

Date: February 10, 2020

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

BSE Script Code: 539289

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

NSE Symbol: MAJESCO

Dear Sir/ Madam,

Sub: Outcome of the Board Meeting held on February 10, 2020

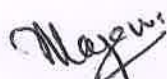
Kindly note that the Board of Directors of Majesco Limited ("the Company") at its meeting held today i.e. February 10, 2020, approved the Statement of Un-Audited Financial Results (Standalone & Consolidated) for the quarter and nine months ended December 31, 2019.

We are enclosing herewith copies of Statement of Un-Audited Financial Results (Standalone & Consolidated) for the quarter and nine months ended December 31, 2019, along with Limited Review Reports issued by M/s. MSKA & Associates, Statutory Auditors and Press Release in this regard.

The Board meeting started at 11:45 A.M. and concluded at 2:30 P.M.

Thanking you.

Yours faithfully
For **Majesco Limited**



Farid Kazani
Managing Director & Group CFO

Encl: As above

Independent Auditor's Review Report on unaudited standalone quarterly and year to date financial results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors
Majesco Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Majesco Limited ('the Company') for the quarter ended December 31, 2019 and the year to date results for the period from April 1, 2019 to December 31, 2019 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 financial results are free of material misstatements. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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 unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.



MSKA

& Associates

Chartered Accountants

5. The Statement of the Company for the quarter and nine months ended December 31, 2018 was reviewed and year ended March 31, 2019 was audited by another auditor whose review report dated February 7, 2019 and audit report dated May 15, 2019 respectively, expressed unmodified opinion on those statements.

Our conclusion is not modified in respect of this matter.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.105047W



Anita Somani

Partner

Membership No.: 124118

UDIN: 20124118AAAABW4466



Place: Navi Mumbai

Date: February 10, 2020

STATEMENT OF STANDALONE UNAUDITED FINANCIALS RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019

Sl no	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
A.	CONTINUING OPERATIONS						
1	Income						
	Revenue from operations	258	257	250	767	726	974
	Other income, net	213	291	750	741	1,892	2,359
	Total income	471	548	1,000	1,508	2,618	3,333
2	Expenses						
	Employee benefit expenses	230	161	148	597	430	544
	Finance costs	8	9	7	25	20	28
	Depreciation and amortization expenses	16	16	18	46	52	69
	Other expenses	114	109	200	386	487	759
	Total expenses	368	295	373	1,054	989	1,400
3	Profit before exceptional items	103	253	627	454	1,629	1,933
4	Exceptional items, net (gain) / loss (Refer note 3)	-	-	-	(1,869)	-	-
5	Profit before tax	103	253	627	2,323	1,629	1,933
6	Tax expenses						
	Income tax - current	56	16	142	650	359	452
	Tax credit of earlier years	3	(43)	-	(40)	-	-
	Deferred tax charge / (benefit)	(42)	(416)	30	(534)	126	82
	Total tax	17	(443)	172	76	485	534
7	Profit after tax - Continuing operations (5-6)	86	696	455	2,247	1,144	1,399
B	DISCONTINUED OPERATIONS						
8	Profit / (loss) before tax - Discontinued operations	-	-	(87)	-	(213)	(227)
9	Less: Tax expenses / (credit) - Discontinued operations	-	-	(18)	-	(43)	(45)
10	Profit / (loss) after tax - Discontinued operations (8-9)	-	-	(69)	-	(170)	(182)
11	Net profit (7+10)	86	696	386	2,247	974	1,217
12	Other comprehensive income / (loss)						
	CONTINUING OPERATIONS						
	(i) Items that will not be reclassified to profit or loss	(0)	(2)	-	1	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0	1	-	(0)	-	-
	Total other comprehensive income / (loss) - Continuing operations	(0)	(1)	-	1	-	-
	DISCONTINUED OPERATIONS						
	(i) Items that will not be reclassified to profit or loss	-	-	(9)	-	(3)	(1)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	3	-	1	-
	Total other comprehensive income / (loss) - Discontinued operations	-	-	(6)	-	(2)	(1)
	Total other comprehensive income , net of tax	(0)	(1)	(6)	1	(2)	(1)
13	Total comprehensive income	86	695	380	2,248	971	1,216
14	Paid up equity share capital (Face value of INR 5/- each)	1,427	1,422	1,407	1,427	1,411	1,417
15	Reserves excluding revaluation reserves as per balance sheet				54,999	NA	52,640
16	Earning per share of INR 5/- each (not annualized)- Continuing operations						
	Basic (INR)	0.30	2.45	1.60	7.90	4.06	4.95
	Diluted (INR)	0.29	2.36	1.54	7.58	3.88	4.76
17	Earning per share of INR 5/- each (not annualized)- Discontinued operations						
	Basic (INR)	-	-	(0.24)	-	(0.60)	(0.64)
	Diluted (INR)	-	-	(0.23)	-	(0.58)	(0.62)
18	Earning per share of INR 5/- each (not annualized)-Total						
	Basic (INR)	0.30	2.45	1.37	7.90	3.46	4.31
	Diluted (INR)	0.29	2.36	1.31	7.58	3.29	4.14



