1 General Corporate Information

Majesco Limited 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 financial statements were approved for issue by the Board of Directors on 14 May, 2018.

2 Summary of Significant Accounting policies

2.1 Basis of preparation and presentation

(a) Statement of Compliance with Ind AS

The 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, as amended and Companies (Indian Accounting Standards) Amendment Rules, 2016. For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules,2014 (Indian GAAP). These financial statements for the year ended 31 March 2018 are the first financial statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1 April 2016. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in note no 4.

(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 2.16 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 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 noncurrent classification of assets and liabilities.

(c) Use of estimates

The preparation of 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 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 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 financial statements.

2.2 Property, plant and equipment

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed original cost and written down value.

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

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets measured as the difference between amount realized and net carrying value which are carried at cost are recognized in the Profit and Loss Statement.

Depreciation methods, estimated useful lives

Depreciation on tangible assets 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. The management estimates the useful lives for the other fixed assets 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.

The leasehold property on which the investment property at Mahape is situated is included in fixed assets and amortised over the lease period.

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. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in 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

The Company has elected to continue with the carrying value for all of its Investment property as recognized in the Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed original cost.

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 are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The leasehold property on which the investment property at Mahape is situated is included in Fixed Assets and amortised over the lease period.

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.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its all intangible assets recognised as on date of transition measured as per the Indian GAAP and use that carrying value as the deemed original cost of the intangible assets.

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 the 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

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. Such assets are disclosed as leased assets under tangible assets and are depreciated in accordance with the Company's depreciation policy described in note 2.2. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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.

(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 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.

(c) Share based payments

Stock options granted to employees of the Company and its subsidiaries (direct and indirect) 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 recognised 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

The financial statements are prepared in Indian Rupees. The Indian Rupee is the functional currency of the Company. 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, 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. 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.

2.10 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 capitalized as part of the cost of the asset. All other borrowing costs are expensed as finance cost. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.11 Revenue recognition

"The Company derives revenues primarily from information technology services. Revenue is recognized in accordance with the terms of the contracts with customers as the service is performed by the proportionate completion method and when it is reasonably certain that the ultimate collection will be made. Revenues on time and material contracts are recognized when services are rendered and related costs are incurred. Revenues on fixed price, fixed time bound contracts are recognized over the life of the contract measured by the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such contracts are made during the period in which a loss becomes probable and can be reasonably estimated. When the uncertainty, relating to the collectability arises subsequent to the rendering of the service, a separate provision is made to reflect the uncertainty and the amount of revenue originally recorded is not adjusted.

Revenues from maintenance contracts are recognized on a straight line basis over the period of the contract.

Revenues from sale of software and hardware are recognized upon delivery of products to the customer, when the significant risks and rewards of ownership are transferred to the buyer and the ultimate collection is reasonably certain."

Unbilled revenue included in 'Other current 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.

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. 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 fare value through profit and loss as on reporting date. Retained gains/losses are recognised 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 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.

(b) Deferred tax

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets in respect of unabsorbed depreciation or carry forward losses are recognized only to the extent it is probable and supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets is reviewed at each balance sheet date for any write down or reversal, as considered appropriate.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the foreseeable future. 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 foreseeable future.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amount and there is an intention to settle the asset and liability on a net basis.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets and liabilities.

2.14 Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. When no reliable estimate can be made, a disclosure is made as a contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the 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 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 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.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associate with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

2.16 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 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) 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.

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 (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.

2.19 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as permitted in Schedule III of the Act, unless otherwise stated.

3 Standards (including amendments) issued, that are effective from 1 April 2018.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On 28 March, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018. The Company has evaluated the effect of this on the financial statements and the impact is likely to be not material.

Ind AS 115- Revenue from contract with customers:

On 28 March, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.

The Company will adopt the standard on 1 April 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended 31 March 2018 will not be retrospectively adjusted. In the view of the management, the effect on adoption of Ind AS 115 is expected to be not material.

4 First-time adoption of Ind-AS

These financial statements are the first set of Ind AS financial statements prepared by the Company. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31 March 2018, together with the comparative year data as at and for the year ended 31 March 2017, as described in the significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, being the Company's date of transition to Ind AS. The principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017 are explained herein below.

4.1 Exemptions availed on first time adoption of Ind AS

Ind AS 101, First-time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.

(a) Deemed cost

Since there is no change in the functional currency, the Company has elected to continue with carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as its deemed cost at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38, Intangible Assets and investment properties. Accordingly the management has elected to measure all of its property, plant and equipment, investment properties and intangible assets at their Indian GAAP carrying value for original cost and written down value.

(b) Fair value measurement of financial assets or financial liabilities at initial recognition

In the measurement of financial instruments at fair value, Ind AS 101 provides an optional exemption for the measurement of day one gains or losses. Under the optional exemption, the criteria for recognition of gains or losses subsequent to initial recognition of a financial asset or liability need only be applied prospectively from the transition date

4.2 Mandatory exemption on first-time adoption of Ind AS

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with Indian GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Indian GAAP:

(i) Impairment of financial assets based on expected credit loss model.

(ii) Investments in mutual funds

(iii) Effective interest rate used in calculation of security deposit.

(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Derecognition of financial assets and financial liabilities

A first-time adopter should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively to transactions occurring on or after the date of transition. Therefore, if a first-time adopter derecognized non-derivative financial assets or non-derivative financial liabilities under its Indian GAAP as a result of a transaction that occurred before the date of transition, it should not recognize those financial assets and liabilities under Ind AS (unless they qualify for recognition as a result of a later transaction or event). A first-time adopter that wants to apply the derecognition requirements in Ind AS 109, Financial Instruments, retrospectively from a date of the entity's choosing may only do so, provided that the information needed to apply Ind AS 109, Financial Instruments, to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognize provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

(c) Classification and measurement of financial assets

Ind AS 101, First-time Adoption of Indian Accounting Standards, requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

5 Reconciliations

The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards:

(a) Reconciliation of equity as at date of transition 1 April 2016

	Notes to first-time adoption	Indian GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		301	-	301
Investment property		988	-	988
Financial assets				
Investments	g(ii)	14,590	677	15,267
Loans		32	-	32
Other assets		-	-	-
Deferred tax asset (net)	g(v)	240	(2)	238
Other non-current assets		5	-	5
Total non-current assets		**16,156**	**675**	**16,831**
Current assets				
Financial assets				
Investments	g(iii)	1,031	2	1,033
Trade receivables		431	-	431
Cash and cash equivalents		49	-	49
Bank balances other than cash and cash equivalents		7,400	-	7,400
Other assets		1,010	-	1,010
Current tax assets (net)		120	-	120
Other current assets		196	-	196

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes to first-time adoption	Indian GAAP*	Adjustments	Ind AS
Total current assets		10,237	2	10,239
Total assets		**26,393**	**677**	**27,070**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,153	-	1,153
Other equity	d	24,164	682	24,846
Total equity		**25,317**	**682**	**25,999**
Liabilities				
Non-current liabilities				
Financial liabilities				
Other financial liabilities	g(i)	420	(122)	298
Provisions		51	-	51
Other non-current liabilities	g(i)	-	89	89
Total non-current liabilities		**471**	**(33)**	**438**
Current liabilities				
Financial liabilities				
Trade payables		47	-	47
Other financial liabilities		456	-	456
Other current liabilities	g(i)	86	28	114
Provisions		16	-	16
Total current liabilities		**605**	**28**	**633**
Total liabilities		**1,076**	**(5)**	**1,071**
Total equity and liabilities		**26,393**	**677**	**27,070**

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(b) Reconciliation of equity as at 31 March 2017

