

**Date:** May 14, 2020

**BSE Limited**

Corporate Service Department,  
01<sup>st</sup> 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, 03<sup>rd</sup> floor,  
Plot No. C/1, 'G' block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai 400 051

Fax: (022) 26598237/26598238

**Symbol:** ZENSARTECH

**Series:** EQ

**Subject:** Outcome of the Board Meeting held on May 14, 2020

This is to inform you that the Board of Directors of the Company at its meeting held today, which commenced at 4:15 PM and concluded at 8:32 PM, *inter-alia*, unanimously approved/took on record the following:

**Financial Results:**

1. Standalone and Consolidated financial results of the Company for the quarter ended March 31, 2020, subjected to Limited Review.
2. Audited Standalone and Consolidated financial results of the Company for the financial year ended March 31, 2020.

Copy(ies) of the same is enclosed herewith along with Auditor's Reports thereon, as applicable.

The report of the Auditors is with unmodified opinion with respect to the Audited Financial Results (Standalone and Consolidated) of the Company for the year ended March 31, 2020.

**Date of the 57<sup>th</sup> Annual General Meeting (AGM) of the Company as Thursday, August 6, 2020 and notice thereof containing *inter-alia* the following:**

1. Company's Register of Members and Share Transfer Book shall remain closed for the purpose of AGM, from July 29, 2020 to August 5, 2020 (both days inclusive).
2. Recommendation of re-appointment of Mr. H. V. Goenka (DIN- 00026726), Director of the Company, who retires by rotation, and being eligible, offers himself for reappointment.



- Members' approval for appointment of Ms. Radha Rajappa (DIN: 08530439) as a Non-Executive Independent Director, not liable to retire by rotation.

The AGM shall be convened and held as per the directives of relevant authorities, *inter-alia*, in view of prevailing Covid-19 pandemic.

The Press release and analyst presentation on financial results of the Company for the period ended March 31, 2020, are also attached.

Further, in accordance with the Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated March 26, 2020 granting relaxation from the provisions of Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and considering the lock-down restrictions, the Company will not be publishing the financial results in the newspaper for this quarter.

This is for your information and dissemination purpose.

**For Zensar Technologies Limited**



**Gaurav Tongia**  
**Company Secretary**

**Encl. As above**

**ADDITIONAL INFORMATION ON DIRECTORS GETTING APPOINTED/ REAPPOINTED**

<b>Sr. No</b>	<b>Particulars</b>	<b>Ms. Radha Rajappa</b> (DIN - 08530439)	<b>Mr. H. V. Goenka</b> (DIN - 00026726)
1.	Reason for change viz. appointment, resignation, removal, death or otherwise;	Appointment as Non-Executive Independent Director of the Company. (Appointed as an Additional Non-Executive Independent Director of the Company, by the Board of Directors on the recommendation of the Nomination and Remuneration Committee, subject to approval of Members of the Company)	Re-appointment as Director of the Company, who retires by rotation, and being eligible, offers himself for re-appointment at the ensuing AGM.
2.	Date of appointment	August 6, 2019	NA
	Term of appointment	August 6, 2019 to August 5, 2024	NA
3.	Disclosure of relationships between directors (in case of appointment of a director)	None	Mr. H. V. Goenka is father of Mr. Anant Goenka, Non-Executive Non-Independent Director of the Company.
4.	Affirmation	Based on the information available with us none of these Directors are debarred from holding the office of a director by virtue of any SEBI order or any other such authority.	
5.	Brief profile (In case of appointment)	Given separately hereunder and also available on the website of the Company.	



## **BRIEF PROFILE(S)**

### **Ms. Radha Rajappa**

Radha Rajappa is an entrepreneurial business leader with more than 29 years of experience in IT industry handling diverse roles of creating, nurturing and leading businesses from start and scaling existing businesses. She has successfully built and passionately led various businesses in Digital Transformation and IT services.

She is an ardent believer of building and nurturing high performance teams and excited about carving business opportunities with leading edge Digital, AI and Cloud technologies. Radha loves cultivating and mentoring startups.

Till recently, she was leading Digital and Services business at Microsoft India. Radha was a member of the India Leadership team driving the transformation for customers to the Cloud and Digital world.

She has served for 16 years as a key member of the Executive Leadership team at Mindtree. She was responsible for building and leading the Global Digital Business as the Executive Vice President and established Mindtree as a significant partner for Global clients to "Make Digital Real" for their businesses. Led Mindtree's move to Industry led vertical focus as the leader for Retail, CPG and Manufacturing industry as well as Travel, Transportation and Hospitality.

Radha has also served in IBM India in various capacities and in diverse roles encompassing Sales, Marketing and being responsible for various business lines.

She has been on the board of the Company, since August 6, 2019.

### **Mr. H. V. Goenka**

H. V. Goenka is Chairman of RPG Enterprises, one of the largest industrial groups in India, active in key business segments like tyres, infrastructure, information technology and other diversified segments having an annual turnover of about US \$ 4 billion.

Born in December 1957, H.V Goenka is a graduate in Economics and MBA from the International Institute of Management Development (IMD), Lausanne, Switzerland and is now on the Foundation Board of IMD, Lausanne.

H.V Goenka, a past President of the Indian Merchants' Chamber, in India, is also a member of the Executive Committee of FICCI and the Chairman of Breach Candy Hospital Trust.

He has been the Chairman of the Company since 2001.



## **INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS**

### **TO THE BOARD OF DIRECTORS OF ZENSAR TECHNOLOGIES LIMITED**

#### **Opinion and Conclusion**

We have (a) audited the Standalone Financial Results for the year ended March 31, 2020 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2020 of **ZENSAR TECHNOLOGIES LIMITED** ("the Company")", ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

#### **(a) Opinion on Annual Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2020:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

#### **(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2020**

With respect to the Standalone Financial Results for the quarter ended March 31, 2020, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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# **Deloitte Haskins & Sells LLP**

## **Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2020**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in paragraph (a) of Auditor’s Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“the ICAI”) together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

## **Management’s Responsibilities for the Statement**

This Statement which includes the Standalone Financial Results is the responsibility of the Company’s Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2020 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company’s ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

## **Auditor’s Responsibilities**

### **(a) Audit of the Standalone Financial Results for the year ended March 31, 2020**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2020 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error

# Deloitte Haskins & Sells LLP

and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to

# Deloitte Haskins & Sells LLP

communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## (b) Review of the Standalone Financial Results for the quarter ended March 31, 2020

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2020 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Other Matters

- As stated in Note 10 of the Statement, the figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 months period ended December 31, 2018. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2019. Our report on the Statement is not modified in respect of this matter.
- The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

HEMANT  
MAGANLAL  
JOSHI

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**Hemant M. Joshi**

Partner

(Membership No. 38019)

UDIN: 20038019AAAADI3225

Place: Pune

Date: May 14, 2020



<b>Zensar Technologies Limited</b>					
<b>Registered Office : Zensar Knowledge Park, Kharadi, Plot # 4 , MIDC, Off Nagar Road, Pune - 411014, India</b>					
<b>Statement of Standalone Results for the Quarter and Year ended March 31, 2020</b>					
<b>(INR Lakhs)</b>					
Particulars	Quarter Ended			Year Ended	
	31-Mar-2020	31-Dec-2019	31-Mar-2019	31-Mar-2020	31-Mar-2019
	Refer note 10		Refer note 10		
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1</b> Revenue from operations	35,299	32,914	35,269	137,030	137,008
<b>2</b> Other income (net)	2,853	1,631	3,736	9,093	8,499
<b>3 Total Income</b>	<b>38,152</b>	<b>34,545</b>	<b>39,005</b>	<b>146,123</b>	<b>145,507</b>
<b>4 Expenses</b>					
a. Purchase of traded goods	156	267	160	877	1,209
b. Employee benefits expense	19,925	19,895	19,972	80,913	78,949
c. Subcontracting costs	1,245	1,048	1,293	4,361	3,934
d. Finance costs	798	661	212	2,330	918
e. Depreciation, amortisation and impairment expense	2,180	2,155	1,096	8,138	4,278
f. Other expenses	4,357	3,932	6,209	19,094	22,868
<b>Total expenses</b>	<b>28,661</b>	<b>27,957</b>	<b>28,942</b>	<b>115,713</b>	<b>112,156</b>
<b>5 Profit before tax (3-4)</b>	<b>9,491</b>	<b>6,588</b>	<b>10,063</b>	<b>30,410</b>	<b>33,351</b>
<b>6 Tax expense</b>					
a. Current tax	1,724	1,626	1,935	6,262	8,169
b. Deferred tax	711	100	(163)	1,044	(618)
<b>7 Net Profit for the period (5-6)</b>	<b>7,056</b>	<b>4,861</b>	<b>8,291</b>	<b>23,104</b>	<b>25,800</b>
<b>8 Other comprehensive income/(loss), net of income tax</b>					
A. Items that will not be reclassified to profit or loss	(571)	90	67	(894)	111
B. Items that will be reclassified to profit or loss	1	(255)	163	(693)	427
<b>Total other comprehensive income/(loss), net of income tax</b>	<b>(570)</b>	<b>(165)</b>	<b>230</b>	<b>(1,587)</b>	<b>538</b>
<b>9 Total comprehensive income for the period (7+8)</b>	<b>6,486</b>	<b>4,696</b>	<b>8,521</b>	<b>21,517</b>	<b>26,338</b>
<b>10</b> Paid-up equity share capital (Face value INR. 2 each)	4,508	4,507	4,504	4,508	4,504
<b>11 Other equity excluding Revaluation Reserves as per balance sheet</b>				152,859	142,579
<b>12 Earnings Per Share (EPS) (Face value INR. 2 each) (not annualised):</b>					
a) Basic	3.13	2.16	3.68	10.26	11.46
b) Diluted	3.09	2.12	3.62	10.12	11.27