NOTES :

- 1 The above results were reviewed by the Audit Committee on February 10, 2020 and were thereafter approved by the Board at its meeting held on February 10, 2020.
- 2 Other comprehensive income represents remeasurement of defined benefit obligation.
- 3 **Exceptional items :**
During the previous year, the Company had entered into agreement with its step down subsidiary Majesco Software and Solutions India Private Ltd. to sell its India Insurance Product and Services business together with all the licenses , permits , consents and approvals whatsoever and all related movable assets and liabilities together with employees as a going concern on a slump sale basis for a lumpsum consideration of INR 2,437 lakhs on the basis of valuation report obtained from a valuer subject to certain adjustment at or after closing, w.e.f April 01, 2019. This was approved by the Board of Directors of both the companies and shareholders of the Company. The conditions precedent to transfers were completed on May 15, 2019 and the purchase consideration was received and the net profit of INR 1,869 Lakhs has been recognized and shown under exceptional items during the quarter ended June 30, 2019 and nine months ended December 31, 2019.
- 4 **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 of the Company, the business of leasing of immovable and movable properties of all kinds. Accordingly has shown its income from rent as revenue from operations. The rent income for quarter ended December 31, 2019, September 30, 2019, nine months ended December 31, 2019 and year ended March 31, 2019 has also been shown as revenue from operations for comparison purpose.
- 5 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 INR 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%.
- 6 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 shall 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 is expected to close in April 2020. Upon the closing of the Merger, InsPro will become a direct wholly-owned subsidiary of Majesco (USA), and a step-down subsidiary of the Company.
- 7 During the quarter ended September 30, 2019, the Company 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 Company, 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 3 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.

8 (A) Profit / (loss) - Discontinued operations

Sl no	Particulars	Quarter ended			Nine months ended		(Rs. in Lakhs)
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	Year ended March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	Revenue from operations	-	-	484	-	1,505	1,935
	Total income	-	-	484	-	1,505	1,935
2	Expenses						
	Employee benefit expenses	-	-	254	-	800	1,017
	Finance costs	-	-	-	-	-	-
	Depreciation and amortization expenses	-	-	19	-	55	73
	Other expenses	-	-	298	-	863	1,072
	Total expenses	-	-	571	-	1,718	2,162
3	Profit / (loss) before tax	-	-	(87)	-	(213)	(227)
4	Tax expenses						
	Income tax - current	-	-	(18)	-	(52)	(54)
	Deferred tax	-	-	-	-	9	9
	Total tax	-	-	(18)	-	(43)	(45)
5	Profit / (loss) after tax	-	-	(69)	-	(170)	(182)
	Other comprehensive income / (loss)						
	(i) Items that will not be reclassified to profit or loss	-	-	(9)	-	(3)	(1)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	3	-	1	-
	Total other comprehensive income / (loss)	-	-	(6)	-	(2)	(1)
6	Total comprehensive income / (loss)	-	-	(75)	-	(172)	(183)
7	Earning per share of INR 5/- each (not annualized)						
	Basic (INR)	-	-	(0.24)	-	(0.60)	(0.64)
	Diluted (INR)	-	-	(0.23)	-	(0.58)	(0.62)



(B) Discontinued operations - Carrying amount as at December 31, 2019, September 30, 2019, June 30, 2019 is INR Nil and at March 31, 2019 of the total assets to be disposed, net of total liabilities to be settled is INR 569 lakhs.

