding liability for all long term leases on the balance sheet from the inception of the lease agreement. The group has adopted modified retrospective approach as required under the standard and has recognized lease liability at the present value of remaining lease payments discounted at the incremental borrowing rate and right to use assets at an amount equal to lease liability at transition date, adjusted by the amount of any prepaid or accrued lease payments relating to lease recognised in the balance sheet immediately before the date of transition to Ind AS. Subsequently the ROU assets is depreciated over the lease term on straight line basis and the lease liability is remeasured at amortized cost at each reporting date. The Group has recognized ROU asset and lease liability of ₹ 2,998 Lakhs on April 1, 2019. Impact on reserve as on April 1, 2019 is ₹ Nil. The weighted average incremental borrowing rate has been applied to lease liabilities recognised in the balance sheet at the date of initial application is as follows:

Economic Environment	Discounting Rate (in %)
India	8.50%
USA	3.50%
UK	5.25%
Malaysia	3.25%

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The details of the right-of-use asset held by the Group is as follows:

Particulars	Net carrying amount as at March 31, 2020
Buildings	2,071
Depreciation on Right-of-use assets	
Particulars	Year ended March 31, 2020
Buildings	927

Interest on lease liabilities is ₹ 169 Lakhs for the year year ended March 31, 2020.

The Group incurred ₹ 400 Lakhs for the year ended March 31, 2020 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 1,401 Lakhs for the year ended March 31, 2020, including cash outflow of short-term leases and leases of low-value assets.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**43 PARTY DISCLOSURES****(A) Key Management Personnel**

Ketan Mehta ( Retired w.e.f. October 31, 2018)	Chief Executive Officer of Majesco, USA Subsidiary of the Company ("Majesco")
Adam Elster (Appointed w.e.f. October 1, 2018)	Chief Executive Officer of Majesco
Radhakrishnan Sundar	Executive Director
Farid Kazani	Managing Director & Group CFO
Lori Stanley	General Counsel, North America of Majesco
Edward Ossie	Chief Operating Officer of Majesco
Kunal Karan	Chief Financial Officer
Wayne Locke	Chief Financial Officer of Majesco
Varika Rastogi (Appointed w.e.f. May 14, 2018)	Company Secretary
Nishant Shirke ( Resigned w.e.f. April 17, 2018)	Company Secretary
Denise Garth	SVP - SM, IR & Innovation of Majesco
James J. Miller (Appointed w.e.f. March 18, 2019)	Chief Revenue Officer of Majesco
Lauren Holmes (Appointed w.e.f. July 1, 2019)	SVP & CIO of Majesco
Melissa Blankenbaker (Appointed w.e.f. October 14, 2019)	Chief Human Resources Officer of Majesco
Mallinath Sengupta	EVP, Global Services & Support of Majesco
Manish Shah	President & Chief Product Officer of Majesco
Prateek Kumar	EVP, Americas of Majesco

**(B) Disclosure of transactions with key management personnel during the year:**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Remuneration paid/payable:		
Adam Elster (Appointed w.e.f. October 1, 2018)	543	187
Ketan Mehta (Retired w.e.f. October 31, 2018)	-	146
Radhakrishnan Sundar	24	24
Farid Kazani	312	135
Lori Stanley	189	149
Edward Ossie	332	242
Kunal Karan	57	44
Wayne Locke	228	-
Varika Rastogi (Appointed w.e.f. May 14, 2018)	28	21
Nishant Shirke (Resigned w.e.f. April 17, 2018)	-	1
Denise Garth	230	177
Manish Shah	568	297
Prateek Kumar	381	297
Mallinath Sengupta	259	196
Melissa Blankenbaker (Appointed w.e.f. October 14, 2019)	83	-
James J. Miller (Appointed w.e.f. March 18, 2019)	231	9
Lauren Holmes (Appointed w.e.f. July 1, 2019)	133	-

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

**Other benefits to key management personnel**

(All amounts in ₹ Lakhs, unless otherwise stated)

<b>For the year ended March 31, 2020</b>	<b>Provident Fund</b>	<b>National Pension Scheme</b>	<b>Gratuity</b>	<b>Leave encashment</b>	<b>Superannuation</b>	<b>Share based benefit *</b>
Farid Kazani	6	5	3	4	8	138
Radhakrishnan Sundar	3	-	1	-	-	-
Kunal Karan	2	2	1	1	2	-
Varika Rastogi ^	1	-	-	0	-	-
Ketan Mehta	-	-	-	-	-	106
Adam Elster	-	-	-	-	-	529
Lori Stanley	-	-	-	-	-	5
Wayne Locke	-	-	-	-	-	79
Edward Ossie	-	-	-	-	-	22
Denise Garth	-	-	-	-	-	7
James J. Miller	-	-	-	-	-	116
Lauren Holmes	-	-	-	-	-	50
Melissa Blankenbaker	-	-	-	-	-	28
Prateek Kumar	-	-	-	-	-	36
Mallinath Sengupta	-	-	-	-	-	33
Manish Shah	-	-	-	-	-	43

<b>For the year ended March 31, 2019</b>	<b>Provident Fund</b>	<b>National Pension Scheme</b>	<b>Gratuity</b>	<b>Leave encashment</b>	<b>Superannuation</b>	<b>Share based benefit*</b>
Farid Kazani	5	5	2	4	7	39
Radhakrishnan Sundar	3	-	-	-	-	-
Kunal Karan	2	1	1	1	2	-
Nishant Shirke	-	-	-	1	-	-
Varika Rastogi	1	-	-	-	-	-
Ketan Mehta	-	-	-	-	-	107
Adam Elster	-	-	-	-	-	263
Lori Stanley	-	-	-	-	-	12
Edward Ossie	-	-	-	6	-	47
Denise Garth	-	-	-	-	-	13
Prateek Kumar	-	-	-	-	-	64
Mallinath Sengupta	-	-	-	-	-	35
Manish Shah	-	-	-	-	-	69

\* Share based benefit is calculated based on the perquisite value for KMP's in India, whereas for KMP's of overseas entities, it is based on cost accounted by the Company

^"0" denotes amount less than ₹ 0.5 Lakhs.

**(C) Consideration received by Group on exercise of employee stock options by:**

(All amounts in ₹ Lakhs, unless otherwise stated)

<b>Particulars</b>	<b>Year ended March 31, 2020</b>	<b>Year ended March 31, 2019</b>
Mr. Farid Kazani	12	10
Ms. Lori Stanley	3	-
Mr. Prateek Kumar	8	-

**(D) Terms and conditions of transactions with related parties**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

## 44 CONTINGENT LIABILITIES AND COMMITMENTS

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>A. Guarantees:</b>		
(i) Outstanding guarantees and counter guarantees to banks in respect of the bank guarantee given in favour of STPI Authorities in India	27	27
(ii) B-17 Bond furnished to Customs Department in India	850	850
(iii) Lien marked on fixed deposit of the Company with Standard Chartered Bank for PCFC granted to step-down subsidiary	-	500
(iv) Performance guarantees given by Majesco Software and Solutions India Private Ltd., a step down subsidiary of the Company on behalf of the following fellow subsidiaries :		
(a) Majesco Canada Ltd.	-	7,978
(b) Majesco (Thailand) Co. Ltd	-	1,877

**B Contingent Liability**

An Indian subsidiary Company of the Group had received the draft assessment order issued by Assistant Commissioner of Income Tax for AY 2015-16 making upward transfer pricing adjustments of revenue amounting to ₹ 1,451 Lakhs. The upward adjustments were towards availing distribution services from Associated Enterprises (AEs) ₹ 1,180 Lakhs and for performance guarantee provided on behalf of AEs ₹ 271 Lakhs. The subsidiary company had filed application with Dispute Resolution Panel ('DRP') against the draft assessment order which was disregarded and thereafter received the demand notice of ₹ 982 Lakhs (including interest). The subsidiary company has filed an appeal against the DRP order with the Income Tax Appellate Tribunal (ITAT), for which hearing was conducted and the judgement is awaited. The subsidiary company also filed the written submission with the ITAT for stay order on tax demand which was granted.