#### Statement of Assets & Liabilities

**(INR Lakhs)**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Assets</b>		
<b>Non-Current Assets</b>		
(a) Property, Plant and Equipment	10,487	8,126
(b) Right of use assets	23,122	-
(c) Capital work-in-progress	5	31
(d) Goodwill	8,402	8,402
(e) Other Intangible assets	3,662	3,603
(f) Intangible assets under development	762	629
(g) Financial Assets		
i) Investments	1,660	6,318
ii) Other financial assets	2,759	2,979
(h) Income tax assets (net)	2,434	2,422
(i) Deferred tax assets (net)	2,773	3,392
(j) Other non-current assets	882	996
<b>Total - Non-current assets</b>	<b>56,948</b>	<b>36,898</b>
<b>Current Assets</b>		
(a) Financial Assets		
i) Investments	26,704	4,536
ii) Trade receivables	105,569	87,382
iii) Cash and cash equivalents	3,299	12,462
iv) Bank balances other than in (iii) above	2,703	586
v) Other financial assets	6,330	28,022
(b) Other current assets	6,273	5,016
<b>Total - Current assets</b>	<b>150,878</b>	<b>138,004</b>
<b>Total - Assets</b>	<b>207,826</b>	<b>174,902</b>



Particulars	As at March 31, 2020	As at March 31, 2019
<b>Equity And Liabilities</b>		
<b>Equity</b>		
(a) Equity Share Capital	4,508	4,504
(b) Other Equity		
i. Reserves and surplus	153,358	142,385
ii. Other components of equity	(499)	194
<b>Total - Equity</b>	<b>157,367</b>	<b>147,083</b>
<b>Non-Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	-	319
ii) Lease liabilities	19,369	-
(b) Provisions	263	209
(c) Employee benefit obligations	1,544	1,450
<b>Total - Non-Current Liabilities</b>	<b>21,176</b>	<b>1,978</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	-	-
ii) Trade payables	8,053	8,672
iii) Lease Liabilities	5,066	-
iv) Other financial liabilities	9,643	12,528
(b) Employee benefit obligations	3,122	1,410
(c) Other Current Liabilities	1,877	1,777
(d) Income Tax Liabilities (Net)	1,522	1,454
<b>Total - Current Liabilities</b>	<b>29,283</b>	<b>25,841</b>
<b>Total - Equity And Liabilities</b>	<b>207,826</b>	<b>174,902</b>

**Notes :**

- 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 May 14, 2020.
- Standalone Statement of Cash flows is attached in Annexure I.
- Where financial results are declared for both consolidated and standalone entity, segment information may be presented only in the case of consolidated financial results. Accordingly, segment information has been provided only in the consolidated financial results.
- Other Income (Net) for the quarter and year ended March 31, 2020 includes net foreign exchange gain of INR 367 lakhs and INR 3,831 lakhs respectively (Corresponding previous period: Other Income(net) of INR (553) lakhs and INR 2,269 lakhs). Other Income (net) for the quarter ended December 31, 2019 includes net foreign exchange gain of INR 1,147 lakhs.
- During the year ended March 31, 2019, the Company concluded the sale of two subsidiaries and transfer of customer contracts and employee related liability under a Business Transfer Agreement. Gain arising from such transaction of INR 439 lakhs and INR 2,080 lakhs was recognized under Other Income for the quarter ended September 30, 2018 and year ended March 31, 2019 respectively.
- During the year ended March 31, 2020, the Company issued 22,000 equity shares pursuant to the exercise of stock options by certain employees under the "2002 ESOP" and 210,050 equity shares under "2006 ESOP" stock option plan.
- The Board of directors in its meeting on January 23, 2020 and March 6, 2020 declared an interim dividend of INR 1.00 and INR 1.80 per equity share respectively.
- Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the "Modified Retrospective Approach" and has taken the cumulative adjustment to retained earnings on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.  
The effect of adoption as on transition date has resulted in recognition of Right of use asset of INR 13,263 lakhs and a corresponding lease liability of INR 13,412 lakhs. The cumulative effect of applying the standard resulted in INR 97 lakhs being debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit and earnings per share for the quarter and year ended March 31, 2020.  
In respect of leases that were classified as finance leases, applying Ind AS 17, an amount of INR 489 lakhs has been reclassified from property, plant and equipment to right-of-use assets. An amount of INR 326 lakhs has been reclassified from other current financial liabilities to lease liability - current and an amount of INR 319 lakhs has been reclassified from borrowings - non-current to lease liability - non-current.
- The Company has given due consideration of the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In assessing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements, has used internal and external sources of information, including credit reports and related information on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used, and based on current estimates, is of the view that the carrying amount of these assets reflect their realisable values.  
The Company is actively managing its business to respond to its impact. However, there could be an adverse impact on the business, result of operations, financial position and cash flows ; the company believes that the impact is likely to be mitigated by the diversified nature of the company's clients, including the geographical spread of the company's operations, and its clientele.  
The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.
- Figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the third quarter of the respective financial year.

For and on behalf of the Board



*Sandeep Kishore*

Sandeep Kishore  
Managing Director & CEO  
DIN:07393680

Mumbai  
Date: May 14, 2020

**Zensar Technologies Limited**  
**Standalone Statement of Cash Flows**

(INR Lakhs)

Particulars	Year Ended	Year Ended
	31-Mar-20	31-Mar-19
	Audited	Audited
<b>Cash flow from operating activities</b>		
Profit before taxation	30,410	33,351
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment expense	8,138	4,278
Employee share based payment expense	119	477
Profit on sale of investments (mutual funds)	(1,409)	(2,796)
Changes in fair value of financial assets/liabilities measured at fair value through profit and loss	283	1,796
Loss / (Profit) on Sale of Business/subsidiaries	51	(2,080)
Provision for impairment in the value of investments	-	78
Dividend income	(2,757)	(870)
Interest income	(262)	(317)
Finance costs	2,282	875
(Profit)/Loss on sale of tangible assets (net)	(8)	9
Provision for doubtful debts and advances (net)	1,047	1,103
Adjustment on account of contingent consideration	(173)	-
Bad debts written off	-	492
Provisions no longer required and credit balances written back	(10)	(372)
Unrealised exchange (gain) / loss (net)	(588)	1,578
	6,713	4,251
<b>Operating profit before working capital changes</b>	<b>37,123</b>	<b>37,602</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/ decrease in other non-current financial assets	6	(860)
(Increase)/ decrease in other non-current assets	538	467
(Increase)/ decrease in trade receivables	(14,458)	(21,197)
(Increase)/ decrease in other current financial assets	18,896	(3,935)
(Increase)/ decrease in other current assets	(1,393)	(1,079)
Increase/ (decrease) in non-current provisions	54	121
Increase/ (decrease) in non-current employee benefit obligations	93	(45)
Increase/ (decrease) in trade payables	(647)	90
Increase/ (decrease) in other current financial liabilities	(1,610)	2,026
Increase/ (decrease) in current employee benefit obligations	337	185
Increase/ (decrease) in other current liabilities	404	96
<b>Cash generated from operations</b>	<b>39,343</b>	<b>13,471</b>
Income taxes paid (net of refunds)	(5,726)	(8,210)
<b>Net cash inflow from operating activities</b>	<b>33,617</b>	<b>5,261</b>
<b>Cash flow from investing activities</b>		
Purchase of tangible/intangible assets including capital work in progress	(6,767)	(3,855)
Payment of Earnout to Subsidiaries	(4,988)	(3,179)
Acquisition of company	-	(1,270)
Proceeds from Sale of Business/subsidiaries	902	-
Profit on Sale of Business/subsidiaries	-	1,768
Proceeds from Sale of tangible/intangible assets	8	40
Fixed Deposits placed	(2,434)	(350)
Fixed Deposits redeemed	354	-
Purchase of investments (Mutual Funds)	(121,530)	(79,121)
Sale of investments (Mutual Funds)	105,147	95,202
Sale of Non Convertible Debentures	-	814
Interest income received	272	292
Dividend income received	2,757	870
<b>Net cash used in investing activities</b>	<b>(26,279)</b>	<b>11,211</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares	152	140
Dividend on equity shares and tax thereon	(11,932)	(6,333)
Interest paid	(57)	(75)
Payment of lease liabilities	(4,313)	-
Proceeds from long-term borrowings	-	-
Repayment of long-term borrowings	-	(290)
Proceeds from short-term borrowings	1,376	2,742
Repayment of short-term borrowings	(1,418)	(2,903)
<b>Net cash used in financing activities</b>	<b>(16,192)</b>	<b>(6,719)</b>
Effect of exchange differences on translation of cash and cash equivalents	1	46
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(8,853)</b>	<b>9,799</b>
<b>Cash and cash equivalents at the beginning of the year</b>	12,152	2,528
Less: Cash transferred during disposal of business	-	(175)
<b>Cash and cash equivalents at the end of the year</b>	3,299	12,152



## **INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS**

### **TO THE BOARD OF DIRECTORS OF ZENSAR TECHNOLOGIES LIMITED**

#### **Opinion and Conclusion**

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2020 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2020 of **ZENSAR TECHNOLOGIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

#### **(a) Opinion on Annual Consolidated Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Results for the year ended March 31, 2020:

- (i) includes the results of the subsidiaries mentioned in the note 3 of the Statement
- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2020.