(C) Cash flow of discontinued operations attributable, investing and financing activity for the year ended :

	December 31, 2019	March 31, 2019
a. Net cash flows from operating activities	-	89
b. Net cash flows used in investing activities	-	(60)
c. Net cash flows from financing activities	-	-
Total	-	29

9 Previous period's / year's figures have been regrouped and reclassified wherever necessary.

For and on behalf of the Board of Directors



Majani
Fahid Kazani
Managing Director
DIN: 06914620

Place : Navi Mumbai
Date : February 10 , 2020

Independent Auditor's Review Report on Consolidated Unaudited Quarterly and year to date financial results of the Group pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors
Majesco Limited**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of Majesco Limited ('the Holding Company'), its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') for the quarter ended December 31, 2019 and the year to date results for the period from April 1, 2019 to December 31, 2019 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The Statement includes the results of the following entities:

Sr. No	Name of the Company	Relationship with the Holding Company
1	Majesco	Subsidiary
2	Majesco Software & Solutions Inc.	Step down subsidiary
3	Majesco Canada Limited	Step down subsidiary
4	Majesco (UK) Limited	Step down subsidiary
5	Majesco Sdn. Bhd.	Step down subsidiary
6	Majesco Asia Pacific Pte. Limited	Step down subsidiary
7	Exaxe Holdings Limited	Step down subsidiary
8	Exaxe Limited	Step down subsidiary
9	Majesco Software & Solutions India Private Limited	Step down subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The Statement of the Group for the quarter and nine months ended December 31, 2018 was reviewed and year ended March 31, 2019 was audited by another auditor whose review report dated February 7, 2019 and audit report dated May 15, 2019 respectively, expressed unmodified opinion on those statements.

Our conclusion is not modified in respect of this matter.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.105047W



Anita Somani

Partner

Membership No.: 124118

UDIN: 20124118AAAABX1771



Place: Navi Mumbai

Date: February 10, 2020

(All amounts in INR lakhs, unless otherwise stated)

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019

Sl no	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	Audited
1	Income						
	Revenue from operations	26,510	23,975	25,471	76,384	72,661	98,810
	Other income, net	425	673	845	1,530	2,364	2,810
	Total income	26,935	24,648	26,316	77,914	75,025	101,620
2	Expenses						
	Employee benefit expenses	17,568	16,918	17,465	51,386	48,667	66,107
	Finance costs	43	53	101	145	265	361
	Depreciation and amortization expenses	843	848	601	2,538	1,300	1,961
	Other expenses	5,842	4,853	5,196	16,995	16,561	23,185
	Total expenses	24,296	22,672	23,363	71,064	66,793	91,614
3	Profit before exceptional items	2,639	1,976	2,953	6,850	8,232	10,006
4	Exceptional items, net - loss / (gain)	(957)	-	303	(957)	(274)	(274)
5	Profit before tax	3,596	1,976	2,650	7,807	8,506	10,280
6	Tax expenses						
	Income tax - current	797	424	296	2,220	1,877	3,415
	Tax Credit- Prior period	3	(43)	-	(40)	9	-
	Deferred tax charge / (benefit)	(210)	(84)	378	(259)	510	(309)
	Total tax	590	297	674	1,921	2,396	3,106
7	Net profit from ordinary activities after tax	3,006	1,679	1,976	5,886	6,110	7,174
8	Extraordinary items (net of tax expense)	-	-	-	-	-	-
9	Net profit	3,006	1,679	1,976	5,886	6,110	7,174
10	Other comprehensive income / (loss)						
	A. (i) Items that will not be reclassified to profit or loss	109	(163)	(175)	(25)	(116)	(129)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(27)	55	51	20	34	38
	B. (i) Items that will be reclassified to profit or loss	1,048	837	222	1,912	1,078	168
	(ii) Income tax relating to items that will be reclassified to profit or loss	(23)	57	(359)	2	47	(64)
	Total other comprehensive income / (loss), net of tax	1,107	786	(261)	1,909	1,043	13
11	Total comprehensive income	4,113	2,465	1,715	7,795	7,153	7,187
12	Profit / (loss) attributable to:						
	Equity shareholders of the company	2,343	1,384	1,492	4,572	4,549	5,404
	Non-controlling interest	663	295	484	1,314	1,561	1,770
	Other comprehensive income / (loss) attributable to:						
	Equity shareholders of the company	856	550	(182)	1,416	726	9
	Non-controlling interest	251	236	(79)	493	317	4
	Total comprehensive income / (loss) attributable to:						
	Equity shareholders of the company	3,199	1,934	1,310	5,988	5,275	5,413
	Non-controlling interest	914	531	405	1,807	1,878	1,774
13	Paid up equity share capital (Face value of INR 5/- each)	1,428	1,422	1,415	1,428	1,415	1,417
14	Reserves excluding revaluation reserves as per balance sheet			NA	64,471	NA	66,284
15	Earning per share of INR 5/- each (not annualized)						
	Basic (INR)	8.22	4.87	5.29	16.08	16.15	19.14
	Diluted (INR)	7.88	4.69	5.06	15.43	15.43	18.36