	Notes to first-time adoption	Indian GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		374	-	374
Capital work-in-progress		173	-	173
Investment property		1,004	-	1,004
Financial assets				
Investments	g(ii)	14,590	1,362	15,952
Loans		32	-	32

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes to first-time adoption	Indian GAAP*	Adjustments	Ind AS
Deferred tax asset (net)	g(v)	292	(16)	276
Other non-current assets		125	-	125
Total non-current assets		**16,590**	**1,346**	**17,936**
Current assets				
Financial assets				
Investments	g(iii)	1,365	43	1,408
Trade receivables		378	-	378
Cash and cash equivalents		5	-	5
Bank balances other than cash and cash equivalents		7,840	-	7,840
Other financial assets		695	-	695
Current tax assets (net)		450	-	450
Other current assets		169	-	169
Total current assets		**10,902**	**43**	**10,945**
Total assets		**27,492**	**1,389**	**28,881**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,168	-	1,168
Other equity	d	24,760	1,395	26,155
Total equity		**25,928**	**1,395**	**27,323**
Liabilities				
Non-current liabilities				
Financial liabilities				
Other financial liabilities	g(i)	500	(95)	405
Provisions		49	-	49
Other non-current liabilities	g(i)	-	61	61
Total non-current liabilities		**549**	**(34)**	**515**
Current liabilities				
Financial liabilities				
Trade payables		60	-	60
Other financial liabilities		787	-	787
Other current liabilities		151	28	179
Provisions		17	-	17
Total current liabilities		**1,015**	**28**	**1,043**
Total liabilities		**1,564**	**(6)**	**1,558**
Total equity and liabilities		**27,492**	**1,389**	**28,881**

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(All amounts in ₹ Lakhs, unless otherwise stated)

(c) Reconciliation of profit or loss for the year ended 31 March 2017

	Notes to first-time adoption	Indian GAAP*	Adjustments	Ind AS
Income				
Revenue from operations		1,560	-	1,560
Other income	g(i,iii)	1,502	69	1,571
Total income		**3,062**	**69**	**3,131**
Expenses				
Employee benefit expense	g(ii,iv)	1,238	145	1,383
Finance costs	g(i)	56	28	84
Depreciation and amortization expense		81	-	81
Other expenses		1,270	-	1,270
Total expenses		**2,645**	**173**	**2,818**
Profit before exceptional items and tax		**417**	**(104)**	**313**
Exceptional items - expense / (income)		225	-	225
Profit before tax		**192**	**(104)**	**88**
Income tax expense				
Current tax	g(v)	7	(9)	(2)
Deferred tax	g(v)	(52)	14	(38)
Total income tax expense		**(45)**	**5**	**(40)**
Profit for the year		**237**	**(109)**	**128**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurement gains on gratuity plan	g(iv)	-	27	27
Tax on remeasurement gains on gratuity plan	g(iv)	-	(9)	(9)
Total other comprehensive income for the year		**-**	**18**	**18**
Total comprehensive income for the year		**237**	**(91)**	**146**

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(d) Reconciliation of total equity as at 31 March 2017 and 1 April 2016

	As at 31 March 2017	As at 1 April 2016
Shareholder's equity as per previous GAAP	25,928	25,317
Adjustments		
(i) Income recognised on fair valuation of security deposits	6	5
(ii) Fair valuation of investments	43	2
(iii) Fair valuation of options granted to employees of subsidiaries	1,362	677
(iv) Tax impact	(16)	(2)
Total adjustments	**1,395**	**682**
Shareholder's equity as per Ind AS	**27,323**	**25,999**

(All amounts in ₹ Lakhs, unless otherwise stated)

(e) Reconciliation of total comprehensive income for the year ended 31 March 2017

	Notes to first-time adoption	As at 31 March 2017
Profit as per previous GAAP		237
Adjustments		
Expense on employee stock options	g(ii)	(118)
Income on fair valuation of current investment	g(iii)	27
Total		**(91)**
Profit as per Ind AS		**146**

(f) Impact of Ind AS adoption on cash flow statements for the year ended 31 March 2017

	Indian GAAP* after regrouping	Adjustments	Ind AS
Net cash flow from operating activities	(720)	-	(720)
Net cash flow from investing activities	412	-	412
Net cash flow from financing activities	264	-	264
Net decrease in cash and cash equivalents	(44)	-	(44)
Cash and cash equivalents as at 1 April 2016	49	-	49
Cash and cash equivalents as at 31 March 2017	**5**	**-**	**5**

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(g) Notes to first-time adoption

(i) Security deposit

Under the previous GAAP, interest-free security deposit (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial liabilities are required to be recognized at fair value. Accordingly the Company has fair valued the security deposit received. Difference between the fair value and transaction value of the security deposit has been recognized as non current deferred lease liability. The profit for the year ended 31 March 2017 and retained earnings as on 1 April 2016 has been increased by 28 and 25, respectively due to accrual of rental income. Accrual of rental income in statement profit or loss is off set by the notional interest expense of 27 during the year ended 31 March 2017 and in retained earnings by 20 as on 1 April 2016 with corresponding decrease in non-current financial liabilities. Consequently the amount of security deposit as on 31 March 2017 has decreased by 93 (1 April 2016:121) and deferred lease liability as on 31 March 2017 has increased by 89 (1 April 2016 : 117). The tax impact on the transaction during the financial year ended 31 March 2017 is charge of 1 (1 April 2016 : 1).

(ii) Employee stock option plan (ESOP)

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 Limited (Refer note 48) 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. 1 April 2016, the Company did a fair valuation of all the unvested options as on that date and debited Retained earnings by 214 and 30 on account of options relating to employees of Mastek limited and the Company respectively with a credit to the employee stock option outstanding account. The fair value of the unvested options relating to the employees of its subsidiaries and step down subsidiaries amounting to 677 was debited to Investment in subsidiary account with the corresponding credit to the Employee stock options outstanding account.

(All amounts in ₹ Lakhs, unless otherwise stated)

For the year ended 31 March 2017, the fair value of the options both vested and unvested granted to the employees of the Company, amounting to 118 was charged to the employee benefit expense with a corresponding credit to Employee stock options outstanding account.

For the year ended 31 March 2017, the fair value of the options both vested and unvested granted to the employees of its subsidiaries and indirect subsidiaries amounting to 685 was debited to the Investment in subsidiary account with the corresponding credit to Employee stock options outstanding account.

(iii) Gain/(loss) net recognized on mutual funds

Under the previous GAAP the Investments in mutual funds were carried at cost or market value whichever was lower. Under Ind AS the Company has considered the investments at market value and recognised other income of 41 for the year ended 31 March 2017 with corresponding increase in financial assets investments. As on 1 April 2016, gain of 2 was recognised in retained earnings. The tax impact of the transaction during the year is charge of 13.

(iv) Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost for the year ended 31 March 2017 is reduced by 18 and re-measurement gains/ losses on defined benefit plans of the corresponding amount has been recognized in the OCI, net of taxes.

(v) Deferred tax

Indian GAAP requires assessment of virtual certainty in case of losses for recognizing deferred tax asset, but under Ind AS deferred tax assets are recognized for all deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. The deferred tax impact arising from the above adjustments have been carried out.

(vi) Other comprehensive income

The concept of Other Comprehensive Income (OCI) did not exist under Indian GAAP.

(vii) Statement of cash flows

No material impact on transition from Indian GAAP to Ind AS on the statement of cash flows.

(viii) Designation and carrying amount of a previously recognized financial asset

Designation of a previously recognized financial asset as a financial asset and financial liabilities measured at fair value through profit or loss as at 1 April 2016 and disclosure of its fair value at the date of designation and their classification and carrying amounts in the previous financial statements.

