



**MAJESCO LIMITED**

**Registered Office:** MNDC, MBP-P-136, Mahape, Navi Mumbai – 400 710, Maharashtra, India

**Corporate Identity Number (CIN):** L72300MH2013PLC244874

**Tel. No.:** +91-22-61501800; **Fax No.:** +91-22-27781320;

**Website:** [www.majesco.com](http://www.majesco.com); **E-mail:** [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com)

**POSTAL BALLOT NOTICE**

**NOTICE PURSUANT TO SECTIONS 108 AND 110 OF THE COMPANIES ACT, 2013, READ WITH RULES 20 AND 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 READ WITH SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015, AS AMENDED.**

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (“**CA 2013**”) read with Rules 20, 22 of the Companies (Management and Administration) Rules, 2014 read with the General Circular No. 14/ 2020 dated April 8, 2020, General Circular No. 17/ 2020 dated April 13, 2020 and General Circular No. 22/2020 dated June 15, 2020, in relation to “*Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID - 19*” issued by the Ministry of Corporate Affairs, Government of India (the “**MCA Circulars**”) and all other applicable rules framed under the CA 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force and as may be enacted hereinafter, to the members of Majesco Limited (“the **Company**”), to consider and if thought fit to pass the resolution set out herein below through postal ballot, only through remote e-voting.

The proposed resolutions along with the explanatory statement pursuant to Section 102 of the CA 2013 and other applicable legal provisions, pertaining to the said special business setting out the material facts concerning thereto, is also appended. The proposed resolutions and explanatory statement are being sent to you for your consideration.

As permitted under the MCA Circulars, the Company is sending the Notice in electronic form only. Hence, hard copy of Postal Ballot Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the members for this Postal Ballot and members are required to communicate their assent or dissent through the remote e-voting facility. In compliance with Regulation 44 of the Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the CA 2013 read with the rules framed thereunder and the MCA Circulars, the Company has extended only the remote e-voting facility for its members, to enable them to cast their votes electronically instead of submitting the postal ballot form. The instructions for remote e-voting are appended to the Notice. The members can vote on resolutions through remote e-voting facility only. Assent or dissent of the members on the resolution mentioned in the Notice would only be taken through the remote e-voting system as per the MCA Circulars.

## **SPECIAL BUSINESS**

### **Item No. 1:**

**To approve divestment of the Company's entire stake/ investment in Majesco, a material subsidiary of the Company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** subject to receipt of approvals, permissions and sanctions, as may be required from any regulatory/ statutory/ government authority(ies) expedient and necessary for the Company and subject to such conditions and modifications as may be prescribed or imposed by any authority or third party, while granting such approvals, consents, permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall be deemed to include any committee which the Board may have constituted and/ or may hereinafter constitute to exercise one or more of its power including the powers conferred hereunder), and in accordance with the applicable provisions of the Companies Act, 2013 (**"CA 2013"**), other applicable provisions of CA 2013, Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**), including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter, and all other applicable laws, rules, regulations and guidelines, if any, and in accordance with the articles of association and the memorandum of association of the Company, approval of the members of the Company be and is hereby accorded to the Board to sell, transfer, or otherwise dispose of and divest the Company's entire stake/ investment in its material subsidiary namely Majesco, a California corporation (**"US Subsidiary"**), to the affiliates of Thoma Bravo L.P. (**"the Investor"**) (such sale, transfer or disposal to be referred to as **"Company Divestment"**) pursuant to a merger between the US Subsidiary and Magic Merger Sub, Inc., a Delaware corporation (**"Merger Sub"**) and a wholly owned subsidiary of Magic Intermediate, LLC, a Delaware limited liability company (**"Parent"**), the Merger Sub and the Parent being the affiliates of the Investor, in accordance with applicable laws in the United States of America, and the amended and restated agreement and plan of merger entered into between the US Subsidiary, Merger Sub and the Parent on August 8, 2020 (**"Revised Merger Agreement"**) and other revised transaction documents (such Company Divestment pursuant to the merger, the **"Proposed Sale"**).

**RESOLVED FURTHER THAT** any of the Directors, Managing Director & Group CFO , Chief Financial Officer, Company Secretary of the Company, be and are hereby severally authorized to do all such acts, matters, deeds and things and give all such directions as it may in its absolute discretion deem necessary, expedient or desirable, in order to give effect to and implement the decisions approved by this resolution, including without limitation, negotiation and execution of necessary documents, amendments to any agreements, documents, letters, or any other instrument in writing executed in relation to the Proposed Sale, filing all necessary applications and forms with regulatory authorities and to appoint consultants, valuers, legal advisors and all such agencies as may be required for the purposes of effecting the Proposed Sale as aforesaid, without being required to seek further consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate any or all of the aforesaid powers to any committee or employee or person by way of passing necessary resolutions and executing necessary power of attorney or authority letter.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

**RESOLVED FURTHER THAT** any Director of the Company or the Company Secretary of the Company be and are hereby authorized to issue a certified true copy of the aforesaid resolution wherever necessary."

**Item No. 2:**

**Amendment to Employee Stock Option Scheme of Majesco Limited Plan I ("ESOP Plan")**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the powers conferred under the Memorandum and Articles of Association of the Company, and pursuant to Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SBEB Regulations**"), Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ("**CA 2013**") along with all such applicable rules including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter, and all other applicable laws, rules, regulations and guidelines, if any, and subject to such approvals, permissions and sanctions, as may be required from any regulatory/ statutory/ government authority(ies) and necessary for the Company and subject to such conditions and modifications as may be prescribed or imposed by any authority or third party, while granting such approvals, consents, permissions, which may be agreed to by the Board, the approval of the members of the Company be and is hereby accorded to the Board to amend the Employee Stock Option Scheme of Majesco Limited Plan I ("**ESOP Plan**") by:

1. substituting the existing sub-clause (f) of clause 10 of Part B by the following::

*"In the event of bonus/rights or any other issue of securities, merger, amalgamation, demerger, business transfer, sale or disposal of any unit(s), division(s) or subsidiary, restructuring or other similar corporate actions, the Nomination and Remuneration Committee shall be authorised to provide for such adjustment, whether by way of grant of additional Options to existing Option Holders, accelerate the vesting period for existing Option Holders or otherwise, which, in its opinion and discretion, provides for a fair and reasonable adjustment to the Option Holders."*

2. inserting the following as sub-clause (e) to clause 12 of Part B after the existing sub-clause (d) to clause 12 of Part B i.e.:

*"If an Option Holder ceases to be an Employee prior to the Exercise of the Options granted, as a part of merger, amalgamation, demerger, business transfer, sale or disposal of any unit(s), division(s) or subsidiary, restructuring or other similar corporate actions, all vested Options held by such Employee shall be exercised within a period of 60 days from the date of cessation."*

**RESOLVED FURTHER THAT** the other terms and conditions of ESOP Plan except as mentioned above shall remain unchanged.

**RESOLVED FURTHER THAT** any of the directors including, the Managing Director & Group CFO, Chief Financial

Officer and the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, matters, deeds and things and give all such directions as it may in their absolute discretion deem necessary, expedient or desirable, in order to give effect to and implement the decision approved by this resolution, including make any/ further amendments, variations, alterations or revisions in ESOP Plan from time to time as permitted under and in due compliance with provisions of the CA 2013 and SBEB Regulations and make necessary fillings and applications with the regulatory authorities and giving effect to the aforesaid amendment in ESOP Plan and to settle all queries or doubts that may arise in this matter and such other deeds and acts as may be required, without being required to seek any further consent or approval of members of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

**RESOLVED FURTHER THAT** any Director of the Company or the Company Secretary of the Company be and are hereby authorized to issue a certified true copy of the aforesaid resolution wherever necessary.”

**By order of the Board of Directors  
For Majesco Limited**

**Place:** Navi Mumbai  
**Date:** August 8, 2020

**Varika Rastogi  
Company Secretary  
(Membership no.: F 7864)**

**Registered office:** MNDC, MBP-P-136, Mahape, Navi Mumbai – 400 710, Maharashtra, India

## NOTES AND INSTRUCTIONS:

1. The explanatory statement pursuant to Section 102 of the CA 2013 read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions, setting out material facts concerning the proposed special businesses is annexed hereto.
2. The Notice is being sent to/ published/ displayed for all the members, whose names appear in the register of members/ list of beneficial owners as received from National Securities Depository Limited (“NSDL”)/ Central Depository Services (India) Limited (“CDSL”) on Friday, August 7, 2020, which will be considered for the purposes of remote e-voting. A person who is not a member as on the aforesaid date should treat this Notice for information purposes only.
3. On account of threat posed by COVID-19 pandemic situation and as permitted under the MCA Circulars, the Company is sending the Notice electronically to all the members whose e-mail addresses are registered with the Company or with the depositories/depository participants or with the Company’s Registrar and Share Transfer Agent i.e., KFin Technologies Private Limited (“KFin”), and expresses its inability to dispatch hard copy of the Notice to the members whose email addresses are not registered. To facilitate such members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangement with KFin for registration of email addresses in terms of the MCA Circulars. The process for registration of email addresses is as under:
  - a) In light of the MCA Circulars, members who have not registered their email address and in consequence could not receive the notice, may temporarily get their email address registered with the KFin, by clicking the link: [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/) and follow the registration process as guided thereafter. In case of any queries, members may write to: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - b) It is clarified that for permanent registration of email address, members are requested to register their email addresses, in respect of electronic holdings with their concerned depository participants and in respect of physical holdings with KFin , by following due procedure.
  - c) Those members who have already registered their email addresses are requested to keep their email addresses validated with their depository participants/ KFin to enable servicing of notices and documents electronically to their email address.
4. The Notice has also been placed on Company’s website: <https://ir.majesco.com/> and NSDL’s e-voting website: <https://www.evoting.nsdl.com/> and will also be available on the website of stock exchanges i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
5. The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on Friday, August 7, 2020.
6. The board of directors of the Company has appointed Mr Abhishek Bhate, Company Secretary in Practice (ICSI Membership No. ACS 27747; Certificate of Practice No.: 10230) as the scrutinizer to conduct the process of the postal ballot in a fair and transparent manner (“Scrutinizer”).
7. A member cannot exercise his vote by proxy on postal ballot. All members are requested to cast their votes only through remote e-voting using the NSDL e-Voting system as per the procedure provided herein.

8. The resolutions passed by the members through postal ballot are deemed to have been passed as if they have been passed at a duly convened general meeting of the members.

9. **Voting through electronic means**

Pursuant to the provisions of Sections 108, 110 and other applicable provisions, if any, of the CA 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations, MCA Circulars and any other applicable provisions, if any, the Company has extended remote e-Voting facility to enable the members to cast their votes electronically through the remote e-voting services provided by NSDL.

The remote e-voting facility will be available during the following period:

<b>Commencement of remote e-voting</b>	From 9:00 A.M.(IST) on August 12, 2020
<b>End of remote e-voting</b>	Upto 5:00 P.M. (IST) on September 10, 2020

The remote e-voting module shall be disabled by NSDL for voting at 5:00 P.M. (IST) on September 10, 2020. Once the vote on the resolution is cast by a member, he or she will not be allowed to change it subsequently.

**The procedure and instructions for remote e-voting are as follows:**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- iv. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

vi. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii. Now, you will have to click on "Login" button.

ix. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2 : Cast your vote electronically on NSDL e-Voting system.**

- i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- iii. Select “EVEN” of company for which you wish to cast your vote.
- iv. Now you are ready for e-Voting as the Voting page opens.
- v. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- vi. Upon confirmation, the message “Vote cast successfully” will be displayed.
- vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## **General Guidelines for shareholders**

- i. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcsabhishekbhate@gmail.com with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### ***“If your email id is not registered, please follow steps mentioned below”***

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email IDs for e-voting for the resolutions set out in this notice:

- i. In case shares are held in **physical mode** please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card) and AADHAR (self-attested



scanned copy of Aadhar Card) by email to [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com) OR click on the link: [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/) to get email ID registered.

- ii. In case shares are held in **Demat mode**, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com) OR click on the link: [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/) to get email ID registered.
10. After the lockdown is lifted by the Central/ State Government(s)/ relevant authorities, the Support Agreement dated July 20, 2020, as amended by way of Amendment to Support Agreement dated August 8, 2020 and the Amended and Restated Letter Agreement dated August 8, 2020 which has been referred to in the explanatory statement will be made available for inspection at the registered and corporate offices of the Company on all working days during business hours until the last date for receipt of votes by remote e-voting i.e. September 10, 2020. During the lockdown, a member may write to the Company Secretary of the Company at [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com) requesting supply of relevant documents referred in the explanatory statement for inspection and review. Further, any query in relation to the resolution proposed to be passed by postal ballot may be addressed to the Company Secretary of the Company at [investors.grievances@majesco.com](mailto:investors.grievances@majesco.com).
  11. The Scrutinizer will submit his report to the Chairman or Company Secretary of the Company, after completion of the scrutiny of votes cast. The Chairman or Company Secretary shall declare the results of the postal ballot as per the statutory timelines. The results along with the Scrutinizer's report will also be posted on the websites of the Company i.e., <https://ir.majesco.com>, NSDL i.e., <https://www.evoting.nsdl.com/>, stock exchanges i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). In the event that the lockdown on account of COVID-19 pandemic is eased off and the Company's offices are open for business, the Company will also display the results at its registered and corporate office. The resolution, if passed by the requisite majority, shall be deemed to have been passed on the last date specified for remote e-voting i.e., September 10, 2020.