MAJESCO LIMITED
Registered Office : Mastek New Development Centre,
MBP-P-136, Mahape, Navi Mumbai - 400710
CIN No. L72300MH2013PLC244874

(All amounts in INR lakhs, unless otherwise stated)

STATEMENT OF CONSOLIDATED UNAUDITED SEGMENTAL INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019

Sl no	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	Audited
1	Segment Revenue						
	North America	23,495	21,406	21,044	67,765	62,609	84,676
	Europe	1,499	1,130	2,513	4,259	4,663	6,866
	Others	1,516	1,439	1,914	4,360	5,389	7,268
	Income from operations (net)	26,510	23,975	25,471	76,384	72,661	98,810
2	Segment Results - profit / (loss) before tax and interest						
	North America	4,564	3,204	3,345	12,655	11,011	13,956
	Europe	(499)	(683)	373	(1,606)	603	681
	Others	533	(292)	(177)	(1,106)	(234)	(202)
	Total Segment Results -	4,598	2,229	3,541	9,943	11,380	14,435
	Less :						
	i Finance costs	43	53	101	145	265	361
	ii Other un-allocable expenditure net of un-allocable income	1,916	200	487	2,948	2,883	4,068
	Profit from ordinary activities after finance costs but before exceptional items	2,639	1,976	2,953	6,850	8,232	10,006
	Exceptional items - loss / (gain)	(957)	-	303	(957)	(274)	(274)
	Profit from ordinary activities before tax and non-controlling interest	3,596	1,976	2,650	7,807	8,506	10,280
3	Segment assets						
	North America	70,391	69,165	54,713	70,391	54,713	57,433
	Europe	10,839	10,567	10,504	10,839	10,504	11,853
	Others	3,393	3,487	4,496	3,393	4,496	4,741
	Unallocable / corporate	28,526	31,661	41,641	28,526	41,641	37,123
	Total segment assets	113,149	114,880	111,354	113,149	111,354	111,150
4	Segment liabilities						
	North America	29,825	24,813	32,333	29,825	32,333	26,343
	Europe	1,117	1,017	4,603	1,117	4,603	1,211
	Others	1,695	2,193	2,013	1,695	2,013	1,420
	Unallocable / corporate	1,590	1,680	536	1,590	536	1,659
	Total segment liabilities	34,227	29,703	39,485	34,227	39,485	30,633
5	Capital employed						
	North America	40,566	44,352	22,380	40,566	22,380	31,090
	Europe	9,722	9,550	5,901	9,722	5,901	10,643
	Others	1,698	1,294	2,483	1,698	2,483	3,321
	Unallocable / corporate	26,936	29,981	41,105	26,936	41,105	35,463
	Total capital employed	78,922	85,177	71,869	78,922	71,869	80,517



NOTES :

- 1 The above results were reviewed by the Audit Committee on February 10, 2020 and were thereafter approved by the Board of Directors at its meeting held on February 10, 2020
- 2 The consolidated financial results relate to Majesco Group. The Group consists of Majesco Limited and its subsidiaries and step down subsidiaries mentioned below :

