

Date: February 7, 2019

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

**Listing Department**  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex  
Bandra East, Mumbai – 400 051

**NSE Symbol: MAJESCO**

**BSE Script Code: 539289**

Dear Sir/ Madam,

**Sub: Outcome of the Board Meeting held on February 7, 2019**

Kindly note that the Board of Directors of Majesco Limited (“the Company”) at its meeting held today i.e. February 7, 2019, approved Statement of Un-Audited Financial Results (Stand-alone & Consolidated) for the quarter and nine months ended December 31, 2018, along with Limited Review Reports issued by M/s. Varma and Varma, Chartered Accountants, Statutory Auditors of the Company.

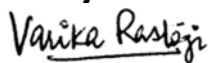
We are enclosing herewith copies of Statement of Un-Audited Financial Results (Stand-alone & Consolidated) for the quarter and nine months ended December 31, 2018, along with Limited Review Reports issued by the Statutory Auditors and Press Release.

The meeting of the Board of Directors of the Company commenced at 11:00 A. M. and concluded at 2:00 P. M.

You are requested to take the same on record.

Thanking you.

Yours faithfully  
For **Majesco Limited**



**Varika Rastogi**  
Company Secretary

Encl: As above

**LIMITED REVIEW REPORT**

To,  
The Board of Directors,  
Majesco Limited,  
MNDC, MBP-P-136, Mahape  
Navi Mumbai 400710.

1) We have reviewed the accompanying statement of Standalone Unaudited Financial Results (the "Statement") of **Majesco Limited** ("the Company") for the quarter and nine months ended December 31, 2018, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2) This statement which is the responsibility of the Company's Management has been approved by the Board of Directors and has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed in companies (Indian Accounting standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3) We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4) Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial results prepared in all material respects in accordance with the applicable Accounting Standards under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Place: Mumbai  
Date : February 7, 2019

  
**CHERIAN K BABY**  
Partner  
M. No.16043

(All amounts in INR lakhs, unless otherwise stated)

**STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018**

Sl no	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	Audited
<b>1</b>	<b>Income</b>						
	Revenue from operations	484	468	486	1,505	1,449	1,999
	Other income	1,000	839	395	2,618	1,175	1,858
	<b>Total income</b>	<b>1,484</b>	<b>1,307</b>	<b>881</b>	<b>4,123</b>	<b>2,624</b>	<b>3,857</b>
<b>2</b>	<b>Expenses</b>						
	Employee benefits expense	403	448	380	1,230	1,061	1,514
	Finance cost	7	6	-	20	26	28
	Depreciation and amortization expense	37	36	28	106	78	110
	Other expenses	498	435	290	1,351	947	1,173
	<b>Total expenses</b>	<b>945</b>	<b>925</b>	<b>698</b>	<b>2,707</b>	<b>2,112</b>	<b>2,825</b>
<b>3</b>	<b>Profit before exceptional Items</b>	<b>539</b>	<b>382</b>	<b>183</b>	<b>1,416</b>	<b>512</b>	<b>1,032</b>
<b>4</b>	<b>Exceptional items, net - gain</b>	-	-	4	-	1,066	1,053
<b>5</b>	<b>Profit before tax</b>	<b>539</b>	<b>382</b>	<b>187</b>	<b>1,416</b>	<b>1,578</b>	<b>2,085</b>
<b>6</b>	<b>Tax expenses</b>						
	Income tax - current	123	80	15	308	272	403
	Income tax - prior periods	-	-	9	-	9	9
	Deferred tax	30	68	102	134	129	238
	<b>Total tax</b>	<b>153</b>	<b>148</b>	<b>126</b>	<b>442</b>	<b>410</b>	<b>650</b>
<b>7</b>	<b>Net profit from ordinary activities after tax</b>	<b>386</b>	<b>234</b>	<b>61</b>	<b>974</b>	<b>1,168</b>	<b>1,435</b>
<b>8</b>	<b>Extraordinary items (net of tax expense)</b>	-	-	-	-	-	-
<b>9</b>	<b>Net profit</b>	<b>386</b>	<b>234</b>	<b>61</b>	<b>974</b>	<b>1,168</b>	<b>1,435</b>
<b>10</b>	<b>Other comprehensive income</b>						
	A. (i) Items that will not be reclassified to profit or loss	(9)	-	1	(3)	4	13
	(ii) Income tax relating to items that will not be reclassified to profit or loss	3	-	-	1	(1)	(3)
	<b>Total other comprehensive income , net of tax</b>	<b>(6)</b>	<b>-</b>	<b>1</b>	<b>(2)</b>	<b>3</b>	<b>10</b>
<b>11</b>	<b>Total comprehensive income</b>	<b>380</b>	<b>234</b>	<b>62</b>	<b>972</b>	<b>1,171</b>	<b>1,445</b>
<b>12</b>	<b>Paid up equity share capital (Face value of INR 5/- each)</b>	<b>1,414</b>	<b>1,411</b>	<b>1,180</b>	<b>1,414</b>	<b>1,180</b>	<b>1,406</b>
<b>13</b>	<b>Reserves excluding Revaluation Reserves as per balance sheet</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>50,584</b>
<b>14</b>	<b>Earning per share of INR 5/- each (not annualized)</b>						
	Basic (INR)	1.37	0.83	0.26	3.46	4.95	5.92
	Diluted (INR)	1.31	0.79	0.25	3.30	4.71	5.62