## EXPLANATORY STATEMENT

[Pursuant to the provisions of Section 102 of the Companies Act, 2013 (“CA 2013”)]

The Company had issued a postal ballot notice dated July 20, 2020 along with explanatory statement (“**Prior Postal Ballot Notice**”) to seek shareholders’ approval in relation to appointment of Directors (item no. 1 to 3), the proposed sale of the Company’s entire stake/ investment in the US Subsidiary (defined subsequently) (item no. 4) and the proposed amendment to the Employee Stock Option Scheme of Majesco Limited Plan I (“**ESOP Plan**”) (item no 5) by way of postal ballot and remote e-voting in accordance with applicable law. Consequent to the occurrence of certain events that transpired after the issue of the Prior Postal Ballot Notice, the Board of Directors of the Company at the meeting held on August 8, 2020 authorised the Company to withdraw items nos. 4 and 5 of the Prior Postal Ballot Notice. Further, the Board of Directors recommended item nos. 1 and 2 of the Special Business to the members of the Company by way of this Postal Ballot Notice.

It is clarified that all votes cast in relation to item numbers 4 and 5 of the Prior Postal Ballot Notice stand nullified and cancelled, and such votes shall not be considered by the Company towards resolutions 4 and 5 of the Prior Postal Ballot Notice. Shareholders of the Company who have already cast their votes in relation to the resolutions mentioned in the Prior Postal Ballot Notice, their votes will only be counted towards the item numbers 1-3 of the Prior Postal Ballot Notice, and the shareholders of the Company who are yet to vote on the resolutions mentioned in the Prior Postal Ballot Notice, may cast their votes only in relation to the resolutions specified in item numbers 1-3 of the Prior Postal Ballot Notice upto August 22, 2020.

### Item No. 1:

**To approve divestment of Company’s entire stake/ investment in Majesco, a company incorporated under the laws of California, United States (“US Subsidiary”), a material subsidiary of the Company.**

#### 1. Background

- a) Majesco, a corporation organised and existing under the laws of State of California, USA, having its principal place of business in New Jersey, United States (“**US Subsidiary**”) is a material subsidiary of the Company within the meaning of Regulation 16(1)(c) of the Listing Regulations. The business and affairs of the US Subsidiary constitute substantially the whole of the consolidated business of the Company. The Company legally and beneficially owns 32,111,234 shares of common stock of US Subsidiary, as of July 20, 2020. The common stock of US Subsidiary were originally listed on NYSE American on June 26, 2015. Effective on February 26, 2019, the listing of the common stock of US Subsidiary was transferred to, and it began trading and continues to be traded on the Nasdaq Global Stock Market (“**NASDAQ**”).
- b) The board of directors of US Subsidiary, at its meeting held on July 20, 2020, approved the merger of Magic Merger Sub, Inc., a Delaware Corporation (“**Merger Sub**”) and a wholly owned subsidiary of Magic Intermediate, LLC (“**Parent**”) with US Subsidiary (such merger, the “**Merger**”) and extinguishment of the outstanding shares of common stock of the US Subsidiary (except Excluded Shares (*as defined below*)) in consideration of a payment in cash at the rate of US\$ 13.10 per share of common stock of the US Subsidiary (except Excluded Shares) (“**Prior Offer**”), subject to any applicable withholding taxes (“**Transaction**”). The Merger Sub and the Parent are the affiliates of Thoma Bravo L.P. (“**Investor**”).

- c) The board of directors of the US Subsidiary had on July 20, 2020 unanimously determined that the Merger is fair to, and in the best interests of, US Subsidiary and its stockholders (other than the Parent, Merger Sub and any of Parent's other direct or indirect subsidiaries) and the US Subsidiary entered into an agreement and a plan of merger with the Merger Sub and the Parent ("**Merger Agreement**") subject to approval of its shareholders and on the terms and subject to the conditions set forth in the Merger Agreement dated July 20, 2020. By July 23, 2020, the Company had issued the postal ballot notice, dated July 20, 2020, to all its members ("**Prior Postal Ballot Notice**"). The voting period under the terms of the Prior Postal Ballot Notice had commenced on July 24, 2020 and was scheduled to expire on August 22, 2020.
- d) On July 24, 2020, the board of the US Subsidiary received an unsolicited non-binding offer from an unaffiliated third party to acquire shares of common stock of the US Subsidiary (pursuant to a merger) at a price of US\$ 14.50 per share ("**New Offer**"). On July 25, 2020, the board of the US Subsidiary evaluated the New Offer in consultation with its financial and legal advisors and *inter alia* determined the New Offer to be *bona fide* and that it would reasonably be expected to result in a Superior Proposal (defined subsequently) to the Prior Offer. In accordance with the terms of the Merger Agreement, the US Subsidiary notified the Parent of the receipt of the New Offer and on August 3, 2020 the US Subsidiary provided four (4) business days' time to the Parent for making a revised offer, if it so desired, before the US Subsidiary could terminate the Merger Agreement and accept the New Offer.
- e) On August 7, 2020, Parent provided a revised offer to increase the Merger Consideration from US\$ 13.10 to US\$ 16.00 per share of common stock of the US Subsidiary ("**Merger Consideration**") and informed the US Subsidiary that this revised offer price was conditioned upon the amended transaction documents containing additional deal protective measures to enhance the successful completion of the Transaction and requested acceptance of the revised offer before 12:00 a.m. Eastern Standard Time on August 8, 2020 ("**Revised Offer**").
- f) The Board of the US Subsidiary, at its meeting held on August 7, 2020, approved the terms of an amended and restated Merger Agreement ("**Revised Merger Agreement**"), an amendment to the Support Agreement (as defined below), the form of Amended and Restated Promoter Support Agreement (as defined below) to be entered into by the Specified Promoters (as defined below) and other amended transaction documents (collectively, the "**Revised Transaction Documents**"). The Board of the US Subsidiary also determined that the Merger (on the terms set forth in the Revised Transaction Documents) is fair to, advisable and in the best interests of, the US Subsidiary and its shareholders, and recommended that its shareholders vote in favour of or consent to the Merger on such terms. The Merger Consideration represents a premium of ~113% over US Subsidiary's average closing price during the 30 trading day period ended July 17, 2020 on NASDAQ.
- g) The Board of Directors of the Company was informed that the Revised Offer was conditional upon the Revised Transaction Documents, containing additional deal protective measures, being executed. The execution of Revised Transaction Documents resulted in a few changes in the structure of the proposed Transaction. While the Revised Offer is higher than the Prior Offer, given the changes pursuant to the Revised Transaction Documents, the Board of Directors of the Company decided that it would be in the interest of the shareholders of the Company if their approval is sought afresh in relation to the Proposed Sale (as defined below) by way of a fresh postal ballot process *inter alia* setting out the updated deal structure. Thus the Board of Directors of the Company at their meeting held on August 8, 2020, authorised the Company to withdraw item nos. 4 and 5 of the Prior Postal Ballot Notice in relation to the Transaction and the amendments to the ESOP Plan.