Majesco, USA Majesco (UK) Limited , UK Majesco Software and Solutions India Private Ltd., India Majesco Sdn. Bhd. , Malaysia Majesco Asia Pacific Pte. Ltd., Singapore Cover All Systems Inc., USA (merged with Majesco Software and Solutions Inc., USA w.e.f. January 1, 2019)	Majesco (Thailand) Co. Ltd. (closed w.e.f. January 29, 2019) Majesco Software and Solutions Inc. , USA Majesco Canada Ltd., Canada Exaxe Holdings Limited , Ireland (w.e.f. October 1, 2018) Exaxe Limited, Ireland (w.e.f. October 1, 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 December 31, 2019, 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 during the period ended December 31, 2019 and disclosed as a separate line item below the income from operation for the quarter. The total gain attributable to changes in the estimated contingent consideration payable for the acquisition of Exaxe were INR 957 and INR 957 lakhs for the quarter and nine months ended December 31, 2019.
 - (ii) During the quarter ended December 31, 2018, INR 303 lakhs being expenses related to the acquisition of Exaxe Holdings Limited has been shown as exceptional item for the quarter and nine months period ended December 31, 2018.
 - (iii) In the previous quarter/ nine month period ended December 31, 2018, one of the subsidiaries, has reversed the balance contingent consideration of INR 577 lakhs, which was provided in the earlier years as per the terms of agreement on acquisition of a business, as it was determined to be not payable. The impact has been classified as exceptional item in the statement of consolidated results for the previous quarter/nine month period ended.
- 5 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 results of the group.
- 6 Pursuing to 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.
- 7 During 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 INR 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 on the consolidated financial statements of the company.
- 8 The Company has adopted IND AS 116: Leases from April 1, 2019. As required under the standard the Company 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 company has adopted the modified retrospective method by which the standard has been applied retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application and take the cumulative adjustment to Retained earnings and recognized the ROU assets and leased liabilities. 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 Company has recognized ROU asset and lease liability of INR 2,998 lakhs on April 1, 2019. Impact on reserve as on April 1, 2019 is INR Nil. For the current quarter, previous quarter and nine months ended the Company has recorded INR 232, INR 231 & INR 695 lakhs respectively as depreciation on ROU asset and finance cost of INR 41, INR 44 & INR 131 lakhs respectively as unwinding of interest cost. As on December 31, 2019 the Company has ROU assets of INR 2,303 and lease liability of INR 2,379 lakhs on Balance Sheet. Charge to the Statement of Profit and Loss have (decreased) / increased due to adoption of Ind AS 116 in current quarter, previous quarter and nine months ended by INR 23, INR 25 & INR 76 lakhs respectively before tax impact.
- 9 An Indian subsidiary Company of the Group has been assessed for Transfer Pricing for AY 2015-16, AY 2016-17 and AY 2017-18. The company is in dispute at various level for the upward Transfer pricing adjustments made by the authorities. Based on the external consultant's opinion and submission made by the Company in the lasted hearing, the Company is confident that the case will be decided in its favour. Accordingly the total liability of INR 982.53 lakhs has been considered as contingent liability and no provision in this regard is considered necessary.
- 10 During the quarter ended September 30, 2019, the Company 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 Company 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 7 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.



MAJESCO LIMITED
Registered Office : Mastek New Development Centre,
MBP-P-136, Mahape, Navi Mumbai - 400710
CIN No. L72300MH2013PLC244874

(All amounts in INR lakhs, unless otherwise stated)

- 11 The Company's US subsidiary Majesco 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 shall 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 stockholder. The transaction is expected to close in April 2020. Accordingly, upon the closing of the Merger, InsPro will become a direct wholly-owned subsidiary of Majesco, and a step-down subsidiary of the Company.
- 12 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 INR 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%.
- 13 Previous period's / year's figures have been regrouped and reclassified wherever necessary.