**NOTES :**

- 1 The above results were reviewed by the Audit Committee on February 7, 2019 and were thereafter approved by the Board at its meeting held on February 7, 2019.
- 2 Other comprehensive income represents remeasurement of defined benefit obligation.
- 3 **Exceptional items :**
  - (i) In the previous financial year in the comparative period / nine month period / year, the Company has recognized a net profit on sale of investment property of INR 4 lakhs/ INR 1,066 lakhs/ INR 1,063 lakhs respectively.
  - (ii) In the previous financial year, the Company has accrued an additional cost of INR 10 lakhs as the share of stamp duty against demand raised on Mastek Limited by the Office of the Superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme.
- 4 Effective April 1, 2018, the Company has adopted Ind AS 115 using cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information is not restated in the financial results. The adoption of the standard did not have any material impact on the financial results for the current quarter and nine months ended December 31,2018
- 5 During the quarter and year ended March 31,2018, the company had issued 44,43,849 Equity shares of INR 5/- each for cash pursuant to qualified institutional placement (QIP) as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations at INR 520/- per share aggregating to INR 23,108 lakhs ( including share premium). Issue related expenses of INR 581 lakhs had been debited to share premium account. This issue was fully subscribed and allotment was completed on February 1, 2018. As at December 31, 2018 the funds remain unutilized for the purpose received and have been temporarily invested in fixed deposit with bank and mutual funds.
- 6 On December 6, 2018, Majesco ,USA ( MajescoUS), subsidiary of the Company, filed a registration statement with SEC on Form S-1, as amended, with respect to its proposed rights offering.Under the proposed rights offering, MajescoUS will distribute to its shareholders, at no charge, one non-transferable subscription right for each share of common stock held or deemed to be held on the record date. Each right will entitle the holder to purchase one-sixth of a share of MajescoUS's common stock at a subscription price of \$7.10 per whole share.  
As per the above offering,the Company, will be entitled to purchase upto 42,55,020 additional shares as its basic subscription right and also additional shares based on its oversubscription rights.The Board of Directors of the Company, at it's meeting held on Jan 16,2019, has approved subscription (including over subscription) to the above offering, amount not exceeding INR 25,000 lakhs.
- 7 Previous period's / year's figures have been regrouped or reclassified wherever necessary.

**For and on behalf of the Board**

**As per our separate report of even date**

  
**Farid Kazani**  
**Managing Director**  
**DIN: 06914620**

**Place : Navi Mumbai**  
**Date : February 7 , 2019**



**For Varma & Varma**  
**Chartered Accountants**  
**FRN: 004532S**

  
**Cherian K Baby**  
**Partner**  
**M No: 16043**

**Place : Navi Mumbai**  
**Date : February 7 , 2019**

**LIMITED REVIEW REPORT**

To,  
The Board of Directors,  
Majesco Limited,  
MNDC, MBP-P-136, Mahape  
Navi Mumbai 400710

1) We have reviewed the accompanying statement of consolidated unaudited financial results (the "Statement") of **Majesco Limited**, and its subsidiaries as stated in Note 2 to the consolidated unaudited financial results, hereinafter referred to as the "Group" for the quarter and nine months ended December 31, 2018, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2) This statement which is the responsibility of the Company's Management has been approved by the Board of Directors and has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed in Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3) We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of group's personnel responsible for financial and accounting matters and analytical procedures applied to group's financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4) We did not review the financial results of ten Subsidiaries considered in the preparation of the Statement, which constitute total assets of INR. 43,988 lakhs (net of eliminations), total revenue of INR 45,532 lakhs (net of eliminations) and total profit after tax INR 1,567 lakhs (net of eliminations) for the nine months ended December 31, 2018. The Interim financial results and other financial information in respect of these ten subsidiaries are based on management certification filed with

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U.S. stock exchange, and our opinion on the statement, to the extent they have been derived from such financial results is solely on the basis of the said management certification.

Further, these subsidiaries are located outside India whose financial results have been prepared in accordance with accounting principles generally accepted in the United States of America or U.S.GAAP. The Company's management has converted the financial results of such subsidiaries located outside India from U.S.GAAP to Indian Accounting standards (Ind-AS). We have reviewed these conversion adjustments made by the Company's management. Our report in so far as it relates to the financial results, balances and affairs of such subsidiaries located outside India is based on the management certification and the conversion adjustments prepared by the management of the Company and reviewed by us.