Designation in Ind AS financial statements	Carrying value in previous GAAP	Fair value in Ind AS
Financial assets- investments		
Current		
Current investments	1,031	1,033
Total	**1,031**	**1,033**

(All amounts in ₹ Lakhs, unless otherwise stated)

6 Property, plant and equipment

	Gross Block				Depreciation				Net Block	
	As at 1 April 2017	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
A) Owned assets										
Buildings	123	-	(6)	117	39	4	-	43	74	84
Computers	47	48	-	95	46	9	(1)	54	41	1
Plant and equipment	78	37	(16)	99	47	11	(16)	42	57	31
Furniture and fixtures	879	34	-	913	838	12	-	850	63	41
Vehicles	99	-	-	99	38	20	-	58	41	61
Office equipment	10	42	-	52	1	5	-	6	46	9
Total (A)	**1,236**	**161**	**(22)**	**1,375**	**1,009**	**61**	**(17)**	**1,053**	**322**	**227**
B) Leased assets										
Leasehold land	170	-	-	170	23	2	-	25	145	147
Total (B)	**170**	**-**	**-**	**170**	**23**	**2**	**-**	**25**	**145**	**147**
Total (A + B)	**1,406**	**161**	**(22)**	**1,545**	**1,032**	**63**	**(17)**	**1,078**	**467**	**374**

	Gross Block				Depreciation				Net Block	
	As at 1 April 2016	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2017	As at 1 April 2016	For the year	Deductions/ Adjustments	As at 31 March 2017	As at 31 March 2017	As at 1 April 2016
A) Owned assets										
Buildings	117	6	-	123	35	4	-	39	84	82
Computers	46	1	-	47	45	1	-	46	1	1
Plant and equipment	68	38	(28)	78	68	7	(28)	47	31	-
Furniture and fixtures	1,020	49	(190)	879	1,020	8	(190)	838	41	-
Vehicles	87	12	-	99	18	20	-	38	61	69
Office equipment	51	10	(51)	10	51	1	(51)	1	9	-
Total (A)	**1,389**	**116**	**(269)**	**1,236**	**1,237**	**41**	**(269)**	**1,009**	**227**	**152**
B) Leased assets										
Leasehold land	170	-	-	170	21	2	-	23	147	149
Total (B)	**170**	**-**	**-**	**170**	**21**	**2**	**-**	**23**	**147**	**149**
Total (A + B)	**1,559**	**116**	**(269)**	**1,406**	**1,258**	**43**	**(269)**	**1,032**	**374**	**301**

Note:

6.1 Considering the fact that substantial portion of the building has been let out for longer period of time, the portion of the building let out 90% approximately has been reclassified as investment property.

6.2 The lease hold land at Mahape and building there on has been transferred pursuant to the scheme of arrangement, is pending to be registered in the name of Majesco Limited as at 31 March 2018.

(All amounts in ₹ Lakhs, unless otherwise stated)

7 Investment property

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Gross Block			
Opening	**1,471**	1,417	-
Add : Addition during the year	**262**	54	-
Less : Deductions / adjustments	**(644)**	-	-
Closing	**1,089**	1,471	1,417
Less : Accumulated depreciation			
Opening	**467**	429	**-**
Add : Depreciation for the year	**42**	38	-
Less : Deductions / adjustments	**(170)**	-	-
Closing	**339**	467	429
Net block	**750**	1,004	988

Information regarding income and expenditure of investment property

	As at 31 March 2018	As at 31 March 2017
Rental income derived from investment properties	**905**	868
Operating expenses generating rental income	**62**	63
Profit arising from investment properties before depreciation and indirect expenses	**843**	805
Less – Depreciation	**42**	38
Profit arising from investment properties before indirect expenses	**801**	767

(a) The Company had two investment properties, one at Mahape and other at Pune at the beginning of financial year 2017-18. The Pune property has been sold off during the financial year and recognised gain of 1,063 as an exceptional item (Refer note 35).

(b) The Mahape property has been given on rent to one of its step down subsidiary company, Majesco Software and Solutions India Private Ltd based on a rental agreement to the extent of 90% approximately. MIDC transfer and registration in Company's name is pending as on 31 March 2018. This portion of the building rented out is treated as investment property and the value of the leasehold land on which the building is constructed is continued in fixed assets. Any sale or lease of this property will require approval of MIDC. During the year ended 31 March 2018 and 31 March 2017, the Company has earned rental income of 870 and 868 respectively from the property. (Refer note 40 (c)(i))

(c) The fair value of the whole Mahape property and leasehold land as on 31 March 2018 is 10,377 as certified by an independent valuer.

8 Intangible assets

	Gross Block				Depreciation				Net Block	
	As at 1 April 2017	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Computer software	0	40	-	40	0	5	-	5	35	0
Total	**0**	**40**	**-**	**40**	**0**	**5**	**-**	**5**	**35**	**0**

	Gross Block				Depreciation				Net Block	
	As at 1 April 2016	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2017	As at 1 April 2016	For the year	Deductions/ Adjustments	As at 31 March 2017	As at 31 March 2017	As at 1 April 2016
Computer software	-	0	-	0	-	0	-	0	0	-
Total	**-**	**0**	**-**	**0**	**-**	**0**	**-**	**0**	**0**	**-**

(All amounts in ₹ Lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
9	**Financial assets non-current - investments**			
A	**Investment in subsidiary - quoted**			
	Investments measured at cost			
	In equity shares - fully paid-up			
	Majesco			
	2,55,30,125 (31 March 2017: 2,55,30,125, 1 April 2016: 2,55,30,125) equity shares of US$0.002 each (Transfer pursuant to the scheme of arrangement - Refer notes 48 and 39)	**16,403**	15,952	15,267
	The above includes fair value of options granted to employees of the subsidiaries and stepdown subsidiaries 1,813 (1,362 as at 31 March 2017 and 677 as at 1 April 2016)			
B	**Other investments unquoted**			
	Investments measured at cost			
	500 nos, (face value ₹ 10,000/-) Secured non convertible redeemable REC Capital Gains exemptions bonds	**50**	-	-
	Total	**16,453**	15,952	15,267
	Aggregate book value of:			
	Quoted investments	**16,403**	15,952	15,267
	Aggregate market value of:			
	Quoted investments	**84,195**	85,430	103,012
10	**Non-current financial assets - loans**			
	Unsecured, considered good			
	Security deposits	**32**	32	32
	Total	**32**	32	32
11	**Income tax assets net**			
	Advance income tax, net of provision for tax	**559**	124	4
	Total	**559**	124	4
12	**Other non-current assets**			
	Prepaid expenses	**-**	1	1
	Total	**-**	1	1