For the AY 2016-17, the TPO has made upward adjustments of revenue amounting to ₹ 5,135 Lakhs. The upward adjustments were towards availing distribution services from AEs ₹ 5,135 Lakhs. The subsidiary company had filed application with DRP against the draft assessment order. The group is confident that they have strong case which will be decided in the favour of the subsidiary company. Accordingly the said liability is being considered as contingent until disposition.

The Group does not expect any cash outflows or any reimbursements in respect of the above contingent liabilities.

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>C Capital and other commitments</b>		
(i) Capital commitments		
Estimated amount of contracts remaining to be executed on capital account not provided for	1,470	64

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

### 45 SEGMENT REPORTING

The Group operations predominantly relate to providing software solutions in the insurance industries 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 Chief Operating Decision Maker (CODM) reviews the operations of the group as one operating segment on the basis of SBUs.

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, Europe Operations, and Others. 'Others' include operations of the Group in other parts of the world including India.

The following table sets forth Revenues and Results by geographic region based on the billing address of the customer:

	Year ended March 31, 2020		Year ended March 31, 2019	
	Amount (₹ in Lakhs)	%	Amount (₹ in Lakhs)	%
<b>Segment Revenue</b>				
North America	92,370	88.78%	84,676	85.70%
Europe	5,977	5.74%	6,866	6.95%
Others	5,701	5.48%	7,268	7.36%
<b>Total</b>	<b>1,04,048</b>	<b>100.00%</b>	<b>98,810</b>	<b>100.00%</b>
<b>Segment Results</b>				
North America	17,262	118.20%	13,956	96.68%
Europe	(1,767)	-12.10%	681	4.72%
Others	(891)	-6.10%	(202)	-1.40%
<b>Total</b>	<b>14,604</b>	<b>100.00%</b>	<b>14,435</b>	<b>100.00%</b>
Less: Finance cost	202		361	
Less: Other un-allocable expenditure net of un-allocable income	4,169		4,068	
<b>Profit before exceptional items</b>	<b>10,233</b>		<b>10,006</b>	
Exceptional items - loss	(1,497)		(274)	
<b>Profit before tax</b>	<b>11,730</b>		<b>10,280</b>	

The following table sets forth the Group's total assets and total liabilities by geographic region:

	As at March 31, 2020		As at March 31, 2019	
	Amount (₹ in Lakhs)	%	Amount (₹ in Lakhs)	%
<b>Segmental Assets</b>				
North America	71,384	82.79%	57,433	77.58%
Europe	11,396	13.22%	11,853	16.02%
Others	3,438	3.99%	4,741	6.40%
Segmental Assets	86,218		74,027	
Unallocated Corporate Assets	38,537		37,123	
<b>Total Assets</b>	<b>1,24,755</b>	<b>100.00%</b>	<b>1,11,150</b>	<b>100.00%</b>

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

	As at March 31, 2020		As at March 31, 2019	
	Amount (₹ in Lakhs)	%	Amount (₹ in Lakhs)	%
<b>Segmental Liabilities</b>				
North America	34,286	91.67%	26,343	90.92%
Europe	1,374	3.67%	1,211	4.18%
Others	1,742	4.66%	1,420	4.90%
Segmental Liabilities	37,402		28,974	
Unallocated Corporate Liabilities	2,880		1,659	
<b>Total Liabilities</b>	<b>40,282</b>	<b>100.00%</b>	<b>30,633</b>	<b>100.00%</b>

We provide a significant volume of services to many customers. Therefore, a loss of a significant customer could materially reduce our revenues. The Group had no customer for the financial year ended March 31, 2020, and one customer for the financial year ended March 31, 2019 that accounted for 10% or more of total revenue. The Group had no customer as of March 31, 2020 and one customer as of March 31, 2019 that accounted for 10% or more of total accounts receivables and unbilled accounts receivable. Presented in the table below is information about our major customer:

Particulars	As at March 31, 2020	% of total revenue	As at March 31, 2019	% of total receivables
Customer A				
Revenue	-	-	12,092	12.2%
Trade receivables and unbilled receivable	-	-	6,575	26.4%

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The Group has accounted net foreign exchange loss from transactions and translations under "Other expenses" and net foreign exchange gain in "Other Income" 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)/loss 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)/loss on the Groups profit for the year.

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
Net foreign exchange (gain) / loss	(579)	(216)
Net realised foreign exchange (gain) / loss arising from hedging accounted under Income from operations - Information technology services	33	483

## 47 DERIVATIVE FINANCIAL INSTRUMENTS

An Indian subsidiary Company of the Group, 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 Indian subsidiary company does not enter into any derivative instruments for trading or speculative purposes. The counter party is generally a bank. These contracts are for a period between one day and three years.

The following "sell" foreign exchange forward contracts are outstanding :

Foreign currency (FC)	As at March 31, 2020			As at March 31, 2019		
	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	104	429	32,642	114	311	22,677



**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
Mark-to-market losses		
Mark-to-market (gain)/loss reported in hedging reserve account (Refer note 20F)	1,459	(221)
Mark-to-market (gain)/loss (net)	1,459	(221)
Classified as non current financial assets - others (Refer note 9)	17	302
Classified as current financial assets - others (Refer note 16)	54	91
Classified as other non current financial liabilities (Refer note 22)	575	15
Classified as other current financial liabilities (Refer note 27)	671	94

**Unhedged foreign currency balance**

Particulars	Currency	March 31, 2020		March 31, 2019	
		Foreign currency in Lakhs	₹ in Lakhs	Foreign currency in Lakhs	₹ in Lakhs
<b>I. Assets</b>		-	-	-	-
<b>II. Liabilities</b>					
Payables ( trade & others)*	USD	0	33	1	91
Other Financial Liabilities	USD	-	-	-	-
Total Liabilities		0	33	1	91
Unhedged payables		0	33	1	91

\*"0" denotes amount less than INR 0.5 lakhs.