2. **Revised Merger Agreement:** The Revised Merger Agreement *inter-alia* provides that:

- a) Merger Sub shall be merged with and into US Subsidiary in accordance with the provisions of the California Corporations Code, as amended (the “**CCC**”) (“**Merger**”). US Subsidiary shall be the surviving corporation pursuant to the Merger and the separate corporate existence of the US Subsidiary with all of its rights, privileges, immunities, powers and franchises shall continue unaffected by the Merger. US Subsidiary shall pursuant to the Merger, become a wholly owned subsidiary of the Parent.
- b) The Merger shall become effective at the time when the Certificate of Merger has been duly filed by the US Subsidiary with and accepted by the Secretary of State of the State of California or at such later date and time as may be agreed by the Parties in writing and specified in the Certificate of Merger issued as per the CCC (such date and time, the “**Effective Time**”).
- c) At the Effective Time, by virtue of the Merger and without any further action on the part of the parties to the Revised Merger Agreement, each share of US Subsidiary Common Stock, issued and outstanding immediately prior to the Effective Time except the Excluded Shares, as defined below (“**Eligible Shares**”) shall be converted into a right to receive the Merger Consideration from the Parent. As of the Effective Time such Eligible Shares shall cease to be outstanding, shall be cancelled and shall cease to exist as of the Effective Time, and each certificate formerly representing any of the Eligible Shares shall thereafter represent only the right to receive the Merger Consideration, without interest. The Excluded Shares include any shares held by the (i) Parent, Merger Sub or any other direct or indirect wholly owned subsidiary of Parent, US Subsidiary or any direct or indirect wholly owned subsidiary of US Subsidiary, and (ii) the shareholders of US Subsidiary, who have properly demanded and not withdrawn a demand for, or lost their right to, have the shares of US Subsidiary held by them purchased for cash at the fair market value (“**Dissenting Stockholder**”) (such shares being “**Excluded Shares**”);
- d) The Excluded Shares shall cease to be outstanding, be cancelled without payment of any consideration therefor and shall cease to exist, subject to any rights the holder thereof may have pursuant to the terms of the Merger Agreement i.e., each Dissenting Stockholder shall be entitled to receive only the payment provided under the CCC and other applicable laws, with respect to shares of the US Subsidiary held by such Dissenting Stockholder;
- e) The terms of the Merger Agreement also require the principal stockholders of the US Subsidiary (i.e., the Company) to execute and deliver to the Parent and the Merger Sub a support agreement concurrently with the execution of the Merger Agreement, pursuant to which the Company agrees, upon the terms and subject to the conditions set forth in the support agreement, to act by a written consent to vote with respect to its stake in the US Subsidiary for the approval of the support agreement and the Company Divestment (as defined below) in accordance with applicable procedure pursuant to the Merger Agreement.
- f) The Company is the principal stockholder of the US Subsidiary and holds 32,111,234 shares of common stock of the US Subsidiary. The Board of Directors of the Company at a board meeting held on August 8, 2020 approved the amendment to the support agreement dated July 20, 2020 entered into by the Company with the Merger Sub and the Parent (“**Support Agreement**”). The Support Agreement together with the amendment dated August 8, 2020 to Support Agreement is referred to as the “**Revised Support Agreement**”.

- g) Pursuant to the Revised Support Agreement, the Company shall, in no event later than 9 pm Indian Standard Time on September 13, 2020, notify the parties to the Revised Merger Agreement of the result of this postal ballot to approve the divestment of Company's entire stake/ investment in US Subsidiary ("**Company Divestment**") pursuant to and in accordance with the terms of the Revised Transaction Documents (such Company Divestment pursuant to and in accordance with the Revised Transaction Documents, the "**Proposed Sale**").
- h) Further the US Subsidiary and the Parent along with the Merger Sub have issued representations and warranties in relation to the Merger.

### 3. **Conditions to Obligation of each party to the Revised Merger Agreement, to closure**

The respective obligations of each party to the Revised Merger Agreement to consummate the Merger is subject to satisfaction or waiver at/ or prior to the Effective Time:

#### a) **Conditions to Obligation of both parties to the Revised Merger Agreement**

- i. Receipt by the US Subsidiary and the Parent duly executed copies of the Written Consent within one business day of the publication through the stock exchange in India of the voting results of the shareholders meeting of the Company by way of a postal ballot, in relation to the Proposed Sale.
- ii. Receipt of the following regulatory approvals and all such approvals to be in full force and effect
  - Receipt of no-objection certificate from Income Tax Department under Section 281 of the Income Tax Act, 1961,
  - Receipt by the Company of consent from the Reserve Bank of India to the Proposed Sale,
  - The waiting period (and any extension thereof) applicable to the consummation of the Transactions under any Antitrust Laws shall have expired or been earlier terminated.
- iii. No Governmental Entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any Law or Governmental Order (whether temporary, preliminary or permanent) that is in effect and restrains, enjoins, makes illegal or otherwise prohibits the consummation of the Merger Transaction.

#### b) **Conditions to Obligation of Parent and Merger Sub:**

- i. US Subsidiary not having violated any of the representations and warranties under the Merger Agreement, subject to certain materiality qualifiers,
- ii. US Subsidiary shall have performed in all material respects all obligations required to be performed by it under the Merger Agreement at or prior to the Closing Date,
- iii. During the period from July 20, 2020 through the Closing Date, there shall not have been a Material Adverse Effect with respect to the US Subsidiary and its subsidiaries that is ongoing as of the Closing Date,

- iv. US Subsidiary shall have provided evidence, in form and substance reasonably acceptable to Parent, of the termination of certain contracts set forth in the Merger Agreement,
- v. Parent and Merger Sub shall have received a certificate signed on behalf of the US Subsidiary by the Chief Executive Officer or Chief Financial Officer of the Company certifying that the conditions set forth in the Merger Agreement have been complied with.