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
13 Financial assets current - investments			
At fair value through profit and loss (fully paid)			
Investments in mutual funds (Quoted) (Refer Note 13.1)			
Kotak Floater Short Term Fund - Growth	1,002	-	211
Franklin Templeton India TMA - Super IP - Growth	-	-	211
Birla Sun Life Cash Plus Fund - Growth	-	-	210
HDFC Liquid Fund - Growth	-	-	201
Principal Cash Management Fund - Growth	-	220	200
ICICI Prudential Savings Fund Reg Growth	-	274	-
Franklin India Ultra Short Bond Fund - Super IP - Growth	-	234	-
Kotak Treasury Advantage Fund - Reg - Growth	-	230	-
Indiabulls Liquid Fund – Growth	2,503	225	-
DHFL Pramerica Ultra Short-Term Fund - Growth	-	225	-
Reliance Quarterly Interval Fund - Growth	3,062	-	-
UTI Money Market - IP - Growth	3,032	-	-
L&T Liquid Fund – Growth	2,553	-	-
SBI Magnum Insta Cash Fund - Liquid Floater - Growth	2,514	-	-
ICICI Prudential Money Market Fund - Regular - Growth	2,504	-	-
DHFL Pramerica Liquid Fund - Growth	2,503	-	-
HSBC Cash Fund - Growth	1,001	-	-
Aditya Birla Sun Life Savings Fund - Reg - Growth	614	-	-
ICICI Prudential Flexible Income Plan - Reg - Growth	614	-	-
HDFC F R I F - STF - WP - Growth	614	-	-
LIC MF Liquid Fund – Growth	50	-	-
Franklin India Short Term Income Plan- Retail Plan*	2,091	-	-
Franklin India Low Duration Fund -Growth*	2,077	-	-
Kotak Low Duration Fund – Std –Growth*	2,075	-	-
UTI Income Opportunities Fund -Growth*	2,071	-	-
Total	**30,880**	**1,408**	**1,033**

* These investments costing 8,000 and fair value 8,314 as at 31 March 2018 are under lien with HSBC Bank for stand by documentary credit (SBDC) of US$ 10 million given by HSBC Bank, for the term loan availed by Majesco, USA, subsidiary of the Company.

13.1. Details of investments in Mutual Funds (Quoted) designated at FVTPL:

	Face Value (in ₹)	Number of units		
		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Kotak Floater Short Term Fund - Growth	1,000	35,211	-	8,500
Franklin Templeton India TMA - Super IP - Growth	1,000	-	-	9,301
Birla Sun Life Cash Plus Fund - Growth	100	-	-	86,584
HDFC Liquid Fund - Growth	1,000	-	-	6,742
Principal Cash Management Fund - Growth	1,000	-	13,950	13,612
ICICI Prudential Savings Fund Reg Growth	100	-	111,827	-

(All amounts in ₹ Lakhs, unless otherwise stated)

		Number of units		
	Face Value (in ₹)	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Franklin India Ultra Short Bond Fund - Super IP - Growth	10	-	1,050,403	-
Kotak Treasury Advantage Fund - Reg - Growth	10	-	883,288	-
Indiabulls Liquid Fund – Growth	1,000	**148,154**	14,239	-
DHFL Pramerica Ultra Short-Term Fund - Growth	10	-	1,138,077	-
Reliance quarterly Interval Fund - Growth	10	**12,826,707**	-	-
UTI Money Market - IP - Growth	10	**14,330,480**	-	-
L&T Liquid Fund - Regular – Growth	1,000	**107,456**	-	-
SBI Magnum Insta Cash Fund - Liquid Floater - Regular Plan - Growth	1,000	**87,075**	-	-
ICICI Prudential Money Market Fund - Growth	100	**1,045,432**	-	-
DHFL Pramerica InstaCash Fund Plus - Growth	100	**1,112,678**	-	-
UTI Income Opportunities Fund -Growth	10	**13,066,435**	-	-
HSBC Cash Fund - Growth	1,000	**58,002**	-	-
Aditya Birla Sun Life Savings Fund - Growth	100	**179,576**	-	-
ICICI Prudential Flexible Income - Growth	100	**184,175**	-	-
HDFC F R I F - STF - WP - Growth	10	**2,028,624**	-	-
LIC MF Liquid Fund - Regular Plan – Growth	1,000	**1,603**	-	-
Franklin India Short Term Income Plan- Retail Plan	1,000	**56,967**	-	-
Franklin India Low Duration Fund -Growth	10	**10,400,968**	-	-
Kotak Low Duration Fund – Std –Growth	1,000	**97,754**	-	-

14 Trade receivable

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured (Refer below note)			
Considered good	**443**	378	
Considered doubtful	**13**	88	
Less : Allowance for bad and doubtful debts	**(13)**	(88)	
Total	**443**	**378**	**431**

Note: Credit risk is perceived only 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:

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Receivables overdue for more than 180 days	**13**	88	
Total Receivables	**456**	466	
Overdue for more than 180 days as a % of total receivables	**2.85%**	18.88%	
Amount provided against receivables overdue for more than 180 days	**13**	**88**	**38**
Movement in expected credit loss allowance :			
Opening balance	**88**	38	
Movement in expected credit loss allowance (Refer note 34)	**(75)**	50	
Closing balance	**13**	**88**	**38**

(All amounts in ₹ Lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
15	**Cash and cash equivalents**			
	Cash and cash equivalents consists of the following:			
	Balances with banks			
	Current accounts	**10**	5	49
	Interim dividend account	**3**	-	-
	Cash on hand	**-**	-	-
	Total	**13**	**5**	**49**
16	**Bank balances other than cash and cash equivalents**			
	In fixed deposit with banks having maturity for more than 3 months but less than 12 months (Refer note 16.1)	**3,001**	7,840	7,400
	Total	**3,001**	**7,840**	**7,400**

16.1 As at 31 March 2018, 31 March 2017 and 1 April 2016 fixed deposits of Nil, 7,340 and 5,000 respectively with HSBC Bank were under lien for stand by documentary credit (SBDC) of US$ 10 million given by HSBC Bank, for the term loan availed by Majesco, USA, subsidiary of the Company

As at 31 March 2018, 31 March 2017 and 1 April 2016 fixed deposits of Nil, 500 and 2400 respectively was made with Yes Bank for PCFC facility availed by Majesco Software and Solutions India Private Limited, step down subsidiary of the Company. As at 31 March 2018, fixed deposits of 500 (Previous Year Nil) 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.

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
17	**Current financial assets - others**			
	Reimbursable expenses receivables	**-**	440	639
	Margin money deposit	**-**	2	22
	Unbilled revenue considered good	**301**	217	211
	Interest accrued on fixed deposits	**36**	36	138
	Total	**337**	**695**	**1010**

17.1 As at 31 March 2018 - Nil, 31 March 2017 - Fixed Deposit of 2 was held as security for bank guarantee of 2 given to Maharashtra Pollution Control Board, 1 April 2016 - 22 was held as security for bank guarantee of which 20 given to Life Insurance Corporation of India in lieu of earnest money deposit.

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
18	**Income tax assets**			
	Advance income tax (net)	**13**	450	120
	Total	**13**	**450**	**120**
19	**Other current assets**			
	Gratuity fund - excess of fund balance over obligation (Refer note 38)	**18**	13	2
	Advances to suppliers	**28**	30	33
	Advances to employees	**1**	2	2
	Prepaid expenses	**36**	28	60
	Balance with statutory authorities	**73**	21	24
	Other advances (Refer below note)	**248**	75	75
	Total	**404**	**169**	**196**

Note: Share of stamp duty 248, (31 March 2017 - 75 and 1 April 2016 - 75), against demand on Mastek Limited by the office of the Superintendent of Stamps, Gandhinagar, for implementation of the demerger scheme, paid under protest.