#### **(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2020**

With respect to the Consolidated Financial Results for the quarter ended March 31, 2020, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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## **Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2020**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in paragraph (a) of Auditor’s Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

### **Management’s Responsibilities for the Statement**

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent’s Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2020, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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# Deloitte Haskins & Sells LLP

## Auditor's Responsibilities

### (a) Audit of the Consolidated Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2020 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results, entities within the Group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors.

# Deloitte Haskins & Sells LLP

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2020**

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2020 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SA specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed under note 3 of the Statement.

## **Other Matters**

- As stated in Note 10 of the Statement, the consolidated figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 months period ended December 31, 2018. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2019. Our report on the Statement is not modified in respect of this matter.

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# Deloitte Haskins & Sells LLP

- The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

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JOSHI



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**Hemant M. Joshi**

Partner

(Membership No. 38019)

UDIN: 20038019AAAADJ1033

Place: Pune

Date: May 14, 2020



**Zensar Technologies Limited**  
**Registered Office : Zensar Knowledge Park, Kharadi, Plot # 4 , MIDC, Off Nagar Road, Pune - 411014, India**  
**Statement of Consolidated Results for the Quarter and Year ended March 31, 2020**

(INR Lakhs)

Particulars	Quarter Ended			Year Ended	
	31-Mar-2020	31-Dec-2019	31-Mar-2019	31-Mar-2020	31-Mar-2019
	Refer note 10		Refer note 10		
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1</b> Revenue from operations	101,779	102,059	105,741	418,168	396,633
<b>2</b> Other income (net)	1,611	3,959	2,500	8,842	9,268
<b>3 Total Income</b>	<b>103,390</b>	<b>106,018</b>	<b>108,241</b>	<b>427,010</b>	<b>405,901</b>
<b>4 Expenses</b>					
a. Purchase of traded goods	2,447	5,576	3,330	15,250	11,538
b. Changes in inventories	1,517	686	1,504	3,089	4,399
c. Employee benefits expense	56,523	59,635	56,909	234,743	215,258
d. Subcontracting costs	15,501	16,644	17,003	65,881	66,181
e. Finance costs	1,718	1,274	1,102	6,051	3,729
f. Depreciation, amortisation and impairment expense	4,154	4,119	2,512	15,918	8,944
g. Other expenses	11,629	12,557	14,012	48,499	51,314
<b>Total expenses</b>	<b>93,489</b>	<b>100,491</b>	<b>96,372</b>	<b>389,431</b>	<b>361,363</b>
<b>5 Profit before tax (3-4)</b>	<b>9,901</b>	<b>5,527</b>	<b>11,869</b>	<b>37,579</b>	<b>44,538</b>
<b>6 Tax expense</b>					
a. Current tax	1,981	1,665	3,737	10,131	14,045
b. Deferred tax	720	(256)	(187)	288	(1,372)
<b>7 Net Profit for the period (5-6)</b>	<b>7,200</b>	<b>4,118</b>	<b>8,319</b>	<b>27,160</b>	<b>31,865</b>
<b>8 Net Profit/(Loss) attributable to:</b>					
- Owners	6,951	3,953	8,274	26,342	31,359
- Non-controlling interests	249	165	45	818	506
<b>9 Other comprehensive income/(loss), net of income tax</b>					
A. Items that will not be reclassified to profit or loss	(1,880)	90	(88)	(2,206)	(44)
B. Items that will be reclassified to profit or loss	1,632	1,977	640	2,382	403
<b>Total other comprehensive income/(loss), net of income tax</b>	<b>(248)</b>	<b>2,067</b>	<b>552</b>	<b>176</b>	<b>359</b>
<b>10 Total comprehensive income for the period (7+9)</b>	<b>6,952</b>	<b>6,185</b>	<b>8,871</b>	<b>27,336</b>	<b>32,224</b>
<b>11 Total comprehensive income attributable to:</b>					
- Owners	6,943	5,905	8,839	26,668	31,893
- Non-controlling interests	9	280	32	668	331
<b>12 Paid-up equity share capital (Face value INR 2 each)</b>	<b>4,508</b>	<b>4,507</b>	<b>4,504</b>	<b>4,508</b>	<b>4,504</b>
<b>13 Other equity excluding Revaluation Reserves as per balance sheet</b>				204,491	189,732
<b>14 Earnings Per Share (EPS) (Face value INR 2 each) (not annualised):</b>					
a) Basic	3.08	1.75	3.68	11.69	13.93
b) Diluted	3.04	1.73	3.62	11.53	13.70



## Statement of Assets &amp; Liabilities

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	<b>Assets</b>	
<b>Non-Current Assets</b>		
(a) Property, Plant and Equipment	12,940	10,267
(b) Right of use assets	32,649	-
(c) Capital work-in-progress	180	556
(d) Goodwill	64,658	60,310
(e) Other Intangible assets	22,020	24,411
(f) Intangible assets under development	957	629
(g) Financial Assets		
i) Investments	1,142	6,982
ii) Other financial assets	6,798	3,262
(h) Income tax assets (net)	6,064	3,146
(i) Deferred tax assets (net)	4,966	4,468
(j) Other non-current assets	1,419	1,125
<b>Total - Non-current assets</b>	<b>153,793</b>	<b>115,156</b>
<b>Current Assets</b>		
(a) Inventories	9,412	9,846
(b) Financial Assets		
i) Investments	26,704	4,536
ii) Trade receivables	66,564	87,621
iii) Cash and cash equivalents	48,834	31,689
iv) Bank balances other than in (iii) above	2,823	899
v) Other financial assets	29,762	26,444
(c) Other current assets	21,663	32,781
<b>Total - Current assets</b>	<b>205,762</b>	<b>193,816</b>
<b>Total - Assets</b>	<b>359,555</b>	<b>308,972</b>
<b>Equity And Liabilities</b>		
<b>Equity</b>		
(a) Equity Share Capital	4,508	4,504
(b) Other Equity		
i. Reserves and surplus	201,118	187,430
ii. Other components of equity	3,373	2,302
Equity Attributable to Owners of the Company	208,999	194,236
Non controlling interests	2,370	1,696
<b>Total - Equity</b>	<b>211,369</b>	<b>195,932</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	6,537	10,221
ii) Lease liabilities	31,293	-
iii) Other financial liabilities	4,599	6,084
(b) Provisions	263	209
(c) Employee benefit obligations	1,554	1,457
<b>Total - Non-Current Liabilities</b>	<b>44,246</b>	<b>17,971</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	22,321	15,560
ii) Trade payables	26,497	30,095
iii) Lease liabilities	10,577	-
iv) Other financial liabilities	22,825	25,351
(b) Employee benefit obligations	8,325	5,692
(c) Other current liabilities	8,485	14,422
(d) Income tax liabilities (net)	4,910	3,949
<b>Total - Current Liabilities</b>	<b>103,940</b>	<b>95,069</b>
<b>Total - Equity And Liabilities</b>	<b>359,555</b>	<b>308,972</b>

## Consolidated Segment wise Revenue &amp; Results for the Year ended March 31, 2020

Particulars	(INR Lakhs)				
	Quarter Ended			Year Ended	
	31-Mar-2020	31-Dec-2019	31-Mar-2019	31-Mar-2020	31-Mar-2019
	Unaudited	Unaudited	Unaudited	Audited	Audited
1 <b>Segment Revenue</b>					
Application Management Services	85,231	85,740	89,524	351,518	334,692
Infrastructure Management Services	16,548	16,319	16,217	66,650	61,941
<b>Revenue From Operations</b>	<b>101,779</b>	<b>102,059</b>	<b>105,741</b>	<b>418,168</b>	<b>396,633</b>
2 <b>Segment Results (Profit / (Loss) before tax and finance cost)</b>					
Application Management Services	12,710	6,201	12,410	46,983	46,602
Infrastructure Management Services	2,081	2,820	515	8,036	3,968
<b>Total Segment Results</b>	<b>14,791</b>	<b>9,021</b>	<b>12,925</b>	<b>55,019</b>	<b>50,570</b>
Less: Finance costs	1,718	1,274	1,102	6,051	3,729
Less: Unallocable expenditure net of unallocable income	3,172	2,220	(46)	11,389	2,303
<b>Total Profit before Tax</b>	<b>9,901</b>	<b>5,527</b>	<b>11,869</b>	<b>37,579</b>	<b>44,538</b>



Statement of Segment Assets & Liabilities		31-Mar-2020	31-Dec-2019	31-Mar-2019
		Audited	Unaudited	Audited
1	<b>Segment Assets</b>			
	<b>Trade Receivables</b>			
	Application Management Services	55,212	65,935	72,964
	Infrastructure Management Services	11,352	14,061	14,657
	<b>Total Trade Receivables</b>	66,564	79,996	87,621
	<b>Inventories</b>			
	Application Management Services	-	-	-
	Infrastructure Management Services	9,412	9,524	9,846
	<b>Total Inventories</b>	9,412	9,524	9,846
	<b>Unbilled Revenue</b>			
	Application Management Services	34,325	34,723	31,753
	Infrastructure Management Services	4,578	5,401	5,906
	<b>Total Unbilled Revenue</b>	38,903	40,124	37,659
	<b>Goodwill</b>			
	Application Management Services	44,326	42,818	41,728
	Infrastructure Management Services	20,332	19,182	18,582
	<b>Total Goodwill</b>	64,658	62,000	60,310
	<b>Unallocable Assets</b>	180,018	166,594	113,536
	<b>TOTAL ASSETS</b>	<b>359,555</b>	<b>358,238</b>	<b>308,972</b>
2	<b>Segment Liabilities</b>			
	<b>Unearned Revenue</b>			
	Application Management Services	2,041	9,182	5,677
	Infrastructure Management Services	2,440	2,047	3,747
	<b>Total Unearned Revenue</b>	4,481	11,229	9,424
	<b>Unallocable Liabilities</b>	143,704	134,517	103,616
	<b>Total Liabilities</b>	<b>148,186</b>	<b>145,746</b>	<b>113,040</b>