**c) Conditions to Obligation of the US Subsidiary:**

- i. The representations and warranties of Parent set forth in the Merger Agreement shall be true and correct in all material respects as of July 20, 2020 and as of the Closing Date,
- ii. Each of Parent and Merger Sub shall have performed in all material respects all obligations required to be performed by it under the Merger Agreement at or prior to the Closing Date,
- iii. The US Subsidiary shall have received a certificate signed on behalf of Parent and Merger Sub by an officer of the Parent certifying that the conditions set forth in the Merger Agreement have been satisfied.

**4. Termination of the Merger Agreement:** The Merger Agreement can be terminated by:

- a) mutual consent among the parties to the Revised Merger Agreement.
- b) either the Parent or US Subsidiary if:
  - i. The Merger shall not have been consummated by 5:00 p.m., (California Time) on January 20, 2021 (“Outside Date”),
  - ii. The shareholders of the Company do not approve the Proposed Sale with the requisite majority,
  - iii. Any law or governmental order permanently restraining, enjoining or otherwise prohibiting consummation of the Merger shall have become final and non-appealable.
- c) the US Subsidiary:
  - i. if prior to the time the Written Consent (defined below) is delivered, Board of the US Subsidiary authorizes the US Subsidiary to enter into an alternative acquisition agreement in response to a Superior Proposal<sup>1</sup>, to the extent the US Subsidiary has complied in all material respects to the terms and conditions set forth in the Merger Agreement with respect to such Superior Proposal, and the Company, prior to or concurrently with such termination, pays to Parent the termination fees required to be paid,

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<sup>1</sup> **“Superior Proposal”** means a bona fide written Acquisition Proposal that would result in (a) a Person or group (as defined under Section 13 of the Exchange Act), other than Investor or any of its Subsidiaries or controlled Affiliates, becoming the beneficial owner of, directly or indirectly, more than 50% of the total voting power of the equity securities of the US Subsidiary (or of the surviving entity in a merger involving the Company, as applicable) or more than 50% of the consolidated net revenues, net income or total assets of the US Subsidiary that the Board of US Subsidiary has determined in good faith after consultation with outside legal counsel and its financial advisor that is reasonably likely to be consummated in accordance with its terms, taking into account all legal, regulatory and financial aspects of the proposal, the identity of the Person(s) making the proposal, the sources of and terms of any financing, financing market conditions, and the timing of such consummation, and if consummated, would result in a transaction more favorable to the US Subsidiary’s stockholders (in their capacities as such) from a financial point of view, than the Merger (after taking into account any revisions to the terms of the Merger Agreement proposed by US Subsidiary

- ii. If at any time prior to the Effective Time, there has been a breach or failure to perform by Parent or Merger Sub of any representation, warranty, covenant or agreement set forth in the Merger Agreement, or if any representation or warranty of Parent or Merger Sub shall have become untrue after the date of the Merger Agreement and the same has not been cured within the prescribed period as per the Merger Agreement, or
- iii. while all the conditions set forth in the Merger Agreement have been satisfied (other than those conditions that by their nature are to be satisfied at the Closing) Parent and the Merger Sub have failed to consummate the Merger on the date required pursuant to the Merger Agreement (including any notice period).

d) the Parent

- i. prior to the time the written consent is delivered by the Company,
  - the Board of US Subsidiary shall have made a Change of Recommendation or the US Subsidiary shall have materially breached its no shop covenant,
  - the US Subsidiary or its Representatives shall have materially breached the requirements of or failed to perform in any material respects any of their respective obligations under the no Solicitation provisions of the Merger Agreement,
- ii. if at any time prior to the Effective Time, there has been a breach or failure to perform by US Subsidiary of any representation, warranty, covenant or agreement set forth in the Merger Agreement, or if any representation or warranty of US Subsidiary shall have been inaccurate when made or shall have become untrue after the date of the Merger Agreement such that the conditions to the Merger shall not have been met, and the same has not been cured within the prescribed period as per the Merger Agreement,
- iii. if the Company has not completed this postal ballot by close of business (India Standard Time) on September 11, 2020 or the Company has not made the voting results of this postal ballot publicly available through the stock exchange in India as soon as practical and in no event later than 24 hours following the date of receipt from the scrutinizer of the results of the votes, or
- iv. if the requisite votes for the shareholder approval pursuant to the Postal Ballot Notice (as defined below) have been obtained but the Written Consent has not been delivered to the Company and Parent by the Consent Delivery Deadline or if after delivery, such Written Consent is rescinded, withdrawn or modified in any manner adverse to Parent, Merger Sub or the Merger.

**5. Effect of Termination**

- a) Any proper termination of the Merger Agreement shall be effective immediately upon the delivery of written notice of such termination by the terminating Party to the other Party.
- b) Except to the extent of any termination fee or expense reimbursement payable, the Merger Agreement shall become void and of no effect with no liability to any person on the part of any Party (or any of its Representatives or Affiliates) and all rights and obligations of any Party shall cease.



- c) No such termination shall relieve any Party of any liability or damages to any other Party resulting from any Willful Breach of the Merger Agreement prior to its termination.