For and on behalf of the Board of Directors



Farid Kazani

Farid Kazani
Managing Director
DIN: 06914620

Place : Navi Mumbai
Date : February 10, 2020

Majesco Q3FY20 Total Revenue at Rs 269.4 crore; up 9.3% QoQ

- *Cloud Subscription Revenue at Rs 43.8 crore; up 21.0% QoQ*
- *Adjusted EBITDA at Rs 36.4 crore; up 34.7% QoQ*
- *Net Profit at Rs 30.1 crore; up 79.1% QoQ*
- *US subsidiary Majesco to acquire InsPro Technologies, a U.S. based life and annuity software provider*

Mumbai, 10th February 2020: 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 FY20** ended 31st December 2019.

Review of consolidated financial performance for the quarter ended 31st December 2019:

- The operating revenue for the quarter under review was Rs 265.1 crore, an increase of 10.6% in rupee terms and up 8.3% in constant currency from Rs 239.8 crore in Q2FY20 as well as an increase of 4.1% in rupee term from Rs 254.7 crore in Q3FY19.
- Total revenue for the quarter under review was Rs 269.4 crore, an increase of 9.3% from Rs 246.5 crore in Q2FY20 and an increase of 2.4% from Rs 263.2 crore in Q3FY19.
- The Company reported an adjusted EBITDA of Rs 36.4 crore (13.7% of operating revenue) in Q3FY20 reflecting an increase of 34.7% as compared to Rs 27.1 crore (11.3% of operating revenue) in Q2FY20 and Rs 35.4 crore (13.9% of operating revenue) in Q3FY19.
- Net profit stood at Rs 30.1 crore in Q3FY20, an increase of 79.1% from Rs 16.8 crore in Q2FY20 and an increase of 52.1% from Rs 19.8 crore in Q3FY19.
- The product research & development spends during the quarter stood at Rs 33.2 crore (12.5% of operating revenue) as compared to Rs 31.4 crore (13.1% of operating revenue) in Q2FY20 and Rs 34.5 crore (13.5% of operating revenue) in Q3FY19.

For the nine months ended 31st December 2019:

- The operating revenue was Rs 763.8 crore during the nine months period under review as compared to Rs 726.6 crore in the corresponding period of previous year reflecting an increase of 5.1% in rupee terms and 4.2% in constant currency.
- Total revenue was Rs 779.2 crore during the nine months period under review as compared to Rs 750.3 crore in the corresponding period of previous year reflecting an increase of 3.9% in rupee terms.
- The company reported an adjusted EBITDA of Rs 97.1 crore (12.7% of operating revenue) in the nine months period under review as compared to Rs 89.6 crore (12.3% of operating revenue) in the corresponding period of previous year reflecting an increase of 8.4% on YoY basis.
- Net profit stood at Rs 58.9 crore for the nine months period under review as compared to Rs 61.1 crore in the corresponding period of previous year.
- The product research & development spends was at Rs 102.6 crore (13.4% of operating revenue) during the nine months period under review as compared to Rs 100.4 crore (13.8% of operating revenue) in the corresponding period of previous year.

Operating highlights:

- **Cloud Revenue:** Total Revenue from cloud-based customers was Rs 116.0 crore (43.8% of operating revenue) for Q3FY20 as compared to Rs 92.4 crore (38.5% of operating revenue) for Q2FY20 reflecting a growth of 25.6% on QoQ basis and an increase of 9.2% as compared to Rs 106.3 crore (41.7% of operating revenue) in Q3FY19. Total cloud subscription revenue was Rs 43.8 crore (16.5% of operating revenue) for Q3FY20 as compared to Rs 36.2 crore (15.1% of operating revenue) for Q2FY20 reflecting a growth of 21.0% on QoQ basis and an increase of 39.2% as compared to Rs 31.5 crore (12.4% of operating revenue) in Q3FY19. For the nine months period under review the total cloud revenue stood at Rs. 305.2 crore (40.0% of operating revenue) reflecting a growth of 8.0% and the total cloud

subscription stood at Rs. 110.4 crore (14.5% of operating revenue) reflecting a growth of 32.1% as compared to corresponding period of previous year.