Our review report is not modified in respect of these matters.

5) Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of consolidated unaudited financial results prepared in all material respects in accordance with the applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



**CHERIAN K BABY**  
Partner  
M. No.16043

Place : Mumbai  
Date : February 7, 2019



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(All amounts in INR lakhs, unless otherwise stated)

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018**

Sl no	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	Audited
<b>1</b>	<b>Income</b>						
	Revenue from operations	25,471	24,252	20,762	72,661	58,935	80,604
	Other income	845	905	167	2,364	601	1,092
	<b>Total income</b>	<b>26,316</b>	<b>25,157</b>	<b>20,929</b>	<b>75,025</b>	<b>59,536</b>	<b>81,696</b>
<b>2</b>	<b>Expenses</b>						
	Employee benefits expense	17,465	15,666	14,398	48,667	41,519	57,284
	Finance cost	101	71	107	265	314	489
	Depreciation and amortization expense	601	350	429	1,300	1,397	1,785
	Other expenses	5,196	5,932	5,421	16,561	16,777	21,060
	<b>Total expenses</b>	<b>23,363</b>	<b>22,019</b>	<b>20,355</b>	<b>66,793</b>	<b>60,007</b>	<b>80,618</b>
<b>3</b>	<b>Profit / (loss) before exceptional items</b>	<b>2,953</b>	<b>3,138</b>	<b>574</b>	<b>8,232</b>	<b>(471)</b>	<b>1,078</b>
<b>4</b>	<b>Exceptional items, net - gain / (loss)</b>	<b>(303)</b>	<b>577</b>	<b>4</b>	<b>274</b>	<b>1,066</b>	<b>1,053</b>
<b>5</b>	<b>Profit before tax</b>	<b>2,650</b>	<b>3,715</b>	<b>578</b>	<b>8,506</b>	<b>595</b>	<b>2,131</b>
<b>6</b>	<b>Tax expenses</b>						
	Income tax - current	296	845	495	1,877	2,141	2,428
	Income tax - prior periods	-	-	9	9	9	9
	Deferred tax charge / (benefit)	378	229	1,368	510	(826)	(586)
	<b>Total tax</b>	<b>674</b>	<b>1,074</b>	<b>1,872</b>	<b>2,396</b>	<b>1,324</b>	<b>1,851</b>
<b>7</b>	<b>Net profit / (loss) from ordinary activities after tax</b>	<b>1,976</b>	<b>2,641</b>	<b>(1,294)</b>	<b>6,110</b>	<b>(729)</b>	<b>280</b>
<b>8</b>	<b>Extraordinary items (net of tax expense)</b>	-	-	-	-	-	-
<b>9</b>	<b>Net profit / (loss)</b>	<b>1,976</b>	<b>2,641</b>	<b>(1,294)</b>	<b>6,110</b>	<b>(729)</b>	<b>280</b>
<b>10</b>	<b>Other comprehensive income</b>						
	A. (i) Items that will not be reclassified to profit or loss	(175)	(34)	52	(116)	24	49
	(ii) Income tax relating to items that will not be reclassified to profit or loss	51	10	(16)	34	(8)	(13)
	B. (i) Items that will be reclassified to profit or loss	223	557	9	1,078	401	537
	(ii) Income tax relating to items that will be reclassified to profit or loss	(359)	222	(109)	47	(82)	1
	<b>Total other comprehensive income, net of tax</b>	<b>(260)</b>	<b>755</b>	<b>(64)</b>	<b>1,043</b>	<b>335</b>	<b>574</b>
<b>11</b>	<b>Total comprehensive income</b>	<b>1,716</b>	<b>3,396</b>	<b>(1,358)</b>	<b>7,153</b>	<b>(394)</b>	<b>854</b>
<b>12</b>	<b>Profit / (loss) attributable to:</b>						
	Owners of the company	1,492	1,910	(904)	4,549	(158)	629
	Non-Controlling Interest	484	731	(390)	1,561	(571)	(349)
	<b>Other comprehensive income attributable to:</b>						
	Owners of the company	(182)	525	(43)	726	235	403
	Non-Controlling Interest	(78)	230	(21)	317	100	171
	<b>Total comprehensive Income attributable to:</b>						
	Owners of the company	1,310	2,435	(947)	5,275	77	1,033
	Non-Controlling Interest	406	961	(411)	1,878	(471)	(179)
<b>13</b>	<b>Paid up equity share capital</b> (Face value of INR 5/- each)	1,415	1,411	1,180	1,415	1,180	1,406
<b>14</b>	<b>Reserves excluding Revaluation Reserves as per balance sheet</b>	NA	NA	NA	NA	NA	52,923
<b>15</b>	<b>Earning per share of INR 5/- each (not annualized)</b>						
	Basic (INR)	5.29	6.78	(3.83)	16.15	(0.67)	2.60
	Diluted (INR)	5.06	6.47	(3.65)	15.43	(0.64)	2.47