## 6. Termination fee

- a) **Termination Fee payable by US Subsidiary to the Parent or its designee:** US Subsidiary is required to pay a Company Termination Fee of an amount equal to US\$ 25,505,846.62 in the following events:
- i. If the (X) Merger Agreement is terminated by either the Parent or the US Subsidiary pursuant to the Merger not having been consummated by the Outside Date or if Parent terminates the Merger Agreement due to (a) breach by the US Subsidiary of any of its representations and warranties, (b) failure by the Company to complete this postal ballot by close of business (India Standard Time) on September 11, 2020 or to make the voting results of this postal ballot publicly available through the stock exchange in India as soon as practical and in no event later than 24 hours following the date of receipt from the scrutinizer of the results of the votes, (Y) prior to the termination of the Revised Merger Agreement, a *bona fide* acquisition proposal has been made to the Company or the US Subsidiary or any of its Subsidiaries, and (Z) within twelve (12) months after such termination, the US Subsidiary or any of its Subsidiaries shall have entered into an alternative acquisition agreement, as defined under the Merger Agreement. In such case the fee will be payable within one business day of entering into or consummation of such alternative acquisition agreement;
  - ii. If the Parent terminates the Merger Agreement due to failure to deliver Written Consent even though the requisite votes had been obtained. In such case, the fee will be payable within one business day of such termination;
  - iii. If the Parent terminates the Merger Agreement due to US Subsidiary's Board having recommended a Superior Proposal. In such case, the fee will be payable concurrently with such termination.
  - iv. If the Company (X) fails to complete this postal ballot by close of business (India Standard Time) on September 11, 2020 or fails to make the voting results of this postal ballot publicly available through the stock exchange in India as soon as practical and in no event later than 24 hours following the date of receipt from the scrutinizer of the results of the votes, (Y) before termination of the Merger Agreement by Parent a *bona fide* acquisition proposal for the Company has been received and (Z) the Company enters into a definite transaction with respect to such acquisition proposal for the Company within 12 months of termination of the Merger Agreement by the Parent. In such case the fee will be payable within one business day of entering into or consummation of such Acquisition Proposal for the Company.
- b) **Termination Fee payable by payable by the Parent to the Company:** Parent and Merger Sub required to pay a 'Parent Termination Fee' of an amount equal to US\$ 51,011,693.24 in the following events:
- i. If the US Subsidiary validly terminates the Merger Agreement pursuant to any breach of representation and warranties or the failure of the Parent and Merger Sub to close
  - ii. If the Parent and Merger Sub have failed to consummate the Merger on the date required.



7. **Revised Support Agreement:** The Revised Support Agreement, *inter alia*, provides that:

- a) the Company will deliver the Parent a certified true copy of the resolution passed by the board of directors of the Company (i) approving the Revised Support Agreement and the disinvestment of the Company's entire share of the Company Common Stock pursuant to the Merger and the Revised Transaction Documents and (ii) resolving to issue new notice through postal ballot ("**Postal Ballot Notice**") to the members of the Company for their approval to the divestment of the Company's entire share of the Company Common Stock in the US Subsidiary.
- b) the Company shall within two calendar days of execution of the Amendment to the Support Agreement notify the Indian Stock Exchanges of the rescission/withdrawal of the Prior Postal Ballot Notice to the extent the items in the Prior Postal Ballot Notice form the subject matter of (a) the Amendment to the Support Agreement, and (b) the Merger Agreement, and issue a copy of such notification to the parties to the Revised Support Agreement and that the Company shall issue and dispatch the Postal Ballot Notice to all members of the Company no later than 9 pm Indian Standard Time on August 12, 2020.
- c) If the Special Resolution in relation to the Proposed Sale under the Postal Ballot Notice is approved by requisite majority as per the applicable law, the Company will deliver its written consent to the US Subsidiary and the Parent within one business day ("**Written Consent**") of the publication through the stock exchange in India of the voting results of the shareholders meeting of the Company by way of a postal ballot, in relation to the Proposed Sale ("**Consent Delivery Deadline**").
- d) Subject to the receipt of the shareholders' approval to the Proposed Sale by the Company, the Company has agreed to vote or cause all of its Shares in the US Subsidiary (including any additional shares that the Company acquires in the US Subsidiary after the date of the Revised Support Agreement) to be voted (in each case, including via proxy) so as to ensure that it is duly counted for purposes of determining whether a quorum is present (A) for approval of the Merger Agreement and the Merger and (B) against: (1) any acquisition proposal (other than the Merger), (2) any action that would reasonably be expected to result in a material breach of or failure to perform any representation, warranty, covenant or agreement of US Subsidiary under the Merger Agreement, (3) any action that would prevent or materially delay or would reasonably be expected to prevent or materially delay, the consummation of the Merger or (4) any change in any manner to the voting rights of any stockholders of the US Subsidiary.
- e) the Company will take all actions necessary to accelerate the vesting of all outstanding equity awards granted under the Majesco Limited - Employee Stock Option Scheme of Majesco Limited — Plan 1 (the "**ESOP Scheme**") to employees of the Company and its subsidiaries (the "**Options**"), including any amendments to the ESOP Scheme required to effectuate such acceleration and vesting of Options for approval of the shareholders in accordance with applicable Law. Following receipt of such approval, the Company shall satisfy all of its obligations under the ESOP Scheme to the holders of such Options who have validly exercised their rights under the ESOP Scheme, as promptly as practicable in accordance with applicable Laws and cancel all Options that have not been validly exercised or that may require cancellation under applicable Laws.
- f) The Company shall not, without consent of the Parent, transfer its shares of the US Subsidiary or grant proxy or Power of attorney or other authorization or consent or any agreement, arrangement, commitment or undertaking, whether or not in writing, in or with respect to any or all of the Covered Shares or otherwise

agree to any voting agreement on its shares of US Subsidiary, which shall be in conflict with the Revised Support Agreement or deposit any or all of the Covered Shares into a voting trust or enter into a voting agreement or other arrangement with respect to any or all of the Covered Shares.

- g) From the date of the execution of the Revised Support Agreement the Company shall not, and shall cause its directors, affiliates and representatives not to, directly or indirectly, take or fail to take (as applicable) any solicitation or related actions set forth in the Merger Agreement. The Company shall, and shall cause its directors, Affiliates and Representatives to, immediately cease and cause to be terminated any activities, discussions or negotiations being conducted with any persons other than the Parent or its affiliates with respect to any acquisition proposals.
- h) The Company shall use its reasonable best efforts to cause its representatives to, file for and obtain the No Objection Certificate under Section 281 of the Income Tax Act, 1961 in connection with the consummation of the Proposed Sale prior to the Closing and shall use its reasonable best efforts to obtain the consent of the Reserve Bank of India.
- i) For a period of six months from the date of closing, i.e. three Business Days after the day on which the last to be satisfied or waived of the conditions subsequent in the Merger Agreement (the “**Initial Transition Period**”) and any applicable Extension Period for as many as two (2) additional one (1)-month periods (together with the Initial Transition Period, the “**Transition Period**”), the Company shall provide the following services to Majesco Software and Solutions India Private Limited (“**MSSIPL**”): (A) all of the services provided by Farid Kazani (Managing Director and Group CFO), Varika Rastogi (Company Secretary), Kunal Karan (CFO), N. P. Pai (Director Finance) and Neha A. Sangam (Administrator Legal), all of whom are employees of the Company to MSSIPL, in the twelve (12)-month period prior to the execution of the Merger Agreement, including pursuant to the Cost Sharing Agreement, dated April 1, 2019, by and between the Company and MSSIPL (the “**Personnel Services**”) (B) all reasonable support to either transfer any existing insurance plans held by the Company and relied upon by the US Subsidiary or any of its Subsidiaries (“**Shared Insurance Plans**”) or for the US Subsidiary or its Subsidiaries to establish replacement insurance plans (“**Transition Services**”) on payment of prescribed cost per month. During the Transition Period, the Company shall not terminate the employment of any of the employees providing the Personnel Services except in connection with a termination for cause. In the event that any such employee terminates its employment relationship with the Company prior to the end of the period stated above, the Company shall use commercially reasonable efforts to continue to perform the Personnel Services without impact to MSSIPL.
- j) The Company, during the Transition Period, shall provide any additional services that are not currently contemplated under the Support Agreement or otherwise under the Cost Sharing Agreement, mentioned above.
- k) The Company shall notify the Parent immediately, and in no event later than 9 pm Indian Standard Time on September 13, 2020, of the result of the votes of its shareholders pursuant to the Postal Ballot Notice and provide to its shareholders and the Stock Exchanges all communications that are required or advisable under applicable Law, in each case promptly and, in any event, within the time periods (if any) required under applicable Law and Company organisational and formation documents.