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
20 Equity share capital			
The Company has only one class of equity share capital having a par value of ₹ 5/- each			
Authorized			
50,000,000 (31 March 2017: 30,000,000, 1 April 2016: 30,000,000) Equity Shares of ₹ 5/- each	**2,500**	1,500	1,500
Total	**2,500**	**1,500**	**1,500**
Issued, subscribed and paid up			
28,122,396 (31 March 2017: 23,363,035, 1 April 2016: 23,052,401) equity shares of ₹ 5/- each fully paid	**1,406**	1,168	1,153
Total	**1,406**	**1,168**	**1,153**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2018		31 March 2017		1 April 2016	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	23,363,035	1,168	23,052,401	1,153	-	-
Add : Shares issued on exercise of options	315,512	16	310,634	15	-	-
Add : Shares issued under QIP (Refer note (b) below)	4,443,849	222	-	-	-	-
Outstanding at the end of the year	**28,122,396**	**1,406**	**23,363,035**	**1,168**	**23,052,401**	**1,153**

(b) During the year, Company has issued 44,43,849 Equity shares of ₹ 5/- each for cash pursuant to qualified institutional placement (QIP) for inorganic growth, including through overseas subsidiaries and step down subsidiaries, investment in subsidiaries, repayment and prepayment debt, working capital and other corporate purpose, as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations at ₹ 520 per share aggregating to 22,527 including share premium, less issue expenses. This issue was fully subscribed and allotment was completed on 1 February 2018. As at 31 March 2018 the funds remain unutilized for the purpose received and has been temporarily invested in fixed deposit with banks and in mutual funds.

(c) 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. Dividend if any declared is payable in Indian Rupees. The special dividend declared by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Ashank Desai	3,099,552	11.02%	3,099,552	13.27%	3,099,552	13.45%
Sudhakar Venkatraman Ram	2,081,763	7.40%	2,634,763	11.28%	2,791,680	12.11%
Ketan Mehta	2,619,100	9.31%	2,519,100	10.78%	2,519,100	10.93%
Radhakrishnan Sundar	-		1,390,161	5.95%	1,445,800	6.27%
DSP Blackrock Micro	-		1,307,989	5.60%	-	
Total	**7,800,415**	**27.73%**	**10,951,565**	**46.88%**	**9,856,132**	**42.76%**

(All amounts in ₹ Lakhs, unless otherwise stated)

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company since its incorporation.

(f) Shares reserved for issue under options (Refer Note 39 (a))	2,252,012	2,398,300	3,072,633

(g) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(h) 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.

21 Other equity

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(A) Employee stock options outstanding account			
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.			
Opening balance	**1,667**	1,055	-
Add: Employee stock compensation expenses	**144**	119	-
Add: Fair value of employee stock options given to employees of subsidiaries	**450**	711	-
Less: Transferred to securities premium on exercise of stock options	**(242)**	(92)	-
Less: Transferred to retained earnings on cancellation of vested/ unvested options	**(131)**	(126)	-
Closing balance	**1,888**	**1,667**	**1,055**
(B) Securities premium reserve			
Amounts received (on issue of shares) in excess of the par value has been classified as securities premium.			
Opening balance	**680**	255	-
Add : Addition on account of issue of shares on exercise of options under ESOP	**368**	333	-
Add : Addition on account of issue of shares under QIP (net of issue expenses 581)	**22,305**	-	-
Add : Transferred from employee stock options outstanding account on exercise of options	**242**	92	-
Closing balance	**23,595**	**680**	**255**

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(C) General reserve			
This represents appropriation of profit by the Company.			
Opening balance	**2,806**	2,806	**-**
Closing balance	**2,806**	**2,806**	**2,806**

(All amounts in ₹ Lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(D)	**Retained earnings**			
	Retained earning comprise of the Company's prior years' undistributed earnings after taxes.			
	Opening balance	**21,002**	20,730	-
	Add: Net profit for the current year	**1,435**	128	-
	Add : Remeasurement gains on gratuity plan	**10**	18	-
	Add: Transferred from Employee stock options outstanding account on cancellation of vested/unvested options	**131**	126	-
	Less: Special dividend including tax	**(283)**	-	-
	Closing balance	**22,295**	**21,002**	**20,730**
	Total	**50,584**	**26,155**	**24,845**
22	**Other non-current financial liabilities**			
	Security deposits (Refer note 40 (D) (iv))	**354**	405	298
	Total	**354**	**405**	**298**
23	**Non-current provisions**			
	Provision for employee benefits (Refer note 38(c))			
	Provision for leave encashment (unfunded)	**52**	49	51
	Total	**52**	**49**	**51**
24	**Other non-current liabilities**			
	Deferred lease liability (Refer note 40 (D) (iv))	**33**	61	89
	Total	**33**	**61**	**89**
25	**Trade payables**			
	Total outstanding dues of micro enterprises and small enterprises	**-**	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	**104**	60	47
	Total (I)	**104**	**60**	**47**

25.1 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.

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
26	**Other financial liabilities**			
	Capital creditors	**46**	-	5
	Accrued expenses	**448**	570	132
	Employee payables	**96**	97	103
	Credit balances in bank accounts	**-**	13	135
	Unpaid dividend	**3**	-	-
	Other payables	**114**	107	81
	Total (II)	**707**	**787**	**456**
	Total financial liability (I+II)	**811**	**847**	**503**

(All amounts in ₹ Lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
27	**Other current liabilities**			
	Unearned revenue	**26**	45	32
	Deferred lease liability (Refer note 40 (D) (iv))	**28**	28	28
	Statutory dues payable	**112**	106	54
	Total	**166**	**179**	**114**
28	**Current provisions**			
	Provision for leave encashment (unfunded) (Refer note 38)	**16**	17	17
	Total	**16**	**17**	**17**

		Year ended 31 March 2018	Year ended 31 March 2017
29	**Revenue from operations**		
	Information technology services	**1,999**	1,527
	Reimbursement of expenses from customers	**-**	33
	Total	**1,999**	**1,560**
30	**Other income**		
	Rental income	**905**	868
	Interest income - on fixed deposits	**255**	539
	Income from sale of investments (mutual funds)	**207**	51
	Fair valuation adjustments of investments (mutual funds)	**442**	41
	Guarantee commission (Refer note 40 (C) (iii))	**31**	70
	Miscellaneous income	**18**	2
	Total	**1,858**	**1,571**
31	**Employee benefits expense**		
	Salaries, wages, bonus and other allowances	**1,252**	1,160
	Contribution to provident fund, ESI and other funds (Refer note 38)	**64**	56
	Gratuity Expenses	**13**	16
	Compensated absences expense	**12**	11
	Employee stock option scheme compensation (Refer note 39)	**144**	119
	Staff welfare expenses	**29**	21
	Total	**1,514**	**1,383**
32	**Finance costs**		
	Interest on borrowings	**-**	56
	Other finance charges	**28**	28
	Total	**28**	**84**
33	**Depreciation and amortization expense**		
	Depreciation on plant, property and equipment (Refer note 6)	**63**	43
	Depreciation on investment property (Refer note 7)	**42**	38
	Amortization on other intangible assets (Refer note 8)	**5**	-
	Total	**110**	**81**

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended 31 March 2018	Year ended 31 March 2017
34	**Other expenses**		
	Travelling and conveyance	**51**	68
	Consultancy and sub-contracting charges (Refer note 40 (C) (ii))	**740**	568
	Professional fees (Refer (a) below)	**115**	242
	Hardware and software expenses	**-**	36
	Provision/(reversal) for doubtful debts, net (Refer note 14)	**(75)**	50
	Bad debts written off	**45**	-
	Repairs and maintenance		
	Buildings	**36**	91
	Others	**94**	73
	Advertisement and publicity	**9**	15
	Communication charges	**10**	9
	Recruitment and training expenses	**3**	1
	Rates and taxes	**61**	40
	Insurance	**15**	18
	Electricity	**24**	20
	Membership and subscription	**1**	6
	Hire Charges	**4**	8
	CSR expenditure / Donations	**7**	8
	Stock exchange listing fees	**9**	10
	Loss on foreign currency transactions and translation (net)	**-**	2
	Miscellaneous expenses	**24**	5
	Total	**1,173**	**1,270**
	Professional fees include payment to auditors (excluding GST) :		
	(a) As auditor :		
	Statutory audit	**9**	8
	Limited review	**6**	6
	Audit of Consolidated financial statements	**6**	6
	Other matters - certification fees	**1**	1
	Reimbursement of expenses	**-**	1
	Total	**22**	**22**
	(b) Other expenses shown above are net of reimbursable expenses recovered from subsidiaries under appropriate line items		
35	**Exceptional items**		
	(Profit) on sale of investment properties	**(1,063)**	-
	Demerger expenses - rates and taxes	**10**	225
	Total	**(1,053)**	**225**

(a) During the year the Company has made a profit on sale of investment property of 1,063. The Company vide a deed of assignment dated 1 August 2017 sold all of its rights, title and interest in relation to the property located at Pune, Maharashtra in favour of buyer for a net consideration of 1,559. The said transaction was completed on 1 August, 2017.