**48 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The Group's financial instruments consist primarily of cash and cash equivalents, short term investments in time deposits, restricted cash, derivative financial instruments, accounts receivables, unbilled accounts receivable, accounts payable, contingent consideration liability and accrued liabilities. The carrying amount of cash and cash equivalents, short term investments in time deposits, restricted cash, accounts receivables, unbilled accounts receivable, accounts payable and accrued liabilities as of the reporting date approximates their fair market value due to the relatively short period of time of original maturity tenure of these instruments. Classification of the financial assets and financial liabilities is given below:

(All amounts in ₹ Lakhs, unless otherwise stated)

Fair Value and Carrying Amount	As at March 31, 2020			
	Fair value through Profit and loss	Fair value through Other comprehensive income	Derivative instruments in hedging relationship	Amortised cost
<b>FINANCIAL ASSETS- NON-CURRENT</b>				
Investments	-	-	-	-
Security deposits	-	-	-	357
Other financial assets	-	-	17	41
<b>FINANCIAL ASSETS- CURRENT</b>				
Investments	7,230	-	-	50
Loans	-	-	-	-
Other financial assets	-	-	54	57
Trade receivables	-	-	-	19,806
Cash and cash equivalents	-	-	-	34,295
Bank balances other than cash and cash equivalents	-	-	-	175
<b>FINANCIAL LIABILITIES- NON CURRENT</b>				
Borrowings	-	-	-	51
Other financial liabilities	-	-	575	1,755

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

<b>FINANCIAL LIABILITIES- CURRENT</b>				
Borrowings	-	-	-	-
Trade payables	-	-	-	3,047
Other financial liabilities	-	-	671	12,753

(All amounts in ₹ Lakhs, unless otherwise stated)

Fair Value and Carrying Amount	As at March 31, 2019			
	Fair value through Profit and loss	Fair value through Other comprehensive income	Derivative instruments in hedging relationship	Amortised cost
<b>FINANCIAL ASSETS- NON-CURRENT</b>				
Investments	-	-	-	50
Loans	-	-	-	332
Other financial assets	-	-	302	30
<b>FINANCIAL ASSETS- CURRENT</b>				
Investments	8,662	-	-	-
Loans	-	-	-	-
Other financial assets	-	-	91	2,023
Trade receivables	-	-	-	11,960
Cash and cash equivalents	-	-	-	10,986
Bank balances other than cash and cash equivalents	-	-	-	20,665
<b>FINANCIAL LIABILITIES- NON CURRENT</b>				
Borrowings	-	-	-	76
Other financial liabilities	-	-	15	2,001
<b>FINANCIAL LIABILITIES- CURRENT</b>				
Borrowings	-	-	-	287
Trade payables	-	-	-	1,651
Other financial liabilities	-	-	94	12,877

**49 FAIR VALUE HIERARCHY**

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Level 1 (Quoted price in active markets)</b>		
Investments in mutual funds FVTPL	7,230	8,662
<b>Assets</b>		
<b>Level 2</b>		
Derivative financial instruments (included in the following line items in the consolidated Balance sheet)		
Other financial assets	71	393
Other financial liabilities	1,246	109

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

The following table presents the change in level 3 instruments:

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Liabilities</b>		
<b>Level 3</b>		
Contingent consideration	-	-
<b>Total</b>		
Opening balance	-	543
Additions	-	-
Total gain / (loss) recognized in Statement of profit and loss	-	(584)
Translation gain / (loss)	-	41
<b>Total</b>	-	-

Contingent consideration pertaining to the acquisition of the consulting business of Agile Technologies, LLC, a New Jersey limited liability company ("Agile"), as of December 31, 2015 has been classified under level 3 as the fair valuation of such contingent consideration has been done using one or more of the significant inputs which are not based on observable market data. The fair value of the contingent consideration was estimated using a discounted cash flow technique with significant inputs that are not observable in the market. The significant inputs not supported by market activity included the Group's probability assessments of expected future cash flows related to its acquisition of the consulting business of Agile during the earn-out period, appropriately discounted considering the uncertainties associated with the obligation, and calculated in accordance with the terms of the asset purchase agreement (the "Agile Agreement"), dated December 12, 2014, as amended on January 26, 2016. The total (loss)/ gain attributable to contingent consideration payable for the acquisition of the Agile business were ₹ 51 Lakhs and ₹ 109 Lakhs for the fiscal years ended March 31, 2018 and March 31, 2017. The Group paid ₹ 699 Lakhs to Agile as earn-out consideration in the fiscal year ended March 31, 2018. The Group paid ₹ 773 Lakhs to Agile as earn-out consideration in the fiscal year ended March 31, 2017. As on March 31, 2020, no amount is payable on this account.

The fair value of Derivative financial instruments is determined based on observable market inputs and valuation models. The Derivative financial instruments are valued based on valuations received from the relevant counter-party (i.e., bank). The fair value of the foreign exchange forward contract and foreign exchange par forward contract has been determined as the difference between the forward rate on the reporting date and the forward rate on the original transaction, multiplied by the transaction's notional amount (with currency matching).

### 50 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group does not engage in trading of financial assets for speculative purposes.

#### (A) Market risk

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. We are exposed to market risk primary due to fluctuations in foreign currency exchange rates and interest rates, each as described more fully below. We do not hold or issue derivative financial instruments for trading or speculative purposes.

##### (i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)****Interest rate sensitivity**

Our exposure to market risk for changes in interest rates relates primarily to our cash and cash equivalents and investments. We do not use derivative financial instruments to hedge interest rate exposure. Our cash and cash equivalents and investments as of March 31, 2020 were ₹ 34,295 Lakhs and ₹ 7,280 Lakhs respectively, as of March 31 2019 were ₹ 10,986 Lakhs and ₹ 8,662 Lakhs respectively. We invest primarily in highly liquid, money market funds and bank fixed deposits. Because of the short-term nature of the majority of the interest-bearing securities we hold, we believe that a 10% fluctuation in the interest rates applicable to our cash and cash equivalents and investments would not have a material effect on our financial condition or results of operations.

**(ii) Foreign currency risk**

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities.

Considering the countries and economic environment in which the group operates its operations are subject to risks arising from fluctuations in the rates of US dollar, Great Britain pound, Singapore dollar against the Indian rupee which is the functional currency of the group.

The group as per its risk management policy uses derivative instruments primarily to hedge foreign exchange.

The foreign exchange rate sensitivity is calculated by aggregate of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift to all the currencies by 10% against the functional currency i.e., the Rupee.

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars (Rupee Equivalent of)	USD	GBP	MYR	Euro	Others*
Net Financial Assets	90,734	2,222	1,383	(7,795)	688
Net Financial Liabilities	31,505	753	491	367	(675)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars (Rupee Equivalent of)	USD	GBP	MYR	Euro	Others*
Net Financial Assets	51,565	2,831	2,035	1,535	1,212
Net Financial Liabilities	29,626	862	794	254	(1,439)

10% appreciation / depreciation of the respective foreign currencies with respect to the functional currency would result in (decrease) / increase in the Group's profit before tax by approximately ₹ 5,479 Lakhs for the year ended March 31, 2020 and approximately ₹ 2,908 Lakhs for the year ended March 31, 2019.

\* Others include currencies such as Canadian dollar, Singapore dollar, Mexican peso, Thai Baht.

**(B) Credit risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that potentially subject the Group to concentrations of credit risk consist of cash and cash equivalents, time deposits, investments, derivative financial instruments and trade receivables. The Group maintains its cash and cash equivalents, time deposits, investments, derivative financial instruments with banks having good reputation, good past track record, and who meet the minimum threshold requirements under the counterparty risk assessment process, and reviews their credit-worthiness on a periodic basis. Trade receivables of the Group are typically unsecured. As there is no independent credit rating of the customer available with the Group,

Management reviews the creditworthiness of customers based on their financial position, past experience and other factors. The Group entities perform ongoing credit evaluations of their customers' financial condition and monitor the creditworthiness of their customers to which they grant credit terms in the normal course of business.

