

Date: January 23, 2021

BSE Limited

Corporate Service Department,
01st Floor, P. J. Towers,
Dalal Street,
Mumbai 400 001

Fax: (022) 2272 2039/2272 3121

Scrip ID: ZENSARTECH

Scrip Code: 504067

The National Stock Exchange of India Ltd.

Exchange Plaza, 5th floor,
Plot No. C/1, 'G' block,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051

Fax: (022) 2659 8237/2659 8238

Symbol: ZENSARTECH

Series: EQ

Dear Sir(s),

Subject: Newspaper Publication of Financial Results

Please find enclosed herewith copies of newspaper advertisement of the financial results, which were approved by the Board, at its meeting held on January 21, 2021.

This information will also be hosted on the website of the Company at www.zensar.com

This is for your information and records.

Thanking you,

Yours faithfully,

For **Zensar Technologies Limited**


Gaurav Tongia
Company Secretary



Encl. as above



Zensar Technologies Limited

CIN No. L72200PN1983PLC012621

Registered Office: Zensar Knowledge Park, Plot # 4, MIDC, Kharadi, Off Nagar Road, Pune – 411014, Maharashtra, India
Tel. No.: +91 20 8805 7500 Fax No.: +91 20 8805 7688 E-mail: investor@zensar.com | Website: www.zensar.com

Zensar reports strong margins in Q3FY21

Extract of Unaudited Consolidated Results for the Quarter and Nine Months Ended December 31, 2020

Particulars	(Rs. in Lakhs)					
	Quarter ended			Nine months ended		
	31-Dec-2020	30-Sep-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019	31-Mar-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Total Income	93,921	97,553	1,06,018	2,92,394	3,23,619	4,27,010
2 Profit before exceptional item and tax	18,459	12,367	5,527	36,990	27,677	37,579
3 Exceptional item (refer note 7)	4,023	(8,873)	-	(4,850)	-	-
4 Net Profit / (Loss) before tax	17,482	3,514	5,527	31,140	27,677	37,579
5 Net Profit / (Loss) after tax (before share of non controlling interests)	15,917	229	4,118	21,635	19,999	27,180
6 Total Comprehensive Income (before share of non controlling interests)	11,391	719	6,185	19,834	20,383	22,336
7 Equity Share Capital	4,509	4,509	4,507	4,509	4,507	4,508
8 Other equity (excluding Reserves)	-	-	-	-	-	2,94,491
9 Earnings Per Share (Face value INR. 2 each) (not annualised):						
Before exceptional item						
a) Basic	4.33	3.96	1.75	11.54	8.61	11.69
b) Diluted	4.27	3.90	1.73	11.39	8.47	11.53
After exceptional item						
a) Basic	6.12	0.02	1.75	9.39	8.61	11.69
b) Diluted	6.03	0.02	1.73	9.27	8.47	11.53

Notes

- These unaudited results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as amended from time to time. The above financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on January 21, 2021.
- Standalone Financial Information:

Particulars	(Rs. in Lakhs)					
	Quarter ended			Nine months ended		
	31-Dec-2020	30-Sep-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019	31-Mar-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	34,873	33,676	32,914	1,01,389	1,01,731	1,37,030
Profit before tax	10,263	8,361	6,588	27,539	20,920	30,410
Net profit for the period	7,974	6,354	4,981	20,864	16,049	23,104

- During the year ended March 31, 2020, Company reversed contingent consideration payable on business combinations consummated in previous year amounting to INR 2,568 lakhs (USD 3.6 million) based on company's assessment, being no longer payable. This reversal is accounted under other income.
- The Company continues to actively manage its business during COVID-19 pandemic and has not yet experienced significant changes on the business impact than estimated earlier. In assessing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, nothing has come to the attention of the Company through internal and external sources, which warrants a reassessment of carrying amounts of financial and non-financial assets on the expected future performance of the Company.
- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the standalone and consolidated quarterly financial results are available on stock exchange websites (www.nseindia.com and www.bseindia.com) and on Company's website (www.zensar.com).
- The term of the erstwhile Managing Director and the CEO of the Company ended on January 11, 2021. Accordingly, he no longer functions as the Managing Director and the CEO of the Company effective January 12, 2021, however his employment at Zensar Technologies Inc. US has been extended by a period of one month, viz. February 12, 2021 to facilitate a smooth transition. The amount payable to the erstwhile Managing Director and the CEO which is subject to the shareholders' approval has been adequately recorded in the books of account. The Company will account for adjustments thereto, if any subsequent to the closure of all events as applicable in the quarter ending March 31, 2021.
- During the previous quarter ended 30th September 2020, Zensar Group classified its Third Party Maintenance (TPM) business housed in its subsidiaries, PSI Holding Group Inc, Zensar Technologies IM Inc and Zensar Technologies IM B.V. (collectively referred to as "PSI Group" or "disposal group") as "Held for Sale" and impact pertaining to adjustment to the carrying amount and fair value less transaction cost associated to sell was disclosed as exceptional item. On 19th October 2020, the Company signed an agreement (subject to certain closing conditions which included approval of shareholders) for sale of PSI Group for a consideration of USD 10 million receivable upfront (subject to working capital adjustment) and USD 5 million performance based deferred amounts. On completion of the closing conditions on 2nd December 2020, the differential impact has been disclosed as exceptional item, including the reclassification of balance in Foreign currency translation reserve to the Consolidated Statement of Profit and Loss amounting to gain of Rs. 3744 lakhs. Further, adjustment to consideration is due to be finalized 75 days after the closing date and adjustment if any would be accounted then. The disposal group does not constitute a separate major component of the Zensar Group and therefore has not been classified as discontinued operations in the Consolidated Statement of Profit and Loss.
- The Board of Directors in its meeting on January 21, 2021 declared an Interim dividend of INR 1.20 per equity share.
- Aquila Technology Corp (Aquila) was acquired by Zensar Technologies Inc. as part of the group acquisition of PSI Holding Group Inc (PSI) in 2010. A service agreement between Aquila and a customer of Aquila required independence, separation of its operations and lack of interdependence of Aquila on its related affiliates/parent. Accordingly, this led to loss of control over Aquila for the Zensar Group, consequently Aquila is not considered as a subsidiary of the Zensar group within the definition prescribed under Ind AS 110 and hence not consolidated by the Zensar Group. For its equity investments in Aquila, Zensar Group accounts the changes in fair value through other comprehensive income. During the quarter ended 31 December 2020, Company had advanced its process of divesting its subsidiary Aquila Technology Corp (Aquila) and accordingly, this investment is reclassified as "Held for Sale". Management believes on eventual disposal, company would be able to realize the full carrying value as accounted in the books of account.



Scan this QR code to download
Unaudited Financial Reports for
the Quarter ended 31st December, 2020

For and on behalf of the Board

Ajay Singh Bhatnagar
CEO and Managing Director
DIN : 09013862

Mumbai
Date: 21st January, 2021.