(b) During the previous periods the Company had provided 225 on account of stamp duty arising from demerger. The balance amount was paid in the current year under protest and delayed payment cost of another 10 has been provided.

(All amounts in ₹ Lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
36	**Income Tax**			
(a)	**Deferred tax relates to the following:**			
	Deferred tax assets			
	On property, plant and equipment	**87**	128	131
	On provision for employee benefits	**19**	22	22
	On disallowance u/s 35DD of Income Tax Act, 1961	**63**	113	75
	On provision for doubtful debts	**4**	29	12
		173	**292**	**240**
	Deferred tax liabilities			
	On re-measurements gain/(losses) on current investment	**137**	14	1
	On others	**1**	2	1
		138	**16**	**2**
	Deferred tax income	35	276	238
	Deferred tax asset, net	**35**	**276**	**238**
(b)	**Reconciliation of deferred tax assets/ (liabilities) (net):**			
	Opening balance	**276**	238	-
	Tax (liability)/asset recognized in Statement of Profit and Loss	**(238)**	38	-
	Tax liability recognized in OCI :			
	On re-measurements gain/(losses) of post-employment benefit obligations	**(3)**	-	-
	Closing balance	**35**	**276**	**238**

		As at 31 March 2018	As at 31 March 2017
(c)	**Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss**		
	Tax liability	**(238)**	-
	Tax asset	**-**	38
	Total	**(238)**	**38**
(d)	**Income tax expense**		
	- Current tax	**412**	(2)
	- Deferred tax charge / (income)	**238**	(38)
	Total	**650**	**(40)**

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
(e) Reconciliation of tax charge		
Profit before tax	**2,085**	88
Income tax expense on the same at tax rates applicable	**602**	29
Tax effects of:		
Impact of lower effective tax rates on rental income	**(70)**	(81)
Impact of different tax rates on capital gain	**(134)**	-
MAT credit not recognised	**242**	-
Impact of deferred tax created at a different rate	**22**	-
Expenses disallowed	**(28)**	43
Short term capital gain setoff against carry forward capital losses	**(11)**	(17)
ESOP expenses not considered for income tax	**40**	39
Prior year tax credits	**(13)**	(53)
Income tax expense	**650**	**(40)**

37 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

	As at 31 March 2018	As at 31 March 2017
The components of basic and diluted earnings per share for total operations are as follows:		
(a) Net profit attributable to equity shareholders	**1,435**	128
(b) Weighted average number of outstanding equity shares considered for basic EPS	**24,230,766**	23,238,779
Add : Effect of dilutive potential equity shares arising from outstanding employee stock options	**1,291,023**	1,443,488
Considered for diluted EPS	**25,521,789**	24,682,267
(c) Earnings per share (Face value per share ₹ 5/- each(Previous year ₹ 5/- each)		
Basic earnings per share (₹)	**5.92**	0.55
Diluted earnings per share (₹)	**5.62**	0.52

* 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.

	As at 31 March 2018	As at 31 March 2017
38 Employee benefits		
(A) Defined contribution plans		
During the year, the company has recognized the following amounts in the Statement of Profit and Loss (Refer note 31)		
Contribution to provident fund	**44**	48
Contribution to superannuation fund	**11**	7
Contribution to national pension scheme	**8**	-
Contribution to employees' deposit linked insurance	**1**	1
Total	**64**	**56**

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
(B) Defined benefit plans - Gratuity		

Liability for employee defined benefits plan has been determined by an Actuary, appointed for the purpose, in conformity with the principle set out in the Indian Accounting Standard -19 the details of which are as under. The liability is fully funded through and approved trust with Life Insurance Corporation of India.

	As at 31 March 2018	As at 31 March 2017
i) Actuarial assumptions		
Discount rate (per annum)	**7.75%**	7.45%
Rate of increase in salary	**7.00%**	7.00%
Expected average remaining working lives of employees (years)	**26.96**	27.44
Attrition rate (across various age groups)	**0 - 22%**	5-15%
Expected rate of return on plan assets	**7.50%**	7.50%
ii) Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	**96**	111
Current service cost	**15**	17
Past service cost	**-**	-
Interest on defined benefit obligation	**7**	8
Actuarial (gain)/ loss on obligations	**(13)**	(28)
Benefits paid	**-**	(12)
Present value of obligation at the end of the year	**105**	**96**
iii) Change in fair value of assets		
Fair value of plan assets - opening	**109**	113
Expected return on plan assets	**8**	9
Remeasurement due to; actual return on planned assets less interest on planned assets	**1**	(1)
Employer's contribution	**6**	-
Benefits paid	**-**	(12)
Fair value of plan assets - closing	**124**	**109**

	Year ended 31 March 2018	Year ended 31 March 2017
iv) Expense recognized as Employee benefits expense in the Statement of Profit and Loss		
Current service cost	**15**	17
Past service cost	**-**	-
Administrative expense	**-**	-
Interest on net defined benefit liability / (asset)	**(2)**	(1)
(Gains) / losses on settlement	**-**	-
Total	**13**	**16**
v) Expense / (income) recognized as OCI in the Statement of Profit and Loss		
Remeasurements during the year due to:		
Changes in financial assumptions	**(3)**	(14)
Changes in demographic assumptions	**(1)**	-
Experience adjustments	**(9)**	(14)
Actual return on plan assets less interest on plan assets	**(1)**	1
Adjustment to recognize the effect of asset ceiling	**1**	-
Total	**(13)**	**(27)**

(All amounts in ₹ Lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
vi)	**Assets and liabilities recognized in the Balance Sheet:**			
	Present value of funded defined benefit obligation - opening	**105**	96	111
	Fair value of plan assets	**(123)**	(109)	(113)
	Net liability/ (asset) recognized in Balance Sheet	**(18)**	(13)	(2)
	Included in other current assets (Refer note 19)	**(18)**	(13)	(2)

		As at 31 March 2018	As at 31 March 2017
vii)	**Expected contribution to the fund in the next year**	**10**	10
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 future escalation rate.A quantitative sensitivity analysis for significant assumption is as shown below:

		As at 31 March 2018	As at 31 March 2017
	Impact on defined benefit obligation		
	Discount rate		
	0.5% increase	**-4.27%**	-4.31%
	0.5% decrease	**4.63%**	4.67%
	Rate of increase in salary		
	0.5% increase	**4.64%**	4.67%
	0.5% decrease	**-4.32%**	-4.35%
ix)	**Maturity profile of defined benefit obligation**		
	Year		
	Apr 2017- Mar 2018	**-**	14
	Apr 2018- Mar 2019	**16**	6
	Apr 2019- Mar 2020	**15**	13
	Apr 2020- Mar 2021	**5**	5
	Apr 2021- Mar 2022	**5**	5
	Apr 2022- Mar 2023	**5**	5
	Apr 2023 onwards	**215**	180

			As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(C)	**Defined benefit plans - leave encashment**				
	i)	**Assets and liabilities recognized in the Balance Sheet:**			
		Opening Balance	**66**	68	-
		Charged during the year (Refer note 31)	**12**	11	-
		Amount paid during the year	**(10)**	(13)	-
		Net liability recognised in Balance Sheet	**68**	**66**	**68**
	Included in non-current provision (Refer note 23)		**52**	49	51
	Included in current provision (Refer note 28)		**16**	17	17

(All amounts in ₹ Lakhs, unless otherwise stated)

39 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 (Refer note 48). 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 (Refer note 48) 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 and 30 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 the options granted to Mastek employees.