Refer note 45 on 'Segment information' for details relating to customers with revenue that accounted for 10% or more of total revenue and their outstanding total trade receivables and unbilled receivable as of March 31, 2020 and March 31, 2019.

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

### (C) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

Our cash and cash equivalent and short term investments position was ₹ 41,575 Lakhs at March 31, 2020 and ₹ 19,648 Lakhs at March 31, 2019. Net cash generated from/(used) by operating activities for financial year was ₹ 11,945 Lakhs 2019-20 and ₹ 4,771 Lakhs for financial year 2018-19.

We had trade receivable of ₹ 19,806 Lakhs at March 31, 2020 and ₹ 11,960 Lakhs at March 31, 2019. We had revenues in excess of billings of ₹ 12,800 Lakhs at March 31, 2020, and ₹ 12,936 Lakhs at March 31, 2019. Trade payable and accrued expenses, and current portions of borrowings amounted to ₹ 7,109 Lakhs at March 31, 2020, and 5,029 at March 31, 2019. The average days sales outstanding for financial year 2019-20 and financial year 2018-19 were 114 days and 92 days, respectively. The days sales outstanding have been calculated by taking into consideration the combined balances of trade receivable and unbilled receivable.

Net cash generated in investing activities amounted to ₹ 10,140 Lakhs for financial year 2019-20 compared to ₹ 2,078 Lakhs for financial year 2018-19. Net cash generated for investing activities for financial year 2019-20 included the purchase of plant, property & equipment and intangible assets aggregating to ₹ 1,395 Lakhs, other than investments in mutual funds and fixed deposits and acquisition of a new subsidiary.

Purchase/(Sale) of investments in mutual funds was ₹ 1,910 Lakhs (net) for financial year 2019-20 and ₹ (24,394) Lakhs (net) for financial year 2018-19, respectively. Restricted cash/investments was ₹ 11 Lakhs for financial year 2019-20 compared to ₹ 7,227 Lakhs for financial year 2018-19.

Net cash used in financing activities was ₹ 936 Lakhs for financial year 2019-20, compared to net cash generated from financing activities of ₹ 1,730 Lakhs for financial year 2018-19. The cash generated during the year was on account of the proceeds (net) from issue of shares of ₹ 1,612 Lakhs and borrowings were repaid to the extent of ₹ 311 Lakhs. In addition interest and other finance charges of ₹ 202 have been incurred during the year. During financial year 2018-19, the cash generated from financing activities on account of the proceeds (net) from issue of shares of ₹ 8,536 Lakhs and borrowings were repaid to the extent of ₹ 6,482 Lakhs. In addition interest and other finance charges of ₹ 324 was incurred during financial year 2018-19.

We operate in multiple geographical regions of the world through our various subsidiaries. We typically fund the cash requirements for our operations through license fees, services, and support agreements. As of March 31, 2020, we had approximately ₹ 41,750 (March 31, 2019: 40,313) Lakhs of cash, cash equivalents, other bank balances and marketable securities of which approximately ₹ 33,098 (March 31, 2019: 27,566) Lakhs is held by our foreign subsidiaries.

As a growing company, we have on-going capital expenditure needs based on our short term and long term business plans. Although our requirements for capital expenses vary from time to time, for the next twelve months, we anticipate incurring capital expenditures of 1000 to 1500 for new business development activities and infrastructure enhancements.

The tables below provide details regarding the contractual maturities of significant non derivatives financial liabilities as at:

(All amounts in ₹ Lakhs, unless otherwise stated)

<b>March 31, 2020</b>	<b>upto 1 year</b>	<b>Between 1 year to 5 years</b>
<b>Non Derivatives</b>		
Borrowings	-	51
Trade payables	3,047	-
Other financial liabilities	13,424	2,330
<b>Total</b>	<b>16,471</b>	<b>2,381</b>
<b>March 31, 2019</b>	<b>upto 1 year</b>	<b>Between 1 year to 5 years</b>
<b>Non Derivatives</b>		
Borrowings	287	76
Trade payables	1,651	-
Other financial liabilities	12,971	2,016
<b>Total</b>	<b>14,909</b>	<b>2,092</b>

**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)**

We believe that our current cash balances and anticipated cash flows from operations will be sufficient to meet our normal operating needs for at least the next twelve months. These projections include anticipated sales to new customers and upsell/cross sell to existing customers, the exact timing of which cannot be predicted with absolute certainty and can be influenced by factors outside our control. Our ability to fund our working capital needs and address planned capital expenditures will depend on our ability to generate cash in the future and plans to use the existing funds.

Our future liquidity and capital resource requirements will depend on many factors, including, but not limited to, the following trends and uncertainties we face and those described in Risk Factors detailed above.

Our ability to generate cash is subject to general economic, financial, competitive and other factors beyond our control.

Our need to invest resources in product development in order to continue to enhance our current products, develop new products, attract and retain customers and keep pace with competitive product introductions and technological developments.

We experience competition in our industry and continuing technological changes. Insurance companies typically are slow in making decisions and have numerous bureaucratic and institutional obstacles, which can make our efforts to attain new customers difficult. We compete on the basis of insurance knowledge, products, services, price, technological advances and system functionality and performance.

We do not expect a need for a change in the mix or relative cost of our sources of capital.

**51 CAPITAL MANAGEMENT**

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

For the financial year ended March 31, 2020, the Board of Directors at their meeting held on May 25, 2020 have recommended a dividend of 30% (₹ 1.5/- per equity share of ₹ 5/- each), subject to the approval of the shareholder in the issuing Annual General Meeting of the Company.

The Board of Directors at their meeting held on March 16, 2020 had declared Interim Dividend of ₹ 2/- per share of nominal value of ₹ 5/- each for the financial year ended March 31, 2020. The Company has complied with necessary provisions of The Companies Act, 2013 relating to payment of dividend.

During the previous year, the Board of Directors had declared a special dividend of 30% (₹ 1.5/- per equity share of ₹ 5/- each) which was approved by shareholders at Annual General Meeting of the Company held on August 03, 2019.

The Board of Directors of the Company in the meeting held on August 03, 2018 approved the payment of Special Dividend @ ₹ 1/- per share (face value ₹ 5/- per share), to eligible shareholders.

The Group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		As at March 31, 2020	As at March 31, 2019
Total equity	(i)	69,799	67,701
Total debt	(ii)	71	381
Overall financing	(iii) = (i) + (ii)	69,870	68,082
Gearing ratio	(ii) / (iii)	0.00	0.01

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020, March 31, 2019.



## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

### 52 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 Lakhs) was recognized in the books in that year.

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 Lakhs). A sum of USD 1.01 million, (₹ 665 Lakhs) was paid in 2015-16.

During the financial year 2016-17 an amendment to the initial agreement was executed and converted 50% of the remaining contingent consideration into deferred consideration and capitalized additional USD 1.17 million (₹ 773 Lakhs) as goodwill.

During the financial year 2017-18 an amount of USD 1.1 million (₹ 699 Lakhs) was paid and charged to expense. Balance contingent consideration was provided for at fair value.