**Notes :**

- 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 May 14, 2020.
- Consolidated Statement of Cash flows is attached in Annexure I.
- The consolidated financial results include the results of Zensar Technologies Limited and its subsidiaries viz., Zensar Technologies Inc., Zensar Technologies (UK) Limited, PSI Holding Group Inc., Zensar Technologies IM B.V., Zensar (Africa) Holdings Pty Limited, Zensar (South Africa) Pty Limited, Professional Access Limited, Zensar Technologies (Singapore) Pte. Limited, Foolproof Limited, Knit Limited, Foolproof (SG) Pte Limited, Zensar Technologies (Shanghai) Company Limited, Keystone Logic Inc, Zensar Info Technologies (Singapore) Pte Limited, Zensar IT Services Limited, Cynosure Inc, Cynosure Interface Services Private Limited, Cynosure APAC Pty Ltd, Keystone Logic Mexico, S. DE R.L. DE C.V, Keystone Technologies Mexico, S. DE R.L. DE C.V, Indigo Slate Inc, Zensar Technologies GmbH and Zensar Technologies (Canada) Inc.
- Other Income (Net) for the quarter and year ended March 31,2020 includes net foreign exchange gain of INR 668 lakhs and INR 4,484 lakhs respectively. (Corresponding previous period: Other Income (Net) of INR (194) lakhs and INR 2,899 lakhs). Other Income (net) for the quarter ended December 31, 2019 includes net foreign exchange gain of INR 1,015 lakhs.
- During the year ended March 31, 2019, the Parent concluded the sale of two subsidiaries and transfer of customer contracts and employee related liability under a Business Transfer Agreement. Gain arising from such transaction INR 1,941 lakhs was recognized under Other Income during the quarter and year ended March 31, 2019.
- During the year ended March 31, 2020, the Company issued 22,000 equity shares pursuant to the exercise of stock options by certain employees under the "2002 ESOP" and 210,050 equity shares under "2006 ESOP" stock option plan.
- Results of Zensar Technologies Limited on a stand alone basis are hosted on the Company's website www.zensar.com.

Stand-Alone Financial Information					
Particulars	Quarter Ended			Year Ended	
	31-Mar-2020	31-Dec-2019	31-Mar-2019	31-Mar-2020	31-Mar-2019
	Unaudited	Unaudited	Unaudited	Audited	Audited
Revenue from operations	35,299	32,914	35,269	137,030	137,008
Profit before tax	9,491	6,588	10,063	30,410	33,351
Net profit for the period	7,056	4,861	8,291	23,104	25,800

- The Board of directors in its meeting on January 23, 2020 and March 6, 2020 declared an interim dividend of INR 1.00 and INR 1.80 per equity share respectively.
- Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the "Modified Retrospective Approach" and has taken the cumulative adjustment to retained earnings on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.  
The effect of adoption as on transition date has resulted in recognition of Right of use asset of INR 23,810 lakhs and a corresponding lease liability of INR 24,630 lakhs. The cumulative effect of applying the standard resulted in INR 579 lakhs being debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit and earnings per share for the year ended March 31, 2020.  
In respect of leases that were classified as finance leases, applying Ind AS 17, an amount of INR 489 lakhs has been reclassified from property, plant and equipment to right-of-use assets. An amount of INR 326 lakhs has been reclassified from other current financial liabilities to lease liability - current and an amount of INR 319 lakhs has been reclassified from borrowings - non-current to lease liability - non-current.
- Figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the third quarter of the respective financial year.
- During the quarter ended December 31, 2019, Company reversed contingent consideration payable on business combinations consummated in previous year amounting to USD 3.6 million [INR 2568 lakhs] based on company's assessment, being no longer payable. This reversal is accounted under other income.
- The Company has given due consideration of the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In assessing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements, has used internal and external sources of information, including credit reports and related information on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used, and based on current estimates, is of the view that the carrying amount of these assets reflect their realisable values.  
The Company is actively managing its business to respond to its impact. However, there could be an adverse impact on the business, result of operations, financial position and cash flows; the company believes that the impact is likely to be mitigated by the diversified nature of the company's clients, including the geographical spread of the company's operations, and its clientele.  
The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

For and on behalf of the Board



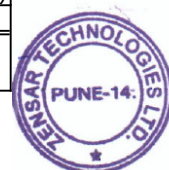
*Sandeep Kishore*

Sandeep Kishore  
Managing Director & CEO  
DIN:07393680

**Zensar Technologies Limited**  
**Consolidated Statement of Cash Flows**

(INR Lakhs)

Particulars	Year Ended	Year Ended
	31-Mar-20	31-Mar-19
	Audited	Audited
<b>Cash flow from operating activities</b>		
Profit before taxation	37,579	44,538
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment expense	15,918	8,944
Employee share based payment expense	645	1,652
Profit on sale of investments(mutual funds)	(1,409)	(2,796)
Change in fair value of equity instruments	-	(196)
Changes in fair value of financial assets/liabilities measured at fair value through profit and loss	683	2,004
Profit on Sale of Business/subsidiaries	-	(1,941)
Interest income	(512)	(545)
Finance costs	5,167	2,951
(Profit)/Loss on sale of tangible assets (net)	(5)	9
Provision for doubtful debts and advances (net)	(1,749)	2,368
Bad debts written off	4,357	1,174
Provision no longer required and credit balances written back	(2,581)	(2,391)
Unrealised exchange (gain) / loss (net)	(3,175)	(83)
	17,339	11,150
<b>Operating profit before working capital changes</b>	<b>54,918</b>	<b>55,688</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/ decrease in other non-current financial assets	(3,528)	(700)
(Increase)/ decrease in other non-current assets	(536)	1,113
(Increase)/ decrease in inventories	434	754
(Increase)/decrease in trade receivables	24,009	(27,566)
(Increase)/decrease in other current financial assets	(3,240)	8,100
(Increase)/ decrease in other current assets	11,128	(25,191)
Increase/(decrease) in other non-current financial liabilities	83	(557)
Increase/(decrease) in non-current provisions	54	121
Increase/(decrease) in non-current employee benefit obligations	97	(39)
Increase/(decrease) in trade payables	(3,262)	11,482
Increase/ (decrease) in other current financial liabilities	(1,705)	4,092
Increase/ (decrease) in current employee benefit obligations	1,259	1,221
Increase/ (decrease) in other current liabilities	(5,956)	948
<b>Cash generated from operations</b>	<b>73,755</b>	<b>29,466</b>
Income taxes paid (net of refunds)	(11,467)	(13,864)
<b>Net cash inflow from operating activities</b>	<b>62,288</b>	<b>15,602</b>
<b>Cash flow from investing activities</b>		
Purchase of tangible/intangible assets including capital work in progress	(7,818)	(5,242)
Payment of Earnout to Subsidiaries	(5,970)	(3,179)
Acquisition of Company	-	(34,171)
Profit on Sale of Business/subsidiaries	-	1,768
Proceeds from sale of tangible/intangible assets	9	68
Fixed Deposits placed	(2,554)	(615)
Fixed Deposits redeemed	667	-
Purchase of investments (Mutual Funds)	(121,530)	(79,121)
Sale of investments (Mutual Funds)	105,147	95,202
Sale of Non Convertible Debentures	-	814
Interest income received	522	366
<b>Net cash used in investing activities</b>	<b>(31,527)</b>	<b>(24,110)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares	152	140
Dividend on equity shares and tax thereon	(11,974)	(6,333)
Interest paid	(1,184)	(1,339)
Payment of lease liabilities	(1,483)	-
Proceeds from long-term borrowings	-	13,067
Repayment of long-term borrowings	(4,173)	(290)
Proceeds from short-term borrowings	28,237	23,278
Repayment of short-term borrowings	(22,920)	(8,433)
<b>Net cash used in financing activities</b>	<b>(13,345)</b>	<b>20,090</b>
Effect of exchange differences on translation of cash and cash equivalents	39	-
Increase in Cash and Cash Equivalents on Acquisition	-	1,530
Decrease in Cash and Cash Equivalents on disposal of subsidiaries	-	(288)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>17,455</b>	<b>12,824</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>31,379</b>	<b>18,555</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>48,834</b>	<b>31,379</b>



## **Zensar reports 5.8% YoY growth in revenue for FY20** **Digital Business growth at 21.9% YoY**

**Pune, India, May 14, 2020:** [Zensar](#), a digital solutions and technology services company that specialises in partnering with global organisations on their digital transformation journey, announced its audited consolidated financial results for Quarter ending March 31, 2020, of the fiscal year 2019-2020.