(All amounts in INR lakhs, unless otherwise stated)

**STATEMENT OF CONSOLIDATED UNAUDITED SEGMENTAL INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018**

SI no	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	Audited
1	<b>Segment Revenue</b>						
	North America	21,044	21,332	18,281	62,609	52,170	70,689
	Europe	2,513	1,185	1,031	4,663	2,886	4,288
	Others	1,914	1,735	1,450	5,389	3,879	5,627
	<b>Income from operations (net)</b>	<b>25,471</b>	<b>24,252</b>	<b>20,762</b>	<b>72,661</b>	<b>58,935</b>	<b>80,604</b>
2	<b>Segment Results - profit / (loss) before tax and interest</b>						
	North America	3,345	4,173	2,540	11,011	3,949	6,695
	Europe	373	194	165	603	281	500
	Others	(177)	(194)	183	(234)	352	587
	<b>Total</b>	<b>3,541</b>	<b>4,173</b>	<b>2,888</b>	<b>11,380</b>	<b>4,582</b>	<b>7,782</b>
	Less : i Finance costs	101	71	107	265	314	489
	ii Other un-allocable expenditure net of un-allocable income	487	964	2,207	2,883	4,739	6,215
	<b>Profit / (loss) from ordinary activities after finance costs but before exceptional items</b>	<b>2,953</b>	<b>3,138</b>	<b>574</b>	<b>8,232</b>	<b>(471)</b>	<b>1,078</b>
	<b>Exceptional items - gain / (loss)</b>	<b>(303)</b>	<b>577</b>	<b>4</b>	<b>274</b>	<b>1,066</b>	<b>1,053</b>
	<b>Profit from ordinary activities before tax and non-controlling interest</b>	<b>2,650</b>	<b>3,715</b>	<b>578</b>	<b>8,506</b>	<b>595</b>	<b>2,131</b>
3	<b>Segment assets</b>						
	North America	54,713	55,610	48,495	54,713	48,495	49,685
	Europe	10,504	2,844	2,690	10,504	2,690	3,135
	Others	4,496	4,789	3,411	4,496	3,411	3,649
	Unallocable / corporate	41,641	40,117	13,238	41,641	13,238	37,076
	<b>Total segment assets</b>	<b>1,11,354</b>	<b>1,03,360</b>	<b>67,834</b>	<b>1,11,354</b>	<b>67,834</b>	<b>93,545</b>
4	<b>Segment liabilities</b>						
	North America	32,333	31,621	27,666	32,333	27,666	27,972
	Europe	4,603	868	1,067	4,603	1,067	1,252
	Others	2,013	971	784	2,013	784	1,187
	Unallocable / corporate	536	1,053	502	536	502	940
	<b>Total segment liabilities</b>	<b>39,485</b>	<b>34,513</b>	<b>30,019</b>	<b>39,485</b>	<b>30,019</b>	<b>31,351</b>
5	<b>Capital employed</b>						
	North America	22,380	23,989	20,829	22,380	20,829	21,713
	Europe	5,902	1,976	1,623	5,902	1,623	1,883
	Others	2,483	3,818	2,627	2,483	2,627	2,462
	Unallocable / corporate	41,104	39,064	12,736	41,104	12,736	36,136
	<b>Total capital employed</b>	<b>71,869</b>	<b>68,847</b>	<b>37,815</b>	<b>71,869</b>	<b>37,815</b>	<b>62,194</b>

Consequent to acquisition of Exaxe in Ireland, the operations of Exaxe along with the operations of the group in UK have been reported under Europe segment to the CODM. Accordingly, UK segment has been replaced with Europe segment in the above disclosures.

\* The figures relating to previous periods (unaudited) is after considering the audited figures for the previous year.





**MAJESCO LIMITED**  
**Registered Office : MNDC, MBP - P - 136**  
**Mahape, Navi Mumbai - 400710**  
**CIN No. L72300MH2013PLC244874**

**NOTES :**

- 1 The above results were reviewed by the Audit Committee on February 7, 2019 and were thereafter approved by the Board at its meeting held on February 7, 2019
- 2 The consolidated financial results and consolidated statement of assets and liabilities relate to Majesco Group. The Group consists of Majesco Limited and its subsidiaries and step down subsidiaries mentioned below :