During the financial year 2018-19, contingent consideration of ₹ 584 Lakhs which was provided in earlier years has been reversed as it was determined to be not payable. This has been classified as income under exceptional items. (Refer note 37)

### 53 ACQUISITION OF BUSINESS OF EXAXE HOLDINGS LIMITED

On November 27, 2018 (the effective date), Majesco, USA, subsidiary of the Company entered into a share purchase agreement (SPA) for the acquisition of all the issued share capital of Exaxe Holdings Limited, Ireland (Exaxe). On the effective date, Majesco, USA, consummated the purchase of 90% of the issued share capital of Exaxe. As per the SPA, the remaining 10% of the issued share capital will be transferred on August 1, 2019. The economic transfer date of the business is October 1, 2018.

Accordingly, Exaxe became direct subsidiary of Majesco, USA and step-down subsidiary of the Company.

Majesco, USA, has made an upfront payment of approximately ₹ 5,367 Lakhs, and will make deferred payment of approximately ₹ 2,897 Lakhs (which include approximately ₹ 405 Lakhs to be paid to designated employees of Exaxe) over the next three years. For the remaining 10%, Majesco, USA, will pay approximately ₹ 557 Lakhs on August 1, 2019.

For the purpose of preparing the consolidated financial statements of the Company, Majesco, USA, has obtained an independent fair valuation of the assets taken over and in the process recognised a Goodwill of approximately of ₹ 1,236 Lakhs. The expenses related to the acquisition, ₹ 310 Lakhs has been shown as an exceptional item in the financial statements for the year ended March 31, 2019.

### 54 REVERSAL OF CONTINGENT CONSIDERATION

During the year ended March 31, 2020, the Group and the former founders of Exaxe determined that the year 1 earn-out targets under the Exaxe share purchase agreement were not met and that no earn-out was payable to them towards the year 1 earn-out. Accordingly, the accrued deferred payment for the year 1 has been reversed in the income statement amounting to ₹ 957 Lakhs during the year ended March 31, 2020 and disclosed as a separate line item below the income from operation for the year. Considering the year 1 performance, management revisited the projections for second and third year to determine the fair value of deferred payment as at Balance Sheet date- March 31 2020, payable for next two tranches. Based on the fair value as at March 31 2020, liability of ₹ 1,055 Lakhs was further written back during the year ended March 31, 2020. Hence during the current year, total written back is of ₹ 2012 Lakhs.

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

### 55 ACQUISITION OF BUSINESS OF INSPRO LIMITED

The Company's subsidiary Majesco (USA) has entered into a Merger Agreement on January 30, 2020, for a acquisition of InsPro Technologies Corporation ("Inspro"), a U.S. based software leader in the life and annuity insurance market. In consideration for the Merger, Majesco agreed to pay the sellers USD 12 Million, subject to adjustments (including for cash and certain debt of InsPro), upon the closing of the transaction. The transaction is structured as a cash for stock merger and is subject to customary closing conditions and approval of InsPro Technologies' stockholders. The transaction consummated on April 01, 2020 and purchase consideration of ₹ 8,625 Lakhs (USD11,400) was paid and accordingly disclosed as a subsequent event for FY 19-20. Upon the closing of the Merger, InsPro becomes a direct wholly-owned subsidiary of Majesco (USA), and a step-down subsidiary of the Company.

### 56 ACQUISITION EXPENSES

The expenses related to the acquisition of InsPro Technologies, ₹ 515 Lakhs has been shown as exceptional item for the year ended March 31, 2020.

### 57 NEW ZEALAND BRANCH

On March 23, 2016, the US subsidiary has incorporated a branch in New Zealand. No revenue was generated from the branch for the year ended March 31, 2020 & March 31, 2019 respectively

### 58 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

### 59 RIGHTS ISSUE OF SHARES BY MAJESCO USA

On December 6, 2018, Majesco, USA, subsidiary of the Company, filed a registration statement with SEC on Form S-1, as amended, with respect to its proposed rights offering. On February 25, 2019, Majesco USA, completed the right offering pursuant to which they received approximately USD 43.5 million (₹ 31,013 Lakhs). The gross proceeds from sale of 61,23,463 of the common stock to shareholders who exercised their subscription rights (including both basic and over-subscription) in the right offering.

The Company also exercised the rights, and paid approximately USD 32.5 million (₹ 23,202 Lakhs) and was allotted 45,81,109 number of shares. Net receipt of The Group in the Rights offering was approximately USD 11.0 million (₹ 7,740 Lakhs), net of issue expenses.

### 60 ACQUISITION OF MASTEK STAKE

The Company has entered into a share purchase agreement with Mastek (UK) Limited (the "Seller") on December 12, 2019, for acquisition of 2,000,000 shares of Majesco, USA, a material subsidiary of the Company ("SPA"). In consideration for purchase of the shares, the Company has paid the Seller ₹ 11,306 Lakhs (USD 15.94 Million), based on closing stock price of Majesco (USA) on the NASDAQ on December 11, 2019. Accordingly, after the completion of the aforesaid purchase, stake of the Company in its material subsidiary i.e. Majesco (USA), increased to 74.6% from existing 69.9%.

### 61 CLOSURE OF MAJESCO (THAILAND) CO LTD.

Pursuing the management decision to discontinue business operations in Thailand, during the quarter ended December 31, 2018, the process of closing down the step down subsidiary company in Thailand namely Majesco (Thailand) Co. Ltd. was initiated. The process of closing down was completed on January 29, 2019.

## NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

### 62 COVER ALL MERGER

In the previous year, the Company's overseas stepdown subsidiary, Cover All Systems Inc., USA got merged with another overseas stepdown subsidiary, Majesco Software and Solutions Inc., USA, with effect from January 1, 2019, surviving entity being Majesco Software and Solutions Inc., USA. Both these entities were wholly owned subsidiaries of the Company's subsidiary Majesco, USA. The merger has no financial impact in the consolidated financial statements of the Company.

### 63 SALE OF INDIA INSURANCE BUSINESS

In the previous year, the Company had entered into an agreement with its step down subsidiary, Majesco Software and Solutions India Private Ltd. to sell its India Insurance Product and Services business as a going concern on a slump basis for a lumpsum consideration of ₹ 2,437 lakhs, on the basis of a valuation report obtained from an independent valuer, subject to certain adjustment at or after closing, w.e.f. April 1, 2019. This has been approved by the Board of Directors of both the companies and the shareholders of the Company. The transaction was completed during the quarter ended June 30, 2019. As the transaction is within the Group, it has no financial impact other than resultant tax in the consolidated financial statements of the Company.

### 64 MINORITY INTEREST (NON CONTROLLING INTERESTS)

As at March 31, 2020, the Company held 74.10% (previous year 70.28%) 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, 2020, 21,19,448 (previous year 17,29,358) 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, 2020, 25,000 (previous year 25,000) excisable warrants were outstanding.

Majesco USA has also issued 61,23,463 right share during the previous financial year, out of which 15,42,354 shares has been allotted to minority shareholders.