### **Financial Highlights:**

- In Q4FY20 the Company reported revenue of \$140.6MN. For the year FY20 Revenue grew by 5.8% in USD terms to \$589.5MN, Core Business grew by 6.8% YoY.
- In Q4FY20, the Company reported a PAT of \$9.6MN, a sequential growth of 72.9%. For FY20, the PAT declined by 18.7% at \$37.8MN
- EBITDA grew by 100.2% sequentially and declined by 0.2% YoY in Q4FY20
- In Q4FY20, the Company reported a Gross Margin of \$40.6MN, a sequential growth of 20.0%. For FY20, the Gross Margin was at \$163.9MN which is an increase of 0.8% since last year

**Sandeep Kishore, Chief Executive Officer and Managing Director, Zensar Technologies, said,** “In FY20 we focused on improving our business operational metrics. One of the key highlights include an increase in the number of our \$5MN per annum customer accounts which grew by 5 YoY, underlining that our new age digital, data and cloud offerings are helping our clients transform their business. Our digital business continues its consistent growth at 23.0% YoY in constant currency terms in FY20.”

**Adding further, he said,** “The current COVID-19 related situation has further reinforced our customer-centric values, as we partner with our customers to remain a key part of their operational and strategic roadmap. Our global workforce is our priority and we continue to support them in all possible ways to remain healthy, safe, connected and productive.”

**Navneet Khandelwal, Chief Financial Officer, Zensar Technologies said,** “In FY20, we put focused efforts to improve our cash management. All the initiatives resulted in an increase of our operating cash flow by 299.2% on a YoY basis in INR terms. It stood at 229.3% of our PAT in FY20.”

“Additionally, our rigour on collections helped us to improve our DSO from 102 days to 87 days. Our cost optimization measures have resulted in an increase in the EBITDA on a sequential basis by 100.2% and our Gross Margin improved sequentially by 20.0%.” **he further added.**

### **Significant Wins in FY20:**

- Oracle consulting and implementation for a leading international standards organization
- Application development and integration for a leading financial services group in South Africa
- Guidewire implementation for a US based property & casualty auto insurance carrier
- Mandate for digital workplace for a US based large manufacturer of lighting and lighting based products
- Infrastructure mandate for an American manufacturer of lighting solutions
- Digital solutions for a leading Insurance company in South Africa

- Digital transformation mandate for a large US-based Hi-tech global company
- Application and development work for a large US-based Hi-tech global company
- Application and maintenance services for a large South Africa based financial services group company
- Cloud and infrastructure services mandate for a US Hi-tech Mfg. company
- Digital Transformation for Sanlam, a leading insurer from South Africa
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- A multi-million-dollar deal for the digital transformation for a UK based conglomerate having diverse interests
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[About Zensar \(www.zensar.com\)](http://www.zensar.com)

Zensar is a leading digital solutions and technology services company that specialises in partnering with global organisations across industries on their digital transformation journey. A technology partner of choice, backed by strong track record of innovation; credible investment in digital solutions; and assertion of commitment to a client's success, Zensar's comprehensive range of digital and technology services and solutions enables its customers to achieve new thresholds of business performance. Zensar, with its experience in delivering excellence and superior client satisfaction through myriad technology solutions, is uniquely positioned to help clients surpass challenges around running their existing business most efficiently and to help in their legacy transformation and plan for business expansion and growth through innovative digital solutions,

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**[About RPG Enterprises](#)**

RPG Enterprises, established in 1979, is one of India's fastest growing business groups with a turnover of US\$ 4 Billion. The group has diverse business interests in the areas of Infrastructure, Tyres, Pharma, IT and Specialty as well as in emerging innovation led technology businesses.

**For any queries please feel to reach out:**

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**Safe Harbor**

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorised use of our intellectual property and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

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### Q4 FY 20 Revenue and profitability snapshot

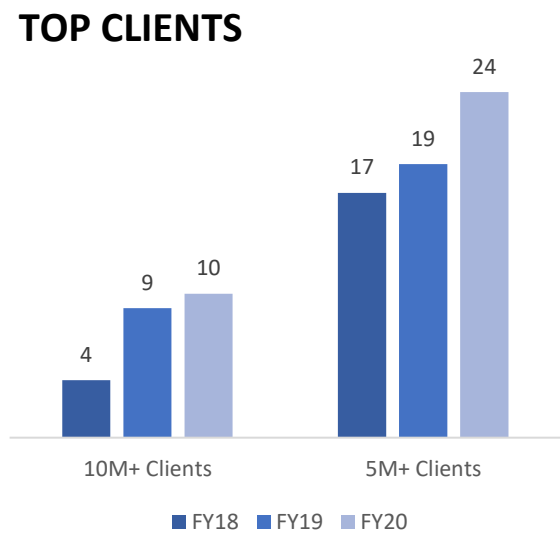
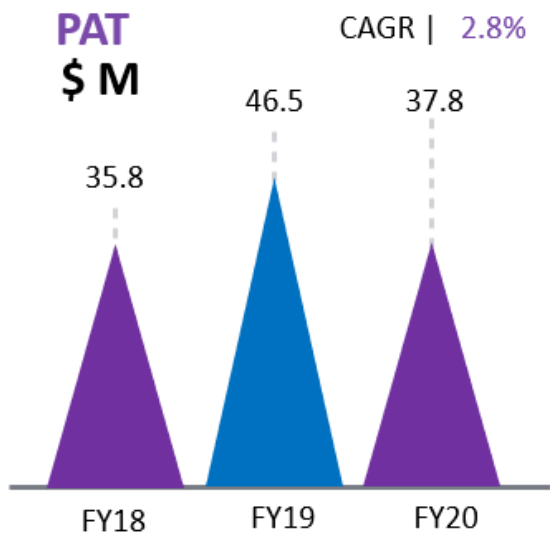
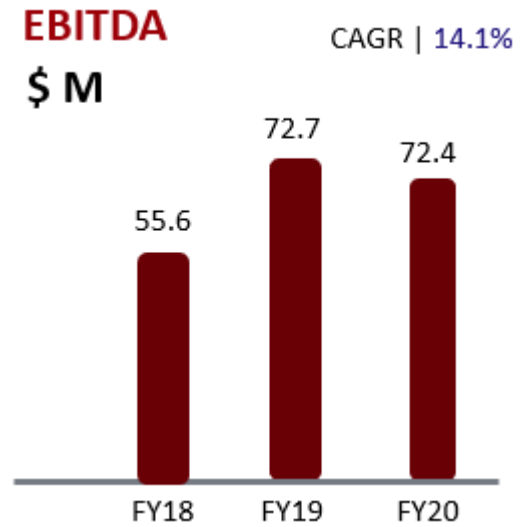
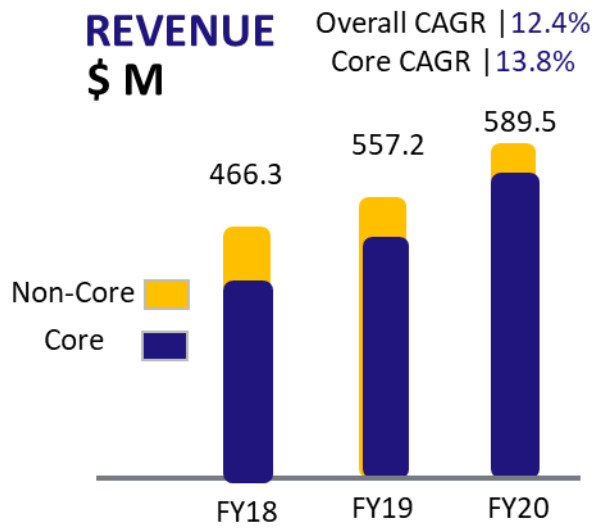
Particulars	Q4 FY20		Growth						FY 20	
	USD Mn	INR Cr	Q-o-Q			Y-o-Y			USD Mn	INR Cr
			USD	INR	CC	USD	INR	CC		
Revenue	140.6	1017.8	(1.9%)	(0.3%)	(1.5%)	(5.4%)	(2.8%)	(4.2%)	589.5	4176.8
EBITDA	19.6	141.6	100.2%	103.5%		(0.2%)	2.6%		72.4	512.8
EBIT	13.8	100.1	247.0%	252.7%		(13.7%)	(11.4%)		50.0	353.6
PAT	9.6	69.5	72.9%	75.8%		(22.2%)	(20.1%)		37.8	267.6

Note: All numbers are as per the Ind-AS reporting standard

### Q4 FY20 Revenue Growth in Constant Currency

Particulars	Segments	Q4 FY20
		QoQ
<b>Consolidated</b>	For the Company	-1.5%
<b>Geography</b>	US	-1.7%
	Europe	-6.2%
	Africa	7.0%
<b>Services</b>	Digital and Application Services, DAS	<b>-1.7%</b>
	Digital Services	4.2%
	Core Application Services	-9.4%
	Cloud and Infrastructure Services, CIS	<b>-0.5%</b>
	Cloud, Digital Led next gen CIS	3.7%
	Core Infrastructure Services	-8.6%
	Third Party Maintenance	4.2%
	Total Digital Services	4.1%
<b>Industry</b>	Hitech and Manufacturing	-3.3%
	Hitech	-0.7%
	Mfg.	-11.1%
	Retail and Consumer Services	6.0%
	Financial Services	-0.9%
	Insurance	-3.9%
	Banking	6.1%
	Emerging	-10.4%