Majesco Majesco (UK) Limited Majesco Software and Solutions India Private Limited Majesco Sdn. Bhd. Majesco Asia Pacific Pte. Ltd.	Majesco (Thailand) Co. Ltd. Majesco Software and Solutions Inc. Majesco Canada Limited Cover All Systems Inc. Exaxe Holding Limited (w.e.f 01.10.2018) Exaxe Limited (w.e.f 01.10.2018)
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- 3 Items that will not be reclassified to profit or loss represents remeasurement of defined benefit obligation. Items that will be reclassified to profit or loss represents exchange differences on translation of foreign operations and net change in fair value of cash flow hedge.
- 4 **Exceptional items :**
  - (i) During the quarter ended Dec 31,2018 INR 308 lakhs, being expenses related to the acquisition of a new company has been shown as exceptional item for the current quarter and nine months period ended Dec 31,2018. Please refer note no. 9 below for further details.
  - (ii) During the quarter ended Sep 30, 2018, one of the subsidiaries, has reversed the balance contingent consideration of INR 577 lakhs, which was provided in earlier years as per the terms of agreement on acquisition of a business, as it was determined to be not payable. The exchange impact of the transition for the current quarter is gain of INR 5 lakhs and this has been classified as exceptional item in the statement of consolidated results.
  - (iii) In the previous financial year in the comparative period / nine month period / year, the Company has recognized a net profit on sale of investment property of INR 4 lakhs/ INR 1,066 lakhs/ INR 1,063 lakhs respectively.
  - (iv) In the previous financial year, the Company has accrued an additional cost of INR 10 lakhs, as it's share of stamp duty against demand raised on Mastek Limited by the Office of the Superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme.
- 5 During the previous year, due to the Tax reforms in USA which included a reduction in corporate tax rates, the foreign subsidiary company had to reassess it's Deferred Tax Assets and Deferred Tax Liabilities. As a result of which INR 1,740 lakhs and INR 1,634 lakhs have been debited to the statement of consolidated results for the quarter ended 31st December 2017 and year ended March 31, 2018 respectively.
- 6 During the previous year, one of the foreign subsidiaries has received a notice in respect of legal action initiated by one of it's customers. The said customer is seeking compensatory damages / claims which is not accepted by the foreign subsidiary since it believes that the claim has no merit and is contesting the claim. However, as a matter of abundant caution, the subsidiary has made adequate provision against trade receivables from this customer. Litigation being inherently unpredictable, the costs and other effects of this matter and the possibility of any adverse outcome cannot be determined at this time, however this is covered by adequate insurance.
- 7 Effective April 1, 2018, the Company has adopted Ind AS 115 using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information is not restated in the financial results. The adoption of the standard did not have any material impact on the financial results for the current quarter or nine month period.
- 8 During the quarter ended March 31,2018, the Company had issued 44,43,849 Equity shares of INR 5/- each for cash pursuant to qualified institutional placement (QIP) as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations at INR 520/- per share aggregating to INR 23,108 lakhs ( including share premium). Issue related expenses of INR 581 lakhs had been debited to share premium account. This issue was fully subscribed and allotment was completed on February 1, 2018. As at December 31, 2018 the funds remain unutilized for the purpose received and have been temporarily invested in fixed deposit with bank and mutual funds.
- 9 On Nov 27,2018 (the effective date),Majesco,USA, (MajescoUS), 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,MajescoUS 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 Aug 1,2019. The economic transfer date of the business is Oct 1,2018 and hence exchange rate as on 1st October, 2018 has been considered for this transaction entered into in EURO.

Accordingly,Exaxe became direct subsidiary of MajescoUS and step-down subsidiary of the Company on that date.

MajescoUS has made an upfront payment in Euro equivalent to approximately INR 5,367 lakhs, and will make deferred payment of approximately INR 3,778 lakhs (which include approximately INR 431 lakhs to be paid to designated employees of Exaxe) over the next three years. For the remaining 10%,MajescoUS will pay approximately INR 602 lakhs on Aug 1,2019.

For the purpose of preparing the consolidated financial statements of the company,MajescoUS has done an independent fair valuation of the assets taken over and in the process recognized a Goodwill of approximately of INR 1,751 lakhs. The expenses related to the acquisition, equivalent INR 308 lakhs have been shown as an exceptional item in the consolidated results during the quarter ended Dec 31,2018.



**MAJESCO LIMITED**  
Registered Office : MNDC, MBP - P - 136  
Mahape, Navi Mumbai - 400710  
CIN No. L72300MH2013PLC244874

10 On December 6, 2018, Majesco ,USA ( MajescoUS), subsidiary of the Company, filed a registration statement with SEC on Form S-1, as amended, with respect to its proposed rights offering. Under the proposed rights offering, MajescoUS will distribute to its shareholders, at no charge, one non-transferable subscription right for each share of common stock held or deemed to be held on the record date. Each right will entitle the holder to purchase one-sixth of a share of MajescoUS's common stock at a subscription price of \$7.10 per whole share.