The fair value of the unvested options relating to the employees of its subsidiaries and step down subsidiaries amounting to 677 was debited to investment in subsidiary account with the corresponding credit to the employee stock options outstanding account.

For the year ended 31 March 2018 and 31 March 2017 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 144 and 119 respectively were charged to the employee benefit expense with a corresponding credit to employee stock options outstanding account.

For the year ended 31 March 2018 and 31 March 2017 similar amount relating to employees of its subsidiaries and step down subsidiaries amounting to 450 and 685 net of recoveries respectively was debited to the investment in subsidiary account with the corresponding credit to employee stock options outstanding account. In addition during the year ended 31 March 2017 intrinsic value of the options both vested and unvested granted to employees of Mastek Limited amounting to 16 was recovered from them.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

	As at 31 March 2018		As at 31 March 2017	
	Number	WAEP (₹)	Number	WAEP (₹)
Options outstanding at beginning of the year	2,398,300	189.55	3,072,633	187.16
Add:				
Options granted during the year	347,000	205.76	77,500	511.48
Less:				
Options exercised during the year	315,512	121.89	310,634	112.16
Options lapsed during the year	70,651	160.38	100,483	192.21
Options cancelled during the year	107,125	389.77	340,716	311.01
Options outstanding at the end of the year	**2,252,012**	**193.05**	**2,398,300**	**189.55**
Options exercisable at the end of the year	1,355,487		1,206,310	

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:

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Dividend yield (%)	**0%**	0%	0%
Risk free interest rate (%)	**6.98%**	7.19%	7.75%
Expected life of share options (years)	**6 years**	6 years	6 years
Expected volatility (%)	**48.59%**	51.62%	48.94%
Weighted average share price (₹)	**377.74**	513.40	385.67

	As at 31 March 2018	As at 31 March 2017
(b) Stock options exercised during the year :		
Number of options exercised during the year	**315,512**	310,634
Weighted average share price at the date of exercise (₹)	**121.89**	112.16

(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)

	Options Outstanding	Weighted Average Exercise Price (₹)	Weighted Average remaining Contractual Life (years)
As at 31 March 2018			
Range of exercise price (INR)			
5-100	**786,343**	**57**	**5.17**
101-200	**582,174**	**121**	**5.39**
Above 200	**883,495**	**361**	**7.34**
As at 31 March 2017			
Range of exercise price (INR)			
5-100	850,545	67	5.47
101-200	746,380	127	5.93
Above 200	801,375	378	7.94

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(d) Information on stock options granted during the year :			
Number of options granted during the year	**347,000**	77,500	991,000
Option pricing model used	Black-Scholes option-pricing model		
Weighted average share price (INR)	**378**	513	386
Exercise price (INR)	**206**	511	381
Expected volatility (%)	**48.59%**	51.62%	48.94%
Option life (vesting period + exercise period)	**5.84 years**	6 years	6 years
Dividend yield (%)	**0%**	0%	0%
Risk free interest rate (%)	**6.98%**	7.19%	7.75%

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(e) Effect of share-based payment plan on the Balance Sheet and Statement Profit and Loss :			
Employee stock options outstanding account (Refer note 21)	**1,888**	1,667	1,055
Employee stock compensation expenses (Refer note 31)	**144**	119	-

40 Related Party Disclosures

(A) Names of related parties and description of relationship as identified and certified by the Company as at 31 March 2018

	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 (Thailand) Co. Ltd.	Thailand	Step down subsidiary
8	Majesco Asia Pacific Pte Ltd.	Singapore	Step down subsidiary
9	Cover-All Systems Inc.	USA	Step down subsidiary

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

List of key management personnel:

Farid Kazani (Managing Director)

Radhakrishnan Sundar (Executive Director)

Kunal Karan (Chief Financial Officer)

Nishant Shirke (Company Secretary) Resigned wef 17/4/2018

(C) Details of transactions with related party in the ordinary course of business:

		Year ended 31 March 2018	Year ended 31 March 2017
i.	Rental income (Refer note 30)		
	Majesco Software and Solutions India Private Ltd.	**870**	868
ii.	Consultancy and sub-contracting charges (Refer note 34)		
	Majesco Software and Solutions India Private Ltd.	**693**	552
iii.	Guarantee commission (Refer note 30)		
	Majesco	**31**	70
iv.	Reimbursable / other expenses recovered		
	Majesco	**24**	143
	Majesco Software and Solutions Inc.	**46**	9

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended 31 March 2018	Year ended 31 March 2017
	Majesco (UK) Ltd.	**7**	4
	Majesco Software and Solutions India Private Ltd.	**214**	738
v.	Reimbursement of expenses		
	Majesco Software and Solutions India Private Ltd.	**-**	1
vi.	Remuneration to key management personnel		
	Farid Kazani	**213**	139
	Radhakrishnan Sundar	**27**	27
	Kunal Karan	**39**	39
	Nishant Shirke	**16**	11

vii. Other benefits to key management personnel

For the year ended 31 March 2018	Provident Fund	National Pension Scheme	Gratuity	Leave encashment	Superannuation	Share based benefit
Farid Kazani	5	4	1	3	7	98
Radhakrishnan Sundar	3	-	-	-	-	-
Kunal Karan	2	1	-	1	3	8
Nishant Shirke	-	-	-	-	-	2
For the year ended 31 March 2017						
Farid Kazani	4	-	-	3	5	80
Radhakrishnan Sundar	3	-	-	-	-	-
Kunal Karan	1	-	-	1	1	11
Nishant Shirke	-	-	-	-	-	2

		Year ended 31 March 2018	Year ended 31 March 2017
viii.	Consideration received by Company on exercise of options		
	Kunal Karan	-	2
	Farid Kazani	94	-
ix.	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.	450	685

(D) Amount due to / from related party

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
i	Reimbursable expenses receivable:			
	Majesco	**-**	-	103
	Majesco Software and Solutions Inc.	**-**	2	17
	Majesco (UK) Ltd.	**-**	1	9
	Majesco Software and Solutions India Private Ltd.	**-**	403	485
ii	Trade payables:			

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Majesco Software and Solutions India Private Ltd.	**63**	-	-
iii. Advances received:			
Majesco	**68**	122	-
iv. Other liabilities:			
Security and other deposits (Refer note 22)			
Majesco Software and Solutions India Private Ltd.	**352**	325	299
Deferred lease liability (Refer note 24 ,27)			
Majesco Software and Solutions India Private Ltd.	**61**	89	117

(E) Term 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.

41 Contingent liabilities and commitments

(a)	Guarantee given for working capital facility availed by Majesco, USA subsidiary of the company, from ICICI Bank	-	-	1,524
(b)	Corporate guarantee secured by lien on mutual funds with initial cost of 8,000 (2017: by pledge of fixed deposit of 7,340, 2016: by pledge of fixed deposit for 5,000) given to HSBC India for SBDC favouring HSBC Bank USA National Association for extending a term loan to the extent of US$ 10 million to Majesco, USA, a subsidiary of the company (Refer note 13 and 16)	**6,518**	6,485	4,505
(c)	Lien marked on fixed deposit of the Company with Standard Chartered Bank for PCFC granted to step-down subsidiary (Refer note 16)	**500**	-	-
(d)	Share of stamp duty against demand by the office of the Superintendent of Stamps, Gandhi Nagar, for implementation of the demerger scheme.	-	-	171
	Total	**7,018**	**6,485**	**4,676**

42 Capital and other commitments

Capital commitments :

Estimated amount of contract remaining to be executed on capital account not provided for	-	95	-

43 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.

