

Mastek Limited to demerge its Insurance Products and Services Business into a separate listed company

15 Sep, 2014

The Board of Directors of Mastek Limited in its meeting held today, approved the demerger of the Insurance Products and Services business of Mastek Limited ("Mastek") into a new company to be named as Majesco Limited ("Majesco").

15 September 2014 – The Board of Directors of Mastek Limited in its meeting held today, approved the demerger of the Insurance Products and Services business of Mastek Limited ("Mastek") into a new company to be named as Majesco Limited ("Majesco"). Majesco is proposed to be listed on the BSE and the NSE, being exchanges where Mastek is currently listed.

In the UK, the Solutions business, serving primarily the Government, Health, Retail and Financial Services sectors, will continue to run as Mastek UK Limited, while the Insurance side of the business will be transferred to Majesco.

Mr. Sudhakar Ram, Managing Director & Group CEO, Mastek said "This move is in line with Mastek's core ideal of "Win for All". The proposed business structure enables the group to take advantage of the market opportunity presented in the US and in the UK and is aimed at aligning the business models, capital allocation and decision making within the Group. The restructuring will create value for all its stakeholders including customers, employees and shareholders"

The Board of Mastek approved the scheme of arrangement and believes that the restructuring will meet the following objectives:

Facilitate the businesses to independently pursue their growth plans through organic / inorganic means

Enhance management focus and operational flexibility

Create a platform to enhance financial flexibility

Provide an opportunity for the shareholders to participate in business of their choice, based on their risk-reward profile

The scheme will have to go through a High Court process under Sections 391 to 394 of the Companies Act, 1956 and will be subject to approval of the Hon'ble High Court of Bombay and Hon'ble High Court of Gujarat. The appointed date for the demerger is April 1, 2014 and the appointed date for the Offshore Insurance transfer will be November 1, 2014. The scheme of arrangement will further be subject to various statutory approvals, including those from the shareholders and the lenders / creditors of Mastek.

About Mastek

Mastek is a publicly held (NSE: MASTEK; BSE: 523704) leading IT player with global operations providing enterprise solutions to insurance, government, retail and financial services organizations worldwide. With its principal offshore delivery facility based at Mumbai, India, Mastek operates across North America, Europe, and Asia Pacific regions. Incorporated in 1982, Mastek has been at the forefront of technology and has made significant investments in creating

intellectual property, which along with proven methodologies and processes, increase IT value generation to its customers through onsite and offshore deliveries.

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