- l) The Support Agreement will terminate automatically on the earlier of:
- i. the mutual written agreement of the Parties to the Support Agreement to terminate the agreement;
  - ii. consummation of the Transaction ; and
  - iii. The termination of the Merger Agreement in accordance with its terms.
8. The Company will be obligated to indemnify US Subsidiary for all costs or disbursements incurred by US Subsidiary, on account of:
- a) a termination of the Merger Agreement by the Parent due to the Company failing to complete this postal ballot by close of business (India Standard Time) on September 11, 2020 or the Company failing to make the voting results of this postal ballot publicly available through the stock exchange in India as soon as practical and in no event later than 24 hours following the date of receipt from the scrutinizer of the results of the votes;
  - b) following the execution and delivery of the Merger Agreement and prior to the termination thereof as described above, a *bona fide* proposal for the acquisition of the Company has been made to the Company; and
  - c) within twelve (12) months after such termination, the Company shall have entered into a definitive transaction agreement with respect to such acquisition of the Company.

If any regulatory approval is required in connection with any payments required to be made to the US Subsidiary, the Company shall use all best efforts to secure any such regulatory approval that may be required for making any payments

9. Mr Sudhakar Venkatraman Ram, Mr Ashank Desai, Mr Sundar Radhakrishnan, Ram Family Trust - I, Ms Girija Ram, Mr Ketan Mehta, Ms Usha Sundar and Ms Rupa Ketan Mehta who are members of the Promoters/ Promoter group ("**Specified Promoters**"), had entered into a Promoter Support Agreement with the Parent and the Company, dated as of July 20, 2020 (the "**Original Promoter Support Agreement**"). The parties to the Original Promoter Support Agreement have amended and restated the Original Promoter Support Agreement on August 8, 2020 ("**Revised Promoter Support Agreement**"), whereby, in order to enhance successful completion of the Merger, the Specified Promoters in their individual capacity as the shareholders of the Company have *inter alia* contractually agreed:
- a) to exercise their respective votes in favor of the Proposed Sale at shareholders' meeting/ by way of postal ballot of the Company;
  - b) that they shall not consent to and shall vote against any direct or indirect disposal or transfer of all or any part of the shareholding of the Company in the US Subsidiary to any individual, entity or third party other than the Parent pursuant to the terms of the Revised Merger Agreement, without the prior written consent of the Parent, including any alternative competing deal proposals during the term of the Revised Promoter Support Agreement;

- c) to exercise 50% of the voting rights held by the Specified Promoters in the Company, on a pro-rata basis, against any 'competing proposals' in accordance with the terms and conditions of the Revised Promoter Support Agreement, for a period of 7 months post termination of the Revised Merger Agreement;
- d) not to dispose of their equity shares in the Company till the completion of the Proposed Sale or the Termination Date, except for estate planning purposes;

## 10. Rationale for the Company Divestment

The Proposed Sale contemplates acquisition of all of the outstanding shares of US Subsidiary (other than Excluded Shares) for US\$ 16.00 per share in cash.

- a) The US Subsidiary trades at a significant premium to the market capitalisation of the Company in India. As on July 17, 2020, the value of the Company's stake in the US Subsidiary was US\$ 245.33 million (i.e. INR 1,839.75 crores at the exchange rate of INR 75/ US\$) based on its holding of 32,111,234 shares of common stock of US Subsidiary (as per closing prices of the common stock of US Subsidiary as quoted on NASDAQ) compared to the total market capitalisation of the Company in India of US\$ 141 million ( i.e. INR 1,057.50 crores as per closing price of equity shares of the Company quoted on National Stock Exchange of India Limited as on July 17, 2020 and exchange rate of INR 75/ US\$). This implies a premium of 74% over the market capitalisation of the Company in India.
- b) The Company is in receipt of the valuation report dated July 20, 2020 from Walker Chandiok & Co LLP ("**Independent Valuer**"). The equity value of the US Subsidiary determined by the Independent Valuer is US\$ 535.9 million. The fair value per share is thus US\$ 11.8. The consideration agreed to be received by the Company under the Proposed Sale is 35.59% higher than the value assessed by the Independent Valuer.
- c) The consideration to be received by the Company in the Merger as per the Revised Offer is US\$ 16.00 per share of the common stock as against US\$ 13.10 per share of the common stock as per the Prior Offer. The Revised offer represents a premium of ~113% over US Subsidiary's average closing price during the 30 trading day period ended July 17, 2020 as against ~74% as per the Prior Offer.
- d) The gross value to be received by the Company for its stake in the US Subsidiary in the Merger as per the Revised Merger Agreement is US\$ 513.8 million or INR 3,853.3 crores (at the exchange rate of INR 75/ US\$) as against US\$ 420.66 million or INR 3,154.9 crore (at the exchange rate of INR 75/ US\$) offered in terms of the Prior Offer). The gross value to be received when compared to the total market capitalisation of the Company in India of US\$ 141 million or INR 1,057.5 crores (as per closing price of equity shares of the Company quoted on National Stock Exchange of India Limited on the last trading day prior to the announcement of the Merger and at the exchange rate of INR 75/ US\$). This implies a premium of 264.3% (as against 198.34% in terms of the Prior Offer) over the market capitalisation of the Company in India as on July 17, 2020.
- e) The gross value to be received by the Company for its stake in US Subsidiary in the Merger is INR 3,853.3 crores or US\$ 513.8 million (as against INR 3,154.9 crores or US\$ 420.66 million in terms of the Prior Offer), compared to the total investments made by the Company in US Subsidiary of INR 515 crores or US\$ 68.67 million (at the exchange rate of INR 75/ US\$).