### 65 DISAGGREGATE REVENUE INFORMATION

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	March 31, 2020	March 31, 2019
<b>Revenue by offerings</b>		
License fees	6,326	2,983
Professional Services	33,940	37,472
Cloud Implementation	26,230	28,509
Cloud Subscription	15,735	11,602
Support & Maintenance	21,817	18,244
<b>Total</b>	<b>1,04,048</b>	<b>98,810</b>
<b>Revenues by contract type</b>		
Fixed Price contracts	60,170	69,677
Time and Material contracts	43,878	29,133
<b>Total</b>	<b>1,04,048</b>	<b>98,810</b>

The group is operating in single industrial vertical i.e to industries that are providing insurance services. For revenue disaggregation on the basis of geographical region Refer Note 45.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Changes in unbilled receivables are as follows:

(Amounts ₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	12,936	6,401
Revenue recognised during the year	41,340	68,299
Invoice raised during the year	(42,533)	(61,991)
Effect of foreign currency translation	1,058	226
Balance at the end of the year	12,800	12,936

Changes in unearned revenue are as follows:

(Amounts ₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	7,621	7,978
Revenue recognised that was included in the unearned and deferred revenue balance at the beginning of the year	(5,019)	(14,717)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	11,811	14,029
Effect of foreign currency translation	1,138	332
Balance at the end of the year	15,551	7,621

**66 STATEMENT OF NET ASSETS, PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO OWNERS AND NON-CONTROLLING INTERESTS**

Net Assets

(Amounts ₹ in Lakhs)

Name of the entity	March 31, 2020		March 31, 2019	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
<b>Parent Entity</b>				
Majesco Limited	80%	56,101	80%	54,057
<b>Subsidiary</b>				
<b>Indian</b>				
Majesco Software And Solutions India Private Ltd.	16%	11,401	14%	9,600
<b>Foreign</b>				
Majesco	63%	44,119	58%	39,308
Majesco Software and Solutions Inc.	49%	34,411	34%	22,972
Majesco Canada Ltd.	0%	(14)	0%	(17)
Majesco (UK) Ltd.	3%	1,868	3%	1,726
Majesco Sdn Bhd.	2%	1,561	2%	1,502
Majesco Asia Pacific Pte Ltd.	-1%	(419)	0%	130
Exaxe Holdings Limited	-3%	(1,897)	2%	1,028
Exaxe Limited	1%	548	2%	1,492
	131%	91,578	115%	77,741
<b>Non-controlling interest</b>	-21%	(14,674)	-19%	(12,816)
Intercompany elimination and consolidation adjustments	-91%	(63,206)	-76%	(51,281)
<b>Total</b>	<b>100%</b>	<b>69,799</b>	<b>100%</b>	<b>67,701</b>

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

## Share in Total OCI

(Amounts ₹ in Lakhs)

Name of the entity	March 31, 2020		March 31, 2019	
	As % consolidated profit or loss	Amount	As % consolidated profit or loss	Amount
<b>Parent Entity</b>				
Majesco Limited	24%	2,395	22%	1,216
<b>Subsidiary</b>				
<b>Indian</b>				
Majesco Software And Solutions India Private Ltd.	17%	1,673	90%	4,881
<b>Foreign</b>				
Majesco	-41%	(4,071)	-88%	(4,740)
Majesco Software and Solutions Inc.	108%	10,649	114%	6,147
Cover-All Systems Inc.	-11%	(1,100)	0%	-
Majesco Canada Ltd.	0%	4	0%	(1)
Majesco (UK) Ltd.	1%	143	2%	135
Majesco Sdn Bhd.	1%	80	-12%	(634)
Majesco (Thailand) Co. Ltd.	0%	-	16%	892
Majesco Asia Pacific Pte Ltd.	-6%	(550)	0%	15
Exaxe Holdings Limited	-8%	(749)	-11%	(590)
Exaxe Limited	-1%	(63)	11%	611
	61%	6,016	124%	6,715
<b>Non-controlling interest</b>	<b>-32%</b>	<b>(3,136)</b>	<b>-33%</b>	<b>(1,773)</b>
Intercompany elimination and consolidation adjustments	46%	4,581	-14%	(745)
<b>Total</b>	<b>100%</b>	<b>9,857</b>	<b>100%</b>	<b>5,413</b>

## Share In profit/(loss)

(Amounts ₹ in Lakhs)

Name of the entity	March 31, 2020		March 31, 2019	
	As % consolidated profit or loss	Amount	As % consolidated profit or loss	Amount
<b>Parent Entity</b>				
Majesco Limited	35%	2,395	23%	1,217
<b>Subsidiary</b>				
<b>Indian</b>				
Majesco Software And Solutions India Private Ltd.	40%	2,735	89%	4,814
<b>Foreign</b>				
Majesco	-60%	(4,130)	-81%	(4,372)
Majesco Software and Solutions Inc.	116%	8,007	95%	5,150
Majesco Canada Ltd.	0%	5	0%	(1)
Majesco (UK) Ltd.	1%	83	3%	166
Majesco Sdn Bhd.	1%	35	-12%	(650)
Majesco (Thailand) Co. Ltd.	0%	-	16%	875
Majesco Asia Pacific Pte Ltd.	-8%	(541)	0%	14
Exaxe Holdings Limited	-16%	(1,099)	0%	-
Exaxe Limited	-2%	(156)	13%	705
	56%	3,839	124%	6,702
<b>Non-controlling interest</b>	<b>-30%</b>	<b>(2,108)</b>	<b>-33%</b>	<b>(1,770)</b>
Intercompany elimination and consolidation adjustments	40%	2,788	-14%	(745)
<b>Total</b>	<b>100%</b>	<b>6,914</b>	<b>100%</b>	<b>5,404</b>

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

Share in OCI

(Amounts ₹ in Lakhs)

Name of the entity	March 31, 2020		March 31, 2019	
	As % consolidated profit or loss	Amount	As % consolidated profit or loss	Amount
<b>Parent Entity</b>				
Majesco Limited	0%	1	-12%	(1)
<b>Subsidiary</b>				
<b>Indian</b>				
Majesco Software And Solutions India Private Ltd.	-36%	(1,063)	758%	67
<b>Foreign</b>				
Majesco	2%	59	-4186%	(368)
Majesco Software and Solutions Inc.	90%	2,643	11324%	997
Majesco Canada Ltd.	0%	(1)	0%	-
Majesco (UK) Ltd.	2%	60	-359%	(32)
Majesco Sdn Bhd.	2%	45	189%	17
Majesco (Thailand) Co. Ltd.	0%	-	182%	16
Majesco Asia Pacific Pte Ltd.	0%	(9)	17%	1
Exaxe Holdings Limited	12%	351	-6702%	(590)
Exaxe Limited	3%	94	-1073%	(94)
	74%	2,179	150%	13
<b>Non-controlling interest</b>	-35%	(1,028)	-39%	(3)
Intercompany elimination and consolidation adjustments	61%	1,791	0%	-
<b>Total</b>	<b>100%</b>	<b>2,943</b>	<b>100%</b>	<b>9</b>

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Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