As per the above offering,the Company, will be entitled to purchase upto 42,55,020 additional shares as its basic subscription right,and also additional shares based on its oversubscription rights.The Board of Directors of the Company, at it's meeting held on Jan 16,2019, has approved to subscribe (including over subscription) to the above offering, amount not exceeding INR 25,000 lakhs.

11 The Company's overseas stepdown subsidiary,Cover All Systems Inc.,USA got merged with another overseas stepdown subsidiary,Majesco Software and Solution Inc.,USA,with effect from January 1,2019,surviving entity being Majesco Software and Solution Inc.,USA. Both these entities were wholly owned subsidiaries of the Company's subsidiary Majesco,USA.The merger will have no financial impact on the consolidated financial statements of the Company.

12 Pursuant to management decision to discontinue business operations in Thailand,during the quarter ended Dec 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 Jan 29,2019.

13 Previous period's / year's figures have been regrouped or reclassified wherever necessary.

For and on behalf of the Board

As per our separate report of even date

  
Farid Kazani  
Managing Director  
DIN: 06914620

Place : Navi Mumbai  
Date : February 7 , 2019



For Varma & Varma  
Chartered Accountants  
FRN: 004532S



  
Cherian K Baby  
Partner  
M No: 16043

Place : Navi Mumbai  
Date : February 7 , 2019



For Immediate Release

## Majesco Q3FY19 Total Revenue at Rs 263.2 crore; up 25.7% YoY

- **Cloud Revenue at Rs 106.3 crore; up 13.1% QoQ and 66.6% YoY**
- **Adjusted EBITDA margin at 13.9%; up 748 bps YoY**
- **12-month Order Backlog up QoQ by 15.7%**

**Mumbai, 7<sup>th</sup> February, 2019:** Majesco Ltd. (MJCO), (BSE: 539289), (NSE: MAJESCO), a global provider of software, consulting and services for insurance business transformation, announced today its financial results for the **third quarter and nine months FY19** ended 31<sup>st</sup> December, 2018.

### **Review of consolidated financial performance for the quarter ended 31<sup>st</sup> December, 2018:**

- The operating revenue for the quarter under review was Rs 254.7 crore, an increase of 5.0% in rupee terms and up 4.8% in constant currency from Rs 242.5 crore in Q2FY19 as well as an increase of 22.7% in rupee terms and 12.0% in constant currency from Rs 207.6 crore in Q3FY18.
- Total revenue for the quarter under review was Rs 263.2 crore, an increase of 4.6% in rupee terms from Rs 251.6 crore in Q2FY19 and an increase of 25.7% in rupee terms from Rs 209.3 crore in Q3FY18.
- The Company reported an adjusted EBITDA of Rs 35.4 crore (13.9% of operating revenue) in Q3FY19 as compared to Rs 31.0 crore (12.8% of operating revenue) in Q2FY19, up 114 bps sequentially and up 748 bps YoY basis against the adjusted EBITDA of Rs 13.3 crore (6.4% of operating revenue) in Q3FY18.
- Net profit stood at Rs 19.8 crore in Q3FY19 as compared to Rs 26.4 crore in Q2FY19, a drop of 25.2% sequentially and up 252.7% as compared to net loss of Rs 12.9 crore in Q3FY18. The sequential drop is attributed to the exceptional item related to M&A expenses of Rs. 3.0 crore in Q3FY19 as against an exceptional income related to reversal of the accrual of contingent liability of Rs. 5.8 crore in Q2FY18.
- The product research & development spends during the quarter stood at Rs 34.5 crore (13.5% of operating revenue) as compared to Rs 33.1 crore (13.7% of operating revenue) in Q2FY19 and Rs 29.4 crore (14.2% of operating revenue) in Q3FY18. The company continues to invest in R&D with focus on cloud and digital offerings.

### **For the nine months ended 31<sup>st</sup> December, 2018:**

- The operating revenue was Rs 726.6 crore during the nine months period under review as compared to Rs 589.4 crore in the corresponding period of previous year reflecting a growth of 23.3% in rupee terms and 13.9% in constant currency.

Note: Adjusted EBITDA stated above is before other income, exceptional items and ESOP cost

- Total revenue was Rs 750.3 crore during the nine month period under review as compared to Rs 595.4 crore in the corresponding period of previous year reflecting a growth of 26.0% in rupee terms.
- The company reported an adjusted EBITDA of Rs 89.6 crore (12.3% of operating revenue) in 9mFY19 as compared to an adjusted EBITDA of Rs 18.8 crore (3.2% of operating revenue) in 9mFY18.
- Net profit stood at Rs 61.1 crore for 9MFY19 as against net loss of Rs 7.3 crore in the corresponding period of previous year.
- The product research & development spends was at Rs 100.4 crore (13.8% of operating revenue) in 9MFY19 as compared to Rs 82.7 crore (14.0% of operating revenue) in 9MFY18.