- f) Since a majority portion of US Subsidiary is held by the Company, a substantial portion of the sale proceeds will accrue to the Company and hence to the shareholders of the Company in India
- g) It may take the Company a few years to realize a similar value organically, which the Parent is willing to pay upfront
- h) The Proposed Transaction will provide the Company's public shareholders an opportunity to realize significant value for their equity shares at a time of elevated market volatility
- i) The Parent believes it can grow the business further due to increased operational flexibility to support the business, through full ownership of the business

#### 11. Use of proceeds

US Subsidiary constitutes substantially the whole of the business of the Company. The Company intends to distribute entire proceeds from the disposal of the investment in US Subsidiary (net of taxes, transaction costs and other expenses to be incurred during the intermediary period) ("**Net Proceeds**"), to the shareholders in a tax efficient manner as expeditiously as possible.

#### 12. Approval sought

Pursuant to Section 180(1)(a) of CA 2013, a special resolution is required to be passed by the members of a company prior to selling, leasing or otherwise disposing of the whole or substantially the whole of the undertaking of the company. An undertaking is amongst other things defined to mean an undertaking in which the investment of a company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year.

In addition, Regulation 24 of the Listing Regulations provides that no company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease to exercise of control over the subsidiary without passing a special resolution in its general meeting, except in cases where such divestment is made under a scheme of arrangement duly approved by a court/ National Company Law Tribunal.

Hence, in terms of the Section 180(1)(a) of CA 2013 and Regulation 24(5) of the Listing Regulations, shareholders' approval is being sought to enable the Company to divest its entire stake/ investment in the US Subsidiary, at the price referred above or at a higher price. Post completion of the Proposed Sale, the Company shall not hold any common stock in the US Subsidiary, and it shall cease to be a subsidiary of the Company.

The board of directors of the Company, in its meeting held on August 8, 2020, subject to shareholders' approval and other requisite approvals, approved the sale, transfer or disposal of Company's entire stake/ investment in US Subsidiary to the Parent at US\$ 16.00 per share in terms of the Merger Agreement.

- 13. The board of directors of the Company recommends the resolutions proposed in Item No. 1 and places them for consideration and approval of the members of the Company by way of a Special Resolution.

14. None of the Directors or Key Managerial Personnel of the Company, or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution, except to the extent of their shareholding in the Company.

## **Item No. 2**

### **Amendment to Employee Stock Option Scheme of Majesco Limited Plan I**

1. The rationale and objective of the ESOP Plan is to motivate the employees of the Company and its subsidiaries and align the interests of the Employees which ultimately leads to the growth and prosperity of the Company by incentivizing them effectively.
2. The Board of Company has, approved the sale of US Subsidiary, and the Company has entered into a Support Agreement with the Parent on July 20, 2020 which was amended on August 8, 2020. In terms of the Revised Transaction Documents (between US Subsidiary and the Parent), the Company is required to take all necessary actions to cause the vesting of any Options granted to the employees of the US Subsidiary, except those options that have been granted less than a year prior to the date of such accelerated vesting, to fully accelerate in event the Transaction is successfully consummated and thereby enabling them to exercise the ESOPs and RSUs and become shareholders of the Company.

3. To give effect to the accelerated vesting, the Company proposes the following amendments to the ESOP Plan:

- a. amending clause (f) to clause 10 as follows:

*“In the event of bonus/rights or any other issue of securities, merger, amalgamation, demerger, business transfer, sale or disposal of any unit(s), division(s) or material subsidiary, restructuring or other similar corporate actions, the Nomination and Remuneration Committee shall be authorised to provide for such adjustment, whether by way of grant of additional Options to existing Option Holders, accelerate the vesting period for existing Option Holders or otherwise, which, in its opinion and discretion, provides for a fair and reasonable adjustment to the Option Holders.”*

- b. to Include the following clause as a new clause 12(e) after existing clause 12(d):

*“If an Option Holder ceases to be an Employee prior to the Exercise of the Options granted, as a part of merger, amalgamation, demerger, business transfer, sale or disposal of any unit(s), division(s) or subsidiary, restructuring or other similar corporate actions, all vested Options held by such Employee shall be exercised within a period of 60 days from the date of cessation”*

4. All other terms and conditions applicable of the ESOP Plan shall remain unchanged except for the variation as stated above.
5. As per the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, a company may by special resolution vary the terms of employee stock option plan or scheme offered pursuant to an earlier shareholders resolution but not yet exercised by the employee provided such variation is not prejudicial to the interests of the employees. In this regard, please note that the proposed amendment in ESOP Plan is not prejudicial to the interest of the eligible employees and existing option holders covered under ESOP

Plan. US Subsidiary is a material subsidiary of the Company which constitutes substantially whole of the business of the Company and that contributed 99.04% of the consolidated income of the Company in the financial Year 2019-20. The Company intends to distribute the proceeds from the disposal of the investment in US Subsidiary (net of taxes, transaction costs and other expenses to be incurred during the intermediary period) ("**Net Proceeds**"), to its shareholders in a tax efficient manner as expeditiously as possible. It will thus be beneficial to all the ESOP Holders currently holding outstanding options, if the Company enables all ESOP Holders to exercise their outstanding options, as permitted under applicable law, so that they become eligible to receive the distributions from the Net Proceeds by the Company to the shareholders as and when they are granted.

6. The board of directors of the Company and the nomination and remuneration committee of the Company, in their meeting held on July 20, 2020, have approved the aforesaid variation in the ESOP Plan.
7. The beneficiaries of this amendment will be the eligible employees of the Company and its subsidiaries. The approval of the Members is being sought by way of a Special Resolution under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, for the amendment of the existing Scheme.
8. The board of directors of the Company recommends the resolutions proposed in Item No. 2 and places them for consideration and approval of the members of the Company by way of a Special Resolution.
9. Except Mr. Farid Kazani, Managing Director & Group CFO and Mr. Kunal Karan, Chief Financial Officer, none of the Directors or Key Managerial Personnel of the Company, or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

**By order of the Board of Directors  
For Majesco Limited**

**Place:** Navi Mumbai  
**Date:** August 8, 2020

**Varika Rastogi  
Company Secretary  
(Membership no.: F 7864)**

**Registered office:** MNDC, MBP-P-136, Mahape, Navi Mumbai – 400 710, Maharashtra, India