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

As per our report of even date

**For MSKA & Associates**  
 Chartered Accountants  
 FRN: 105047W

**Anita Somani**  
 Partner  
 M. No - 124118

Place: Mumbai  
 Date: May 29, 2020

**Farid Kazani**  
 Managing Director & Group CFO  
 DIN - 06914620

**Vasant Gujarathi**  
 Non-Executive and Independent Director  
 DIN - 06863505

For and on behalf of the Board

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

**Kunal Karan**  
 Chief Financial Officer

**Varika Rastogi**  
 Company Secretary  
 M. No - F7864

Place: Navi Mumbai  
 Date: May 29, 2020



## KEY STATISTICS (CONSOLIDATED)

Particulars	(₹ in Lakhs)			
	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
Total revenue	1,06,220	1,01,620	81,696	83,577
Operating Profit (EBIDT)	13,836	12,328	3,352	3,330
Operating Profit Margin (%)	13.03%	12.13%	4.10%	3.98%
Net Profit	9,022	7,174	280	673
EPS (₹/share) - Basic	24.28	19.14	2.60	2.18
EPS (₹/share) - Diluted	23.45	18.36	2.47	2.05
Growth in Revenue	4.53%	24.38%	-2.25%	9.08%
Net Profit Margin	8.49%	7.06%	0.34%	0.81%
Effective Depreciation rate	11%	11%	15%	16%
Interest Cover (Times)	0.98	0.96	0.41	0.51
Return on Net Worth	9.90%	7.98%	1.16%	1.73%
Debt/Equity	0.00	0.01	0.17	0.29
Current Ratio	2.26	2.99	2.71	1.86
Debtors Turnover (No. of days)	114	92	81	79
Depreciation/Average Gross Block	0.11	0.11	0.15	0.16
Dividend Payout	1,203	-	283	NA
Operating Cash Flows	11,945	4,771	(2,276)	8,752
Capital Expenditure in Fixed Assets	437	3,427	1,289	2,467
Current Investments and Cash & Bank Balances	41,750	40,313	39,857	17,565
Current Investments and Cash & Bank Balances as % of total assets	33%	36%	43%	27%

## MAJESCO LIMITED

Registered Office: MNDC, MBP-P-136, Mahape, Navi Mumbai – 400 710, Maharashtra, India

Corporate Identification Number (CIN): L72300MH2013PLC244874

Website: www.majesco.com; E-mail: investors.grievances@majesco.com

Phone: +91-22-61501800; Fax: +91-22-27781320

### NOTICE OF SEVENTH ANNUAL GENERAL MEETING

**NOTICE** is hereby given that 7<sup>th</sup> Annual General Meeting (“AGM”) of the members of Majesco Limited is scheduled to be held on Thursday, September 24, 2020 at 10:00 A. M. (IST) through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”), to transact the following businesses:

#### ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company (Stand-alone and Consolidated) for the financial year 2019-20 together with Reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend on equity shares for the financial year 2019-20.
3. To appoint a Director in place of Mr. Ketan Mehta (DIN: 00129188), who retires by rotation and being eligible, offers himself for re-appointment as a Director.

#### SPECIAL BUSINESS

**4. Appointment of Mr. Vasant Gujarathi (DIN: 06863505) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of Sections 149, 152, 160 read with Schedule IV and other applicable provisions of the Companies Act, 2013, rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], Mr. Vasant Gujarathi (DIN: 06863505) (IICA Registration No.: IDDB-DI-202003-017365), who was appointed as an Additional Independent Director of the Company by the Board of Directors of the Company with effect from March 3, 2020 and who holds the said office up to the date of this Annual General Meeting, who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from March 3, 2020 to March 2, 2025.

**RESOLVED FURTHER THAT** any Director, Managing Director & Group CFO of the Company, Chief Financial Officer of the Company and the Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things and execute such documentation as may be necessary to give effect to this resolution.”

By order of the Board  
For Majesco Limited

Place: Navi Mumbai  
Date: August 14, 2020

**Varika Rastogi**  
Company Secretary

## NOTICE (CONTD.)

### NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 and the Securities and Exchange Board of India ("SEBI") vide its circular dated May 12, 2020, permitted holding of the AGM through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), without physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars issued by MCA and SEBI, AGM of the Company is being held through VC/ OAVM. Hence, Members can attend and participate in the AGM through VC/ OAVM. National Securities Depository Limited ("NSDL") will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained in the instructions.
2. Since AGM is being held through VC/ OAVM, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional/ Corporate members are encouraged to attend and vote at the AGM through VC/OAVM. Institutional / Corporate members intending to authorise their representatives to attend and vote at the AGM are required to send a certified scanned copy (pdf / jpeg format) of the Board Resolution / authority letter, with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcsabhishekbhate@gmail.com with a copy marked to evoting@nsdl.co.in.
4. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020 and May 5, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.
6. In line with the MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories/ Depository Participants. Notice of the AGM and Annual Report 2019-20 will also be made available on the website of the Company at <https://ir.majesco.com/>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the website of NSDL (agency for providing the Remote e-voting facility) i.e. <https://www.evoting.nsdl.com>.
7. Members who have not registered their e-mail address with the Company/ Depository/ Depository Participant are requested to register their e-mail address by clicking on the below link and follow the registration process as guided thereat: [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/). In case of any queries, members may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
8. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to submit their questions in advance mentioning their name, demat account number / folio number, e-mail id, mobile number at [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com). Questions received by the Company till 5:00 p.m. on September 22, 2020 shall only be considered and responded during the AGM.
9. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com).

## NOTICE (CONTD.)

- grievances@majesco.com from September 21, 2020 (9:00 a.m. IST) to September 22, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
10. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.
  11. In pursuance of Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, details in respect of the Directors seeking appointment/re-appointment at the AGM as given in Annexure I, form part of this Notice.
  12. The members of the Company, holding shares in physical form or in dematerialized form, as on the cut-off date being Friday, September 18, 2020 may cast their vote through remote e-voting or voting at the AGM.
  13. The voting rights of members shall be in proportion to the shares held by the members as on the cut-off date being Friday, September 18, 2020.
  14. A person who acquires shares of the Company and becomes member of the Company after dispatch of AGM Notice via e-mail and holding shares as of the cut-off date i.e. Friday, September 18, 2020 may obtain the User ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.
  15. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
  16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
  17. Members who have cast their votes by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
  18. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain close from Saturday, September 19, 2020 to Thursday, September 24, 2020 (both days inclusive), for the purpose of AGM.
  19. Mr. Abhishek Bhate, Practicing Company Secretary (ICSI Membership No. ACS 27747) (Certificate of Practice No. 10230), has been appointed as Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
  20. The results of e-voting and remote e-voting shall be declared not later than 48 hours of conclusion of AGM. The declared results along with Scrutinizer's Report shall be placed on the website of the Company at <https://ir.majesco.com/> and on the website of NSDL at <https://www.evoting.nsdl.com>. The results shall also be communicated to the Stock Exchanges on which shares of the Company are listed. Subject to receipt of requisite number of votes, resolutions set out in the notice will be deemed to be passed on the date of AGM.
  21. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, certificate issued by Statutory Auditors of the Company as required under the SEBI (Share Based Employee Benefits) Regulations, 2014 and all documents as mentioned in the resolutions and/or explanatory statement, are available for inspection through electronic mode, up to the date of AGM. Any member who wishes to inspect shall send a request for the same on the email id of the Company i.e. [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com).
  22. Members who wish to claim dividends that remain unclaimed/ unpaid are requested to write to the Company's Registrar & Share Transfer Agent or the Company Secretary, at the Company's Registered Office. Members are requested to note that dividends that are not claimed or remain unpaid for seven years from the date of transfer to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund (IEPF). Further, equity shares in respect whereof dividend remains unclaimed / unpaid for seven consecutive years will also be transferred to the IEPF as per Section 124 of the Act read with Rules notified thereunder, as may be amended from time to time.