(All amounts in ₹ Lakhs, unless otherwise stated)

44 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, accounts receivables, unbilled accounts receivable, accounts payable, 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.

45 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:

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Level 1 (Quoted price in active markets)			
Investments in mutual funds FVTPL	**30,880**	1,408	1,033
Level 2 (Based on observable inputs)			
Disclosure of fair value of investment property (Refer note 7)	**10,377**	10,377	10,377

46 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 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 primarily due to fluctuations in interest rates as described more fully below. We do not hold or issue derivative financial instruments for trading or speculative purposes.

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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's investments.

Interest rate sensitivity :

Our exposure to market risk for changes in interest rates relates primarily to our cash and cash equivalents, other bank balances and investments. We do not use derivative financial instruments to hedge interest rate exposure. Our cash and cash equivalents, other bank balances and investments as of 31 March 2018, 31 March 2017 and 1 April 2016 were 33,894, 9,253 and 8,482 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.

(All amounts in ₹ Lakhs, unless otherwise stated)

(B) Credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents, time deposits, and accounts receivables. The Company maintains its cash and cash equivalents, time deposits, 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. Accounts receivables of the Company are typically unsecured. As there is no independent credit rating of the customer available with the Company, Management reviews the creditworthiness of customers based on their financial position, past experience and other factors. The Company 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.

(C) Liquidity risk

The Company's current assets aggregate to 35,090 (31 March 2017 - 10,945, 1 April 2016 - 10,239) including current investments, cash and cash equivalents and bank balances against aggregate current liability 994 (31 March 2017 - 1,043, 1 April 2016 - 633) non current liabilities amounting to 439 (31 March 2017 - 515, 1 April 2016 - 438) on the reporting date. While the Company's total equity stands at 51,990 (31 March 2017 - 27,323, 1 April 2016 - 25,999), 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.

47 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, 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 of the Company in the meeting held on 3 August 2017 approved the payment of Special Dividend @ ₹ 1/- per share (face value ₹ 5/- per share), to eligible shareholders. Accordingly the Company has appropriated 235 on account of Special Dividend and 48 being tax thereon, during the financial year. As on 31 March 2018, 3 is still to be paid. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowings. 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.

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Total equity	(i)	**51,990**	27,323	25,998
Total debt	(ii)	**-**	-	-
Overall financing	(iii) = (i) + (ii)	**51,990**	27,323	25,998
Gearing ratio	(ii)/ (iii)	**NA**	NA	NA

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018, 31 March 2017. In case of capital raised during the year also (Refer note no 20 (b)).

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

(a) Pursuant to a Scheme of Arrangement (the "scheme") under section 391 to 394 read with Section 100 to 103 and other applicable provision of the Companies Act, 1956 and other applicable provision of the Companies Act, 2013, the Board of Directors of Mastek Limited ("Mastek"), at its meeting held on 15 September 2014, had approved the demerger of the Insurance Products and Services business of Mastek, into the Company (formerly known as Minefields Computers Limited), followed by transfer by the Company of the offshore insurance operations business in India to Majesco Software and Solutions India Private Limited ("MSSIPL") a wholly owned subsidiary of Majesco Software and Solutions Inc., USA ("MSSUS") a step down subsidiary of the Company, retaining the domestic operations with the Company.

The appointed date of the scheme was 1 April 2014 and the appointed date for transfer of the offshore insurance operation business transfer was 1 November 2014. Mastek obtained necessary approvals for the scheme under clause 24(f) of the Listing Agreement with the BSE and NSE from SEBI on 9 December 2014. The scheme has also been approved by the Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat and on filing with the Registrar of Companies ("ROC") the said scheme became effective from 1 June 2015. As specified in the scheme, Mastek shareholders have been issued one equity share in the Company for every share held in Mastek, while retaining their existing Mastek share. Existing 50,000 equity shares of ₹ 10/- each of the Company (Formerly known as Minefields Computers Limited) were cancelled on 1 June 2015.

The shares of the Company were listed on 19 August 2015 on the BSE and NSE, where Mastek is listed. The demerger has resulted in the transfer of the assets, liabilities, other reserves and surplus, employee stock options outstanding account and hedging reserve account related to the demerged entity from Mastek and accordingly have been given effect to in the financial statements of the Company prepared under previous IGAAP during the year 2015 - 16.

The difference in book value of the above assets net of liabilities and specific reserves and net of transfer to MSSIPL as on 31 March 2015 aggregating to 20,344 have been credited to Retained earnings for the year ended 31 March 2016.

(b) Consequent to transfer of the offshore insurance business in India to MSSIPL, the business with reference to which the Capital Reserve was created stand transferred and is no longer with the company. Hence the capital reserve of 106 has been transferred to General Reserve during the year ended 31 March 2016.

(c) The deferred tax assets arising from difference between the book value of depreciable fixed assets and of their written down value for tax purpose and timing difference of certain expenses relating to the period prior to 1 April 2015 aggregating to 284 has been credited to General Reserve during the year ended 31 March 2016.

(d) Consequent to adoption of Ind AS with effect from 1 April 2016 these have been converted accordingly and transition effect has been given in note no 5.

49 (A) Earnings and expenditure in foreign currency

	As at 31 March 2018	As at 31 March 2017
i) Earnings in foreign currency		
Guarantee commission	**31**	70
ii) Expenditure in foreign currency		
Professional fees	**153**	-
Travelling and conveyance	**4**	7

(B) Unhedged foreign currency balances

	Currency	As at 31 March 2018		As at 31 March 2017	
		Foreign currency in lakhs	₹ in lakhs	Foreign currency in lakhs	₹ in lakhs
I. Assets					
Trade receivables	USD	**-**	**-**	-	3
	GBP	**-**	**-**	-	5
Total Trade receivables		**-**	**-**	-	8
Unhedged Assets		**-**	**-**	**-**	**8**
II. Liabilities					
Payables (trade and others)	USD	**1**	**78**	2	123
Total Liabilities		**1**	**78**	2	123
Unhedged payables		**1**	**78**	**2**	**123**

(All amounts in ₹ Lakhs, unless otherwise stated)

(C) Corporate Social Responsibility Expenditure

As per section 135 of the Companies Act, 2013, 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

a) The gross amount required to be spent by the Company during the year is 5 (2017-NA).

b) The details of the amount spent during the year on CSR activities are as follows :

		In Cash	Yet to be paid in cash	Total
1.	Construction/acquisition of any asset	-	-	-
2.	On purpose other than (1) above	7	-	7

50 Previous year figures have been regrouped/ reclassified to conform presentation as per Ind AS as required by Schedule III of the Act.

(Signatures to Note 1 to 50)

For and on behalf of the Board of Director

Farid Kazani
Managing Director
DIN- 06914620

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

Radhakrishnan Sundar
Executive Director
DIN- 00533952

Kunal Karan
Chief Financial Officer

Varika Rastogi
Company Secretary
M. No - F7864

Place : Navi Mumbai
Date : May 14, 2018

As per our report of even date

For Varma & Varma
Chartered Accountants
FRN: 004532S

Cherian K Baby
Partner
M No: 16043

Place : Navi Mumbai
Date : May 14, 2018