Performance Highlights



**Income Statement (USD Mn)**

Income Statement (USD Mn)	Q4 FY 19	FY19	Q3 FY 20	Q4 FY20	FY 20
<b>Operating revenue</b>	<b>148.7</b>	<b>557.2</b>	<b>143.3</b>	<b>140.6</b>	<b>589.5</b>
<i>Sequential Growth</i>	4.9%		-5.9%	-1.9%	
<i>Year-Over-Year Growth</i>	21.3%	19.5%	1.1%	-5.4%	5.8%
Cost of revenue	105.7	394.6	109.5	100.0	425.6
<b>Gross profit</b>	<b>43.0</b>	<b>162.6</b>	<b>33.8</b>	<b>40.6</b>	<b>163.9</b>
<i>Gross profit % of revenue</i>	28.9%	29.2%	23.6%	28.9%	27.8%
<i>Sequential Growth</i>	10.1%		-23.7%	20.0%	
<i>Year-Over-Year Growth</i>	19.8%	18.6%	-13.3%	-5.5%	0.8%
Sales and marketing expenses	10.1	37.7	9.5	9.0	38.3
General and administration expenses	14.0	54.5	14.6	12.1	53.2
Operating expenses	24.1	92.2	24.1	21.0	91.5
<i>% of revenue</i>	16.2%	16.5%	16.8%	15.0%	15.5%
Other operating income	0.7	2.3	-	-	0.0
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>19.6</b>	<b>72.7</b>	<b>9.8</b>	<b>19.6</b>	<b>72.4</b>
<i>EBITDA % of revenue</i>	13.2%	13.0%	6.8%	13.9%	12.3%
<i>Sequential Growth</i>	20.6%		-54.1%	100.2%	
<i>Year-Over-Year Growth</i>	34.8%	30.8%	-39.8%	-0.2%	-0.4%
Depreciation and amortisation	3.6	12.8	5.8	5.7	22.4
<b>Earnings before interest and tax (EBIT)</b>	<b>16.0</b>	<b>59.9</b>	<b>4.0</b>	<b>13.8</b>	<b>50.0</b>
<i>EBIT % of revenue</i>	10.8%	10.8%	2.8%	9.8%	8.5%
<i>Sequential Growth</i>	23.7%		-74.8%	247.0%	
<i>Year-Over-Year Growth</i>	29.5%	31.8%	-69.2%	-13.7%	-16.6%
Interest	1.6	5.3	1.8	2.4	8.5
Exchange Gain/(Loss)	-0.3	4.3	1.4	0.9	6.4
Other income	3.5	7.1	4.1	1.3	6.1
<b>Profit before tax</b>	<b>17.7</b>	<b>66.0</b>	<b>7.8</b>	<b>13.7</b>	<b>53.9</b>
<i>% of revenue</i>	11.9%	11.9%	5.4%	9.7%	9.1%
<i>Sequential Growth</i>	53.8%		-52.7%	76.2%	
<i>Year-Over-Year Growth</i>	16.6%	26.3%	-32.6%	-22.7%	-18.4%
Provision for taxation	5.3	18.8	2.0	3.7	14.9
<b>Profit after tax (before minority interest)</b>	<b>12.4</b>	<b>47.2</b>	<b>5.8</b>	<b>9.9</b>	<b>39.0</b>
<i>% of revenue</i>	8.3%	8.5%	4.0%	7.1%	6.6%
Minority interest	0.1	0.7	0.2	0.3	1.2
<b>Profit after tax</b>	<b>12.3</b>	<b>46.5</b>	<b>5.6</b>	<b>9.6</b>	<b>37.8</b>
<i>Profit after tax % of revenue</i>	8.3%	8.3%	3.9%	6.8%	6.4%
<i>Sequential Growth</i>	51.7%		-51.0%	72.9%	
<i>Year-Over-Year Growth</i>	16.6%	30.0%	-31.7%	-22.2%	-18.7%

### Income Statement (INR Mn)

Income Statement (INR Mn)	Q4 FY 19	FY 19	Q3 FY 20	Q4 FY 20	FY 20
<b>Operating revenue</b>	<b>10,476</b>	<b>38,988</b>	<b>10,206</b>	<b>10,178</b>	<b>41,768</b>
<i>Sequential Growth</i>	2.5%		-4.8%	-0.3%	
<i>Year-Over-Year Growth</i>	32.9%	29.7%	-0.1%	-2.8%	7.1%
Cost of revenue	7,449	27,626	7,796	7,240	30,159
<b>Gross profit</b>	<b>3,027</b>	<b>11,362</b>	<b>2,410</b>	<b>2,938</b>	<b>11,608</b>
<i>Gross profit % of revenue</i>	28.9%	29.1%	23.6%	28.9%	27.8%
<i>Sequential Growth</i>	7.7%		-22.8%	21.9%	
<i>Year-Over-Year Growth</i>	31.2%	28.6%	-14.3%	-2.9%	2.2%
Sales and marketing expenses	713	2,639	675	649	2,715
General and administration expenses	985	3,806	1,039	873	3,767
<b>Operating expenses</b>	<b>1,697</b>	<b>6,445</b>	<b>1,714</b>	<b>1,522</b>	<b>6,482</b>
<i>% of revenue</i>	16.2%	16.5%	16.8%	15.0%	15.5%
Other operating income	51	162	-	-	2
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>1,381</b>	<b>5,079</b>	<b>696</b>	<b>1,416</b>	<b>5,128</b>
<i>EBITDA % of revenue</i>	13.2%	13.0%	6.8%	13.9%	12.3%
<i>Sequential Growth</i>	17.9%		-53.6%	103.5%	
<i>Year-Over-Year Growth</i>	51.2%	41.8%	-40.6%	2.6%	1.0%
Depreciation and amortisation	251	894	412	415	1,592
<b>Earnings before interest and tax (EBIT)</b>	<b>1,130</b>	<b>4,184</b>	<b>284</b>	<b>1001</b>	<b>3,536</b>
<i>EBIT % of revenue</i>	10.8%	10.7%	2.8%	9.8%	8.5%
<i>Sequential Growth</i>	21.0%		-74.5%	252.7%	
<i>Year-Over-Year Growth</i>	45.8%	42.7%	-69.6%	-11.4%	-15.5%
Interest	110	373	127	172	605
Exchange Gain/(Loss)	-18	291	102	67	448
Other income	246	502	295	94	435
<b>Profit before tax</b>	<b>1,247</b>	<b>4,604</b>	<b>553</b>	<b>990</b>	<b>3,815</b>
<i>% of revenue</i>	11.9%	11.8%	5.4%	9.7%	9.1%
<i>Sequential Growth</i>	50.3%		-52.2%	79.1%	
<i>Year-Over-Year Growth</i>	30.7%	36.6%	-33.4%	-20.6%	-17.1%
Provision for taxation	373	1,310	141	270	1,057
<b>Profit after tax (before minority interest)</b>	<b>874</b>	<b>3,294</b>	<b>412</b>	<b>720</b>	<b>2,757</b>
<i>% of revenue</i>	8.3%	8.4%	4.0%	7.1%	6.6%
Minority interest	4	51	16	25	82
<b>Profit after tax</b>	<b>869</b>	<b>3,243</b>	<b>395</b>	<b>695</b>	<b>2,676</b>
<i>Profit after tax % of revenue</i>	8.3%	8.3%	3.9%	6.8%	6.4%
<i>Sequential Growth</i>	48.3%		-50.5%	75.8%	
<i>Year-Over-Year Growth</i>	32.0%	40.6%	-32.6%	-20.1%	-17.5%

Other Metrics:

Other Metrics	Q4 FY 19	FY 19	Q3 FY 20	Q4 FY 20	FY 20
<b>Revenue By Service Offering</b>					
<b>Digital &amp; Application Services (DAS)</b>	<b>84.9%</b>	<b>84.4%</b>	<b>84.0%</b>	<b>83.8%</b>	<b>84.0%</b>
<i>Digital Services</i>	41.5%	40.3%	47.5%	50.2%	45.7%
<i>Core Application Services</i>	43.4%	44.1%	36.5%	33.6%	38.3%
<b>Cloud and Infrastructure Services (CIS)</b>	<b>15.1%</b>	<b>15.6%</b>	<b>16.0%</b>	<b>16.2%</b>	<b>16.0%</b>
<i>Cloud, Digital Led next gen CIS</i>	5.4%	5.1%	6.6%	7.0%	6.6%
<i>Core Infrastructure Services</i>	5.5%	5.6%	5.6%	5.2%	5.3%
<i>Third Party Maintenance</i>	4.2%	4.9%	3.8%	4.0%	4.0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total Digital Services</b>	<b>46.9%</b>	<b>45.4%</b>	<b>54.1%</b>	<b>57.2%</b>	<b>52.4%</b>
<b>Revenue By Industry</b>					
<b>Manufacturing</b>	<b>51.4%</b>	<b>51.4%</b>	<b>54.8%</b>	<b>54.0%</b>	<b>53.6%</b>
<i>Hi Tech</i>	39.7%	39.0%	41.3%	41.8%	40.7%
<i>Mfg</i>	11.8%	12.4%	13.4%	12.2%	12.9%
<b>Retail and Consumer Services</b>	<b>20.5%</b>	<b>20.7%</b>	<b>13.4%</b>	<b>14.5%</b>	<b>15.4%</b>
<b>Financial Services</b>	<b>23.9%</b>	<b>24.7%</b>	<b>28.9%</b>	<b>29.0%</b>	<b>27.7%</b>
<i>Insurance</i>	17.8%	18.8%	20.3%	19.7%	19.7%
<i>Banking</i>	6.1%	5.9%	8.7%	9.3%	8.1%
<b>Emerging</b>	<b>4.2%</b>	<b>3.2%</b>	<b>2.8%</b>	<b>2.6%</b>	<b>3.3%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Revenue By Geographical Segment</b>					
US	76.9%	76.5%	74.2%	74.3%	74.7%
Europe	15.1%	14.6%	15.6%	14.9%	15.2%
Africa	8.1%	8.9%	10.2%	10.8%	10.1%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Revenue By Project Type</b>					
Fixed Price	54.3%	53.3%	57.5%	59.4%	57.8%
Time & Materials	45.7%	46.7%	42.5%	40.6%	42.2%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Other Metrics	Q4 FY 19	FY 19	Q3 FY 20	Q4 FY 20	FY 20
<b><u>Constant Currency</u></b>					
<b>Operating revenue (Constant Currency mn)</b>	<b>148.2</b>	<b>561.1</b>	<b>142.5</b>	<b>141.1</b>	<b>594.7</b>
Sequential Growth	4.5%	20.3%	-6.4%	-1.5%	6.7%
Year-Over-Year Growth	24.3%	20.3%	0.8%	-4.2%	6.7%
<b>Constant Currency Growth By Service Offering (QoQ %)</b>					
<b>Digital &amp; Application Services (DAS)</b>	<b>6.8%</b>	<b>22.4%</b>	<b>-8.1%</b>	<b>-1.7%</b>	<b>6.4%</b>
<i>Digital Services</i>	7.7%	35.2%	0.5%	4.2%	21.1%
<i>Core Application Services</i>	5.9%	12.7%	-17.3%	-9.4%	-7.1%
<b>Cloud and Infrastructure Services (CIS)</b>	<b>-6.6%</b>	<b>10.2%</b>	<b>3.6%</b>	<b>-0.5%</b>	<b>8.7%</b>
<i>Cloud, Digital Led next gen CIS</i>	6.9%	77.8%	4.7%	3.7%	37.5%
<i>Core Infrastructure Services</i>	-18.5%	-6.9%	18.3%	-8.6%	1.4%
<i>Third Party Maintenance</i>	-2.8%	-7.3%	-13.5%	4.2%	-13.0%
<b>Total Digital Services</b>	<b>7.7%</b>	<b>38.9%</b>	<b>1.0%</b>	<b>4.1%</b>	<b>23.0%</b>
<b><u>Constant Currency Growth By Industry (QoQ %)</u></b>					
<b>Manufacturing</b>	<b>7.0%</b>	<b>17.2%</b>	<b>-3.5%</b>	<b>-3.3%</b>	<b>10.9%</b>
<i>Hi Tech</i>	5.9%	25.2%	-3.5%	-0.7%	10.6%
<i>Mfg</i>	10.3%	-0.1%	-3.2%	-11.1%	11.6%
<b>Retail and Consumer Services</b>	<b>8.0%</b>	<b>-1.9%</b>	<b>-21.5%</b>	<b>6.0%</b>	<b>-20.3%</b>
<b>Financial Services</b>	<b>-1.7%</b>	<b>38.7%</b>	<b>-4.8%</b>	<b>-0.9%</b>	<b>21.9%</b>
<i>Insurance</i>	-1.9%	48.7%	-8.7%	-3.9%	13.2%
<i>Banking</i>	-1.2%	11.3%	6.0%	6.1%	49.6%
<b>Emerging</b>	<b>15.2%</b>	<b>254.7%</b>	<b>0.0%</b>	<b>-10.4%</b>	<b>10.3%</b>
<b><u>Constant Currency Growth By Geography (QoQ %)</u></b>					
US	4.6%	21.5%	-5.9%	-1.7%	2.9%
Europe	7.5%	22.4%	-7.1%	-6.2%	13.7%
Africa	-2.0%	9.5%	-9.0%	7.0%	28.0%

Other Metrics	Q4 FY 19	FY 19	Q3 FY 20	Q4 FY 20	FY 20
<b>Client Data</b>					
<b>Number of million dollar Clients (LTM Revenue)</b>					
1 Million dollar +	90	90	92	87	87
5 Million dollar +	19	19	24	24	24
10 Million dollar +	9	9	10	10	10
20 Million dollar +	2	2	2	2	2
<b>Revenue from top clients</b>					
Revenue- top 5 clients	37.0%	36.5%	39.6%	38.0%	37.2%
Revenue- top 10 clients	47.9%	45.6%	49.3%	47.0%	47.7%
Revenue- top 20 clients	59.3%	56.3%	63.6%	60.4%	61.3%
<b>Repeat business %</b>	83.9%	83.3%	84.2%	80.3%	80.3%
<b>Number of active clients</b>	285	285	308	283	283
<b>Onsite: Offshore</b>					
<b>Revenue mix</b>					
Onsite	67.4%	66.5%	67.6%	64.3%	66.6%
Offshore	32.6%	33.5%	32.4%	35.7%	33.4%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Utilization</b>					
Utilization (excluding Trainees)	83.4%	83.4%	81.0%	83.5%	83.5%
<b>Employee data</b>					
<b>Headcount</b>					
Technical - Onsite	2,412	2,412	2,368	2,318	2,318
Technical - Offshore	6,188	6,188	6,474	6,119	6,119
Technical - BPO / Others	275	275	197	186	186
Marketing	76	76	90	88	88
Support (including trainees)	797	797	822	813	813
<b>Total</b>	<b>9,748</b>	<b>9,748</b>	<b>9,951</b>	<b>9,524</b>	<b>9,524</b>
<b>Gross employees added during the period</b>	1,014	3,689	608	463	3327
<b>% of women employees</b>	<b>28.5%</b>	<b>28.5%</b>	<b>30.6%</b>	<b>30.3%</b>	<b>30.3%</b>
<b>Attrition</b>					
Attrition	16.3%	16.3%	16.0%	16.3%	16.3%



Other Metrics	Q4 FY 19	FY 19	Q3 FY 20	Q4 FY 20	FY 20
<b><u>Exchange Rates</u></b>					
<b>Rupee Dollar Rate</b>					
Period Closing Rate	69.2	69.2	71.4	75.7	75.7
Period Average Rate	70.5	69.9	71.2	72.4	70.9
<b>Rupee Euro Rate</b>					
Period Closing Rate	77.7	77.7	80.1	82.8	82.8
Period Average Rate	80.0	80.9	78.7	79.9	78.8
<b>Rupee GBP Rate</b>					
Period Closing Rate	90.5	90.5	94.2	93.5	93.5
Period Average Rate	91.7	91.8	91.6	93.0	90.2
<b>Rupee ZAR Rate</b>					
Period Closing Rate	4.8	4.8	5.1	4.2	4.2
Period Average Rate	5.0	5.1	4.8	4.7	4.8
<b><u>Revenue By Currency</u></b>					
Dollar	72.6%	73.8%	68.7%	67.5%	69.0%
Euro	0.9%	5.3%	1.7%	1.5%	1.5%
GBP	17.0%	13.0%	16.7%	16.8%	16.9%
ZAR	7.7%	7.1%	9.8%	10.4%	9.7%
Others	1.8%	0.9%	3.2%	3.8%	3.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Effective Tax Rate</b>	<b>29.9%</b>	<b>28.5%</b>	<b>25.5%</b>	<b>27.3%</b>	<b>27.7%</b>
<b><u>Accounts receivables (in days)</u></b>					
Billed	69	69	57	54	54
Unbilled	33	33	36	33	33
<b>Total</b>	<b>102</b>	<b>102</b>	<b>93</b>	<b>87</b>	<b>87</b>
<b><u>Summary of Cash and Cash Equivalents</u></b>					
<b>Cash and Cash Equivalents (USD mn)</b>					
Cash on hand	0.0	0.0	0.0	0.0	0.0
<i>Balances with Banks:</i>					
In current accounts	42.6	42.6	67.0	62.1	62.1
Deposit with original maturity of less than three months	4.2	4.2	5.0	5.8	5.8
<i>Other Bank Balances:</i>					
Unpaid dividend accounts	0.3	0.3	0.3	0.4	0.4
<b>Total</b>	<b>47.1</b>	<b>47.1</b>	<b>72.4</b>	<b>68.3</b>	<b>68.3</b>
<b>Investment in Mutual Funds</b>	<b>13.3</b>	<b>13.3</b>	<b>19.6</b>	<b>35.3</b>	<b>35.3</b>

Other Metrics	Q4 FY 19	FY 19	Q3 FY 20	Q4 FY 20	FY 20
<b><u>Summary of Debt</u></b>					
<b>Debt (USD mn)</b>					
Short-term debt	23.0	23.0	23.5	29.5	29.5
Long-term debt	20.0	20.0	21.8	14.3	14.3
<b>Total</b>	<b>43.0</b>	<b>43.0</b>	<b>45.3</b>	<b>43.8</b>	<b>43.8</b>
<b><u>Outstanding Hedges</u></b>					
<b>USD</b>					
Value	115.2	115.2	133.5	122.6	122.6
Avg. Rate/ INR	72.0	72.0	72.5	73.8	73.8
<b>GBP</b>					
Value	15.8	15.8	14.6	19.8	19.8
Avg. Rate/ INR	94.2	94.2	92.2	93.1	93.1
<b>ZAR</b>					
Value	100.8	100.8	351.9	286.7	286.7
Avg. Rate/ INR	5.1	5.1	4.9	4.6	4.6
<b><u>Summary of Capex</u></b>					
<b>Capex (USD Mn)</b>	<b>1.5</b>	<b>6.9</b>	<b>2.2</b>	<b>2.3</b>	<b>11.0</b>
<b><u>Earning Per Share (INR/share)</u></b>					
Basic	3.7	13.9	1.8	3.1	11.7
Diluted	3.6	13.7	1.7	3.0	11.5
<b><u>Shareholding</u></b>					
Public Shareholding	51.1%	51.1%	51.0%	50.8%	50.8%
Promoter Shareholding	48.9%	48.9%	49.0%	49.2%	49.2%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**[About Zensar \(www.zensar.com\)](http://www.zensar.com)**

Zensar is a leading digital solutions and technology services company that specialises in partnering with global organisations across industries on their digital transformation journey. A technology partner of choice, backed by strong track record of innovation; credible investment in digital solutions; and assertion of commitment to a client's success, Zensar's comprehensive range of digital and technology services and solutions enables its customers to achieve new thresholds of business performance. Zensar, with its experience in delivering excellence and superior client satisfaction through myriad technology solutions, is uniquely positioned to help clients surpass challenges around running their existing business most efficiently and to help in their legacy transformation and plan for business expansion and growth through innovative digital solutions,

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**[About RPG Enterprises](#)**

RPG Enterprises, established in 1979, is one of India's fastest growing business groups with a turnover of US\$ 4 Billion. The group has diverse business interests in the areas of Infrastructure, Tyres, Pharma, IT and Specialty as well as in emerging innovation led technology businesses.

**For any queries please feel to reach out:**

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**Safe Harbor**

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorised use of our intellectual property and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

# Zensar Technologies

**Analyst Presentation, Q4 and FY20**

**Quarter and Year Ending March 31, 2020**

Certain statements in this release concerning our future prospects are forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. This release and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. However the same are subject to risks and uncertainties, including but not limited to, our ability to manage growth; fluctuations in earnings /exchange rates; intense competition in IT services including factors affecting cost advantage; wage increases; ability to attract and retain highly skilled professionals; time and cost overruns on fixed price, fixed-time frame or other contracts; client concentration; restrictions on immigration; our ability to manage international operations; reduced demand for technology in our service offerings; disruptions in telecommunication networks; our ability to successfully complete and integrate acquisitions; liability for damages on our service contracts; withdrawal of governmental fiscal incentives; economic downturn in India, and/or around the world, political instability, legal restrictions on raising capital or acquiring companies; and unauthorized use of intellectual property and general economic conditions affecting the industry.

In addition to the foregoing, global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), *inter-alia*, to us, our customers, delivery models, vendors, partners, employees, general global operations and may also impact the success of companies in which we have made strategic investments, demand for Company’s offerings and the onshore-offshore-nearshore delivery model.

The results of these assumptions made relying on available internal and external information are the basis for determining the carrying values of certain assets and liabilities. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent only the Company’s current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Zensar Technologies records  
\$589.5 Mn in FY20 (\$140.6  
Mn Q4FY20)

- Part of \$3 B RPG Group
- Portfolio Company of the \$40 B APAX Group
- Among 5 global tech companies to be listed on a major global stock exchange (BSE) for 55+ years
- 57.2% Digital Revenue, (15.4% YoY Growth)

**\$589.5M**

FY20 Revenue  
Core Rev: FY20 Growth 6.8%  
3 yr Core CAGR 13.8%

FY20 EBITDA  
**12.3%**

Core Business EBITDA 12.5%  
Q4 EBITDA 13.9%

FY20 Digital Business  
**52.4%**

45.4% in FY19

**37.2%**

Top 5 Client Mix  
5M clients up by +5 YoY

**103.6**

Gross cash USD M  
(59.7 M Net cash as of Mar 31, '20)

**\$1+B**

Pipeline  
(Despite COVID impact)

**49.2%**

Promoter Shareholding  
(48.9% on Mar 31, '19)

**19.4%**


Institutional Shareholding  
(+22.9% held by APAX)

Zensar prioritized associate first COVID response with


**100%**

Work from Home


## Core Business




Digital Services grew 15.4% YoY & 3.7% QoQ US\$, making a total of 57.2% of the revenue by Q4 FY20. Full year growth in FY20 was 21.9%




Cloud & infrastructure Services grew 8.0% in FY20 vis-à-vis FY19. Next Gen Cloud grew 3.6% QoQ & 22.5% YoY




Africa region registered 3.9% QoQ, 26.9% YoY and 19.3% in FY20 vis-à-vis FY19. SA is now 10% of total revenue



All three regions grew in FY20 vis-à-vis FY19, US by 3.3% and Europe by 10.4%




Financial services declined marginally by 1.8% QoQ but grew 14.6% YoY and 18.6% in FY20 vis-à-vis FY19; Banking growing 5.1% QoQ 43.9% YoY and Insurance grew 4.6% YoY




Retail vertical recovered with 5.8% QoQ growth, mostly on account of one-timers recovery from Q3


## Wins, Pipeline Quality, and Large Deals



Pipeline stands at 1B+ USD Despite initial COVID impact of 400M on account of pro-active cloud and cost take out propositions




Strong order booking of 110M USD in Q4FY20 (mostly Jan +Feb) with impressive new wins in existing and new accounts, despite COVID impact




Focus on 5+M pa potential multi-services accounts on larger Deals; significant chunk of deals are being fought with a TCV over \$10M


## Other Key Highlights



Gross cash position improved by 43.2M USD and DSO reduced from 102 to 87 days in FY20 vis-à-vis FY19



The number of 5Mn+ pa clients stands at 24, up by 5 YoY, increased by 7 over the last 3 years



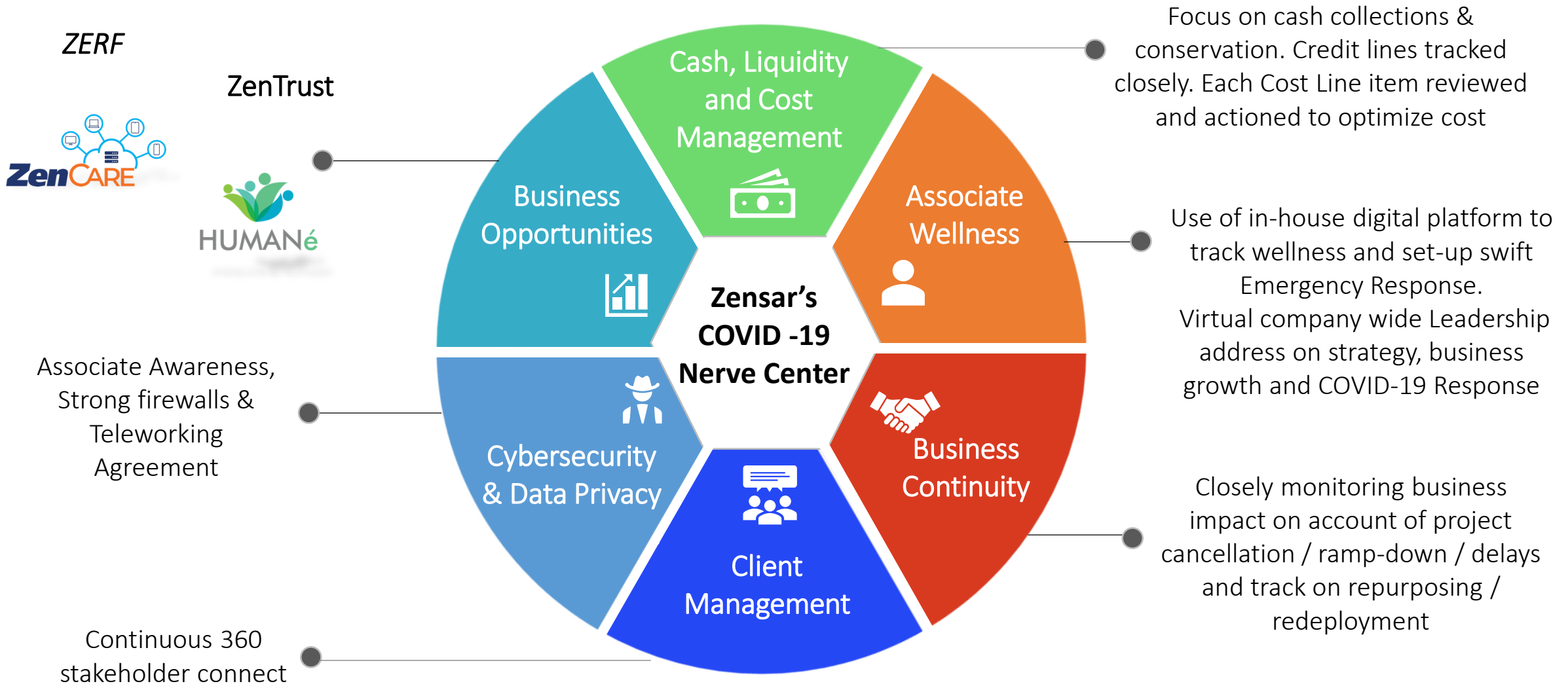
COVID response was swift, with associate first safety and wellness, 100% WFH and launching COVID-19 Business support propositions



# FY20: Analyst Coverage & Recognition



# Zensar's COVID-19 Response – Nerve Center



# Zensar's Strong Bets in the post COVID world

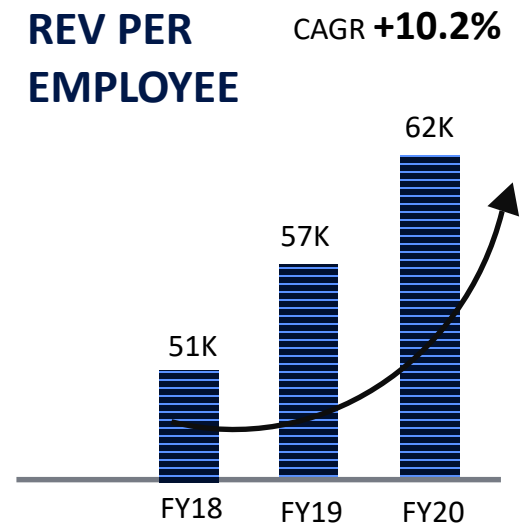