## NOTICE (CONTD.)

23. Pursuant to the provisions of Section 72 of the Act read with the Rules made thereunder, Members holding shares in single name may avail the facility of nomination in respect of shares held by them. Members holding shares in physical form may avail this facility by sending a nomination in the prescribed Form No. SH-13, to the Registrar & Share Transfer Agent. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.
24. Members may note that, mandated by SEBI, securities of listed companies can be transferred only in dematerialised form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.
25. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to their depository participants. Members holding shares in physical form are required to furnish PAN to the Registrar & Share Transfer Agent.
26. The Company does not give gifts or gift coupons or cash in lieu of gifts to its members.
27. Since the AGM will be held through VC / OAVM, Route Map is not annexed to this notice.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/ OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC through the NSDL e-voting system. Members may access the same at <https://www.evoting.nsd.com> under members login by using the remote e-voting credentials. The link for VC will be available in members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-voting system of NSDL.
2. Facility of joining AGM through VC/ OAVM shall open 30 minutes before the scheduled time of AGM and shall be open for 15 minutes after the scheduled time of

AGM. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Investors' Grievance and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/ folio number, e-mail id, mobile number at [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com).
7. Members who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/ folio number, e-mail id, mobile number at [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com). The same will be replied by the Company suitably.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on Monday, September 21, 2020 at 09:00 A.M. and ends on Wednesday, September 23, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

## NOTICE (CONTD.)

### How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

**Step 1: Log-in to NSDL e-voting system** at <https://www.evoting.nsdl.com/>

**Step 2: Cast your vote electronically on NSDL e-voting system.**

Details on Step 1 is mentioned below:

#### How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholders" section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail ids are not registered.**
6. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.



## NOTICE (CONTD.)

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-voting will open.

### Details on Step 2 is given below:

#### How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcsabhishekbhate@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

#### Process for those shareholders whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to investors.grievances@majesco.com OR click on the link [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/) to get e-mail id registered.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors.grievances@majesco.com OR click on the link [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/) to get e-mail id registered.
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

#### THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No. 4

1. Based on recommendations of the Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Vasant Gujarathi (DIN: 06863505) (IICA Registration No.: IDDB-DI-202003-017365) as an Additional Director in the category of Independent Director for tenure of five years with effect from March 3, 2020, subject to the approval of members of the Company.
2. Mr. Vasant Gujarathi has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulations 16(1) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. Vasant Gujarathi fulfills the conditions specified in the Companies Act, 2013 and the rules framed thereunder for appointment as an Independent Director.
3. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Vasant Gujarathi for the office of Director of the Company.
4. Mr. Vasant Gujarathi possesses appropriate skills, experience and knowledge and is independent of the management of the Company.
5. The copy of draft letter of appointment of Mr. Vasant Gujarathi setting out the terms and conditions of appointment is available for inspection by the members.
6. Details pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 are provided in Annexure I which forms part of the Notice.
7. None of the Directors except Mr. Vasant Gujarathi and his relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.
8. The Board recommends the Ordinary Resolution set out at item no. 4 of the Notice for approval by the members.

By order of the Board  
For **Majesco Limited**

Place: Navi Mumbai  
Date: August 14, 2020

**Varika Rastogi**  
Company Secretary

Information about the Directors seeking appointment/ re-appointment, as required under Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)

Particulars	Mr. Ketan Mehta	Mr. Vasant Gujarathi
DIN	00129188	06863505
Category	Non-Executive Director	Independent Director
Date of Birth	September 9, 1958	March 18, 1951
Qualification	Management degree from IIM, Ahmedabad	B. Com (Hons.) & CA
Experience	Appx. 35 years	Appx. 35 years
Date of first appointment on the Board	April 29, 2015	March 3, 2020
Shareholding in the Company (as on March 31, 2020)	27,19,361	Nil
Relationship with other Directors of the Company	None	
Number of Board Meetings attended during FY19-20	5/6	1/1
Directorships*	1. Majesco Limited	1. Majesco Limited 2. Majesco Software and Solutions India Private Limited
Membership / Chairmanship of Committees **	1. Majesco Limited a. Nomination and Remuneration Committee – Member	1. Majesco Limited a. Audit Committee – Chairman 2. Majesco Software and Solutions India Private Limited a. Audit Committee – Chairman b. Nomination and Remuneration Committee – Member c. Corporate Social Responsibility Committee – Member
Terms and conditions of appointment or re-appointment	Non-Executive Director liable to retire by rotation	Independent Director, not liable to retire by rotation for a tenure of five years from March 3, 2020 to March 2, 2025.
Remuneration Details	Nil	Sitting Fees for attending Board and Committee Meetings
Nature of expertise in specific functional areas	Information Technology	Finance
Brief Profile	Brief Profile is given elsewhere in the Annual Report.	

\* Includes Companies under the Companies Act, 2013.

\*\*Includes Chairmanship / Membership in Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee.





# OFFICE LOCATIONS OF MAJESCO GROUP

## INDIA

### NAVI MUMBAI

MAJESCO LIMITED / MAJESCO SOFTWARE AND SOLUTIONS INDIA PRIVATE LIMITED  
MNDC, MBP-P-136, Mahape,  
Navi Mumbai – 400710

### NAVI MUMBAI

MAJESCO SOFTWARE AND SOLUTIONS INDIA PRIVATE LIMITED  
Unit No. 1, 7th Floor, Building no. 11,  
Plot no. 3, K. Raheja Mindspace, Thane  
Creek Industrial Area, MIDC, Thane  
Belapur Road, Navi Mumbai – 400708

### PUNE

MAJESCO SOFTWARE AND SOLUTIONS INDIA PRIVATE LIMITED  
Nyati Tech Park, 5th floor, Vadgaon  
Sheri, Pune – 411014  
Maharashtra

## INTERNATIONAL

### USA

MAJESCO / MAJESCO SOFTWARE AND SOLUTIONS INC.  
412 Mt. Kemble Avenue, Suite 110C,  
Morristown, NJ 07960

### USA

MAJESCO  
Tampico 42, P.B., Local 3, Colonia Roma,  
Delegacion, Cuauhtemoc, C.p. 06700,  
Ciudad de Mexico

### MIDWEST US

MAJESCO  
7500 College Blvd. Suite 725,  
Overland Park, Kansas 66210

### CANADA

MAJESCO CANADA LIMITED  
1 Dundas Street West, Suite 2585,  
Toronto, ON M5G 1Z3

### UK

MAJESCO UK LIMITED  
SoanePoint, 6-8 Market Place Reading,  
RG1 2EG, UK

### EUROPE

EXAXE HOLDINGS LIMITED /  
EXAXE LIMITED  
Unit 5A Sandyford Business Centre,  
Sandyford, Dublin 18, D18 X383,  
Ireland

### SINGAPORE

MAJESCO ASIA PACIFIC PTE LIMITED  
#11-06, Sim Lim Tower, 10, Jalan Besar,  
Singapore, 208787

### MALAYSIA

MAJESCO SDN BHD  
2A-10-1, Block 2A, Level 10, Plaza Sentral,  
Jalan Stesen Sentral 5, KI Sentral 50470  
Kuala Lumpur, Wilayah Persekutuan,  
Malaysia

### USA

INSPRO TECHNOLOGIES CORPORATION  
1510 Chester Pike, 400 Baldwin  
Tower,  
Eddystone, Pennsylvania 1902





**MAJESCO LIMITED**

Regd. Office: MNDC, MBP-P-136, Mahape,  
Navi Mumbai - 400710, Maharashtra, India

Corporate Identification Number (CIN):  
L72300MH2013PLC244874

Phone: +91 22 61501800 Fax: +91 22 27781320