### Operating highlights:

- **Cloud Revenue:** Total Revenue from cloud-based customers was Rs 106.3 crore (41.7% of operating revenue) for the quarter ended 31<sup>st</sup> December, 2018 as compared to Rs 94.0 crore (38.7% of operating revenue) in the quarter ended 30<sup>th</sup> September, 2018 reflecting a growth of 13.1% on QoQ basis and up by 66.6% as compared to Rs 63.8 crore (30.7% of operating revenue) in the corresponding quarter ended 31<sup>st</sup> December, 2017. Total cloud subscription revenue was Rs 31.5 crore (12.4% of operating revenue) for the quarter ended 31<sup>st</sup> December, 2018 as compared to Rs 29.9 crore (12.3% of operating revenue) in the quarter ended 30<sup>th</sup> September, 2018 reflecting a growth of 5.5% on QoQ basis and up by 73.1% as compared to Rs 18.2 crore (8.8% of operating revenue) in the corresponding quarter ended 31<sup>st</sup> December, 2017.
- **Recurring Revenue:** Total recurring revenue was Rs 90.1 crore (35.4% of operating revenue) for the quarter ended 31<sup>st</sup> December, 2018 as compared to Rs 85.5 crore (35.3% of operating revenue) in the quarter ended 30<sup>th</sup> September, 2018 reflecting a growth of 8.7% on QoQ basis and up by 66.8% as compared to Rs 54.0 crore (26.0% of operating revenue) in the corresponding quarter ended 31<sup>st</sup> December, 2017.
- **12 month Order Backlog:** The 12-month executable order backlog stood at Rs 608.7 crore (\$87.2mn) as on 31<sup>st</sup> December, 2018 and in constant currency stood at Rs 632.5 crore as compared to Rs 546.6 crore (\$75.4mn) at the end of Q2FY19, reflecting an increase of 11.4% QoQ in rupee terms and 15.7% in dollar terms.
- **Employees:** As on 31<sup>st</sup> December, 2018, the company had a total of 2,675 employees, of which 2,200 employees were based offshore in India while the rest were at various onsite locations outside India. Employee count at the end of 30<sup>th</sup> September, 2018 was 2,585.
- **Cash & Cash Equivalents:** The total cash & cash equivalents in Consolidated Majesco Group was at Rs 457.7 crore as on 31<sup>st</sup> December, 2018 as compared to Rs 458.3 crore at the end of 30<sup>th</sup> September, 2018. This is after considering the upfront payment of Rs 53.7 crore for the acquisition of Exaxe Holdings Ltd consummated during the quarter.
- **Borrowings:** Total borrowings at Consolidated Majesco Group as on 31<sup>st</sup> December, 2018 was Rs 95.7 crore as compared to Rs 84.0 crore as at 30<sup>th</sup> September, 2018.
- **Clients:** The Company added 7 new clients during the quarter. Total client count as of 31<sup>st</sup> December, 2018 was 177. Total cloud customers count as of 31<sup>st</sup> December, 2018 was 51. In



terms of client concentration, the top 5 constituted 27.9% of revenue and the top 10 customers constituted 40.6% of revenue for the quarter under review.

- **Customer and Product Highlights:**

- **Majesco CloudInsurer™ for Property & Casualty**

- ✓ A Tier 1 U.S. based carrier focused on specialty insurance will be implementing their cyber liability line of business on Majesco Policy for P&C solution
- ✓ A Tier 4 U.S. based InsurTech carrier selected Majesco P&C Core Suite (Policy, Billing and Claims) and Majesco Digital1st Insurance™ platform to support the rapid rollout of its nationwide Workers Compensation program
- ✓ A Tier 1 Puerto Rico based carrier selected Majesco Policy for P&C solution for its Commercial Lines business

- **Majesco Life & Annuity – Group & Employee Benefits**

- ✓ A Tier 2 U.S. based carrier selected Majesco L&A and Group Core Suite (Policy, Billing and Claims) to modernize its operations of administering Employee Benefit Plans
- ✓ An Indonesian Life Insurance Carrier selected Majesco L&A and Group Core Suite and portal solutions
- ✓ A Singapore based health insurance carrier selected Majesco L&A and Group Core Suite and portal solutions

- **Majesco Digital1st Insurance™**

- ✓ A Tier 1 U.S. based P&C wholesale broker selected Majesco Digital1st Insurance™ platform to accelerate their digital journey and modernize systems of engagement with their carrier partners, agents and customers

- **Customer Expansion**

- ✓ Three top tier carriers extended the use of Majesco's platform to support additional lines of business

Each successful implementation enhances Majesco's credibility in the market, with customers and potential new customers, while demonstrating Majesco's important value propositions such as speed to value.