- **Product Revenue (includes License fees, cloud subscription and support & maintenance revenue):** Total Product revenue was Rs 109.8 crore (41.4% of operating revenue) for Q3FY20 as compared to Rs 99.8 crore (41.6% of operating revenue) for Q2FY20 reflecting a growth of 10.1% on QoQ basis and an increase of 22.0% as compared to Rs 90.1 crore (35.4% of operating revenue) in Q3FY19. For the nine months period under review the total product revenue stood at Rs. 320.4 crore (41.9% of operating revenue) reflecting a growth of 30.4% as compared to corresponding period of previous year.
- **12 month Order Backlog:** The 12-month executable order backlog stood at Rs 726.3 crore (\$101.7 mn) as on 31st December 2019 and in constant currency stood at Rs 716.0 crore as compared to Rs 711.3 crore (\$100.4 mn) at the end of Q2FY20 reflecting a growth of 2.1% in rupee terms on QoQ basis and Rs 608.7 crore (\$87.2 mn) at the end of Q3FY19 reflecting a growth of 19.3% on YoY basis.
- **Employees:** As on 31st December 2019, the company had a total of 2,507 employees, of which 2,045 employees were based offshore in India while the rest were at various onsite locations outside India. Employee count at the end of 30th September 2019 was at 2,574.
- **Cash & Cash Equivalents:** The total cash & cash equivalents in Consolidated Majesco Group was at Rs 359.0 crore as on 31st December 2019 as compared to Rs 391.6 crore as on 30th September 2019. This was after investing an amount of Rs. 113.1 crore for acquiring 4.7% stake in Majesco US in December 2019
- **Borrowings:** Total borrowings at Consolidated Majesco Group as on 31st December 2019 was Rs 0.6 crore as compared to Rs 0.7 crore as at 30th September 2019.
- **Clients:** The Company added 2 new clients during the quarter. Total cloud customers count as of 31st December 2019 was 63. In terms of client concentration, the top 5 constituted 21.7% of revenue and the top 10 customers constituted 36.1% of revenue for the quarter under review.
- **Update on Majesco US Subsidiary Acquisition:** The Company's US subsidiary Majesco entered into a Merger Agreement on January 30, 2020, for a merger with InsPro Technologies Corporation, a U.S. based software leader in the

life and annuity insurance market. In consideration for the Merger, Majesco shall pay the sellers US\$ 12 Million, subject to adjustments (including for cash and certain debt of InsPro), upon the closing of the transaction expected in April 2020. Accordingly, upon the closing of the Merger, InsPro will become a direct wholly-owned subsidiary of Majesco, and a step-down subsidiary of the Company.

Mr. Adam Elster, Chief Executive Officer of Majesco, said: *“Our third quarter financial results reinforce the continuing momentum of our cloud subscription product focus. Our product business now represents more than 40% of our total revenue. The number of cloud customers continues to grow with accelerating project go-lives, as our customers are benefitting from dramatically reduced project implementation timelines. These trends clearly demonstrate 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. This is the foundation for our long-term growth as we acquire, adopt and expand customers.”*

Mr. Farid Kazani, Managing Director & Group CFO, Majesco Ltd said: *“The third quarter performance reflects strong sequential growth in the operating income by 10.6% driven by good growth in the cloud revenues, up 25.6%. The increase in the Adjusted EBITDA by 34.7% to Rs 36.4 crore was due to the combination of higher cloud subscription representing 16.5% of the Q3 revenue and better operating leverage. The net cash position improved by Rs 80 crore ending the quarter with balance of Rs 359.0 crore after making an investment of Rs 113.1 crore to acquire 4.7% in Majesco US increasing the company’s stake to 74.6%. We aspire to end the year well to make a solid start to the next fiscal.”*

About Majesco

Majesco provides technology, expertise, and leadership that helps insurers modernize, innovate and connect to build the future of their business - and the future of insurance - at speed and scale. Our platforms connect people and businesses to insurance in ways that are innovative, hyper-relevant, compelling and personal. Over 190 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. Our market leading solutions include CloudInsurer™ P&C Core Suite (Policy, Billing, Claims); CloudInsurer™ L&A and Group Core Suite (Policy, Billing, Claims); Digitalist Insurance™ with Digitalist eConnect™, Digitalist EcoExchange™ and Digitalist Platform™ - a cloudnative, microservices and open API platform; Distribution Management, Data and

Analytics and an Enterprise Data Warehouse. For more details on Majesco, please visit www.majesco.com

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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, as amended by Majesco’s Quarterly Report on Form 10-Q.

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.