During the third quarter, Majesco successfully went live with seven customers:

- A Tier 1 US based multi-line carrier using Majesco Billing for P&C to support its P&C business
- A Tier 1 US National multi-line insurance company using Majesco Billing for P&C
- A Tier 2 specialty underwriter of homeowner's insurance using Majesco Policy for P&C
- A Tier 3 P&C insurance carrier using Majesco Billing for P&C
- A Large Malaysian life and general insurance carrier using Majesco Policy for L&A and Group
- A Large Singapore based life, health and general insurance carrier with an agent portal
- Mid-size Malaysian insurance benefits protection carrier using Majesco Billing and Claims

- **Other Highlights:**

- Gartner positioned Majesco as a Leader in the October 2018 Magic Quadrant for P&C Core Platforms. Majesco is recognized as a Leader for its completeness of vision and ability to execute\*.
- Majesco expanded its Majesco Digital1st EcoExchange™ marketplace with several partner apps.
- Majesco announced it's 2019 Convergence Customer Conference focused on Growth and Innovation for Digital Insurance, to be held in Savannah, GA, April 14-16.

**Mr. Adam Elster, Chief Executive Officer of Majesco, said:** *“The third quarter financial performance reflect the growing success of our cloud-based strategy and the solutions to help insurers adapt to a new era. The number of cloud customers continues to grow driving a 66.6% increase in cloud revenues year-over-year. This clearly demonstrates Majesco’s ability to rapidly deliver ‘time to value’ to our customers while providing a modern platform for insurers to innovate new products and business models. In addition, higher cloud revenues and improved delivery efficiencies are driving better margins as demonstrated in the third quarter. We are excited to welcome the entire Exaxe team to the Majesco family, and even more excited to introduce this technology to Majesco’s growing customer base and prospects across Europe.”*

**He further added,** *“I continue to be encouraged by Majesco’s products, people and customer focus which are well aligned with the opportunities and trends of the insurance market. We feel this is best validated by our recent customer wins, increased backlog, and pipeline growth. I am pleased with the progress we are making and believe fiscal 2019 is on track to be a strong year for the company.”*

**Mr. Farid Kazani, Managing Director, Majesco Ltd., said:** *“This is our sixth consecutive quarter of maintaining consistent revenue growth and improved financial performance. We have delivered good results in a seasonally weak quarter validating the good business momentum. Our topline witnessed a growth of 25.7% on year-over-year basis mainly driven by ramp up in new logos, continued new business engagements from existing customers and increasing cloud revenue to 41.7% of Q3FY19 revenues. We aspire to maintain the growth trajectory going forward supported by the strong order backlog which grew 15.7% in dollar terms in Q3FY19.”*

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## About Majesco

Majesco enables insurance business transformation for over 170 global customers by providing technology solutions which include software products, consulting and IT services. Our customers are carriers from the Property and Casualty, Life, Annuity and Group insurance segments worldwide. Majesco delivers proven software solutions and IT services in the core insurance areas such as policy administration, billing, claims, distribution and analytics. For more information, please visit us on the web at [www.majesco.com](http://www.majesco.com)

### For further information, please contact:

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### Cautionary Language Concerning Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the “safe harbour” provisions of the Private Securities Litigation Reform Act. These forward-looking statements are made on the basis of the current beliefs, expectations and assumptions of management, are not guarantees of performance and are subject to significant risks and uncertainty. These forward-looking statements should, therefore, be considered in light of various important factors, including those set forth in Majesco’s reports that it files from time to time with the Securities and Exchange Commission (SEC) and which you should review, including those statements under “Item 1A – Risk Factors” in Majesco’s Annual Report on Form 10-K for the fiscal year ended March 31, 2018 filed with the SEC on June 22, 2018.

Important factors that could cause actual results to differ materially from those described in forward-looking statements contained in this press release include, but are not limited to: integration risks; changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters; technology development risks; intellectual property rights risks; competition risks; additional scrutiny and increased expenses as a result of being a public company; the financial condition, financing requirements, prospects and cash flow of Majesco; loss of strategic relationships; changes in laws or regulations affecting the insurance industry in particular; restrictions on immigration; the ability and cost of retaining and recruiting key personnel; the ability to attract new clients and retain them and the risk of loss of large customers; continued compliance with evolving laws; customer data and cybersecurity risk; and Majesco’s ability to raise capital to fund future growth.

These forward-looking statements should not be relied upon as predictions of future events and Majesco cannot assure you that the events or circumstances discussed or reflected in these statements will be achieved or will occur. If such forward-looking statements prove to be inaccurate, the inaccuracy may be material. You should not regard these statements as a representation or warranty by Majesco or any other person that we will achieve our objectives and plans in any specified timeframe, or at all. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Majesco disclaims any obligation to publicly update or release any revisions to these forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this press release or to reflect the occurrence of unanticipated events, except as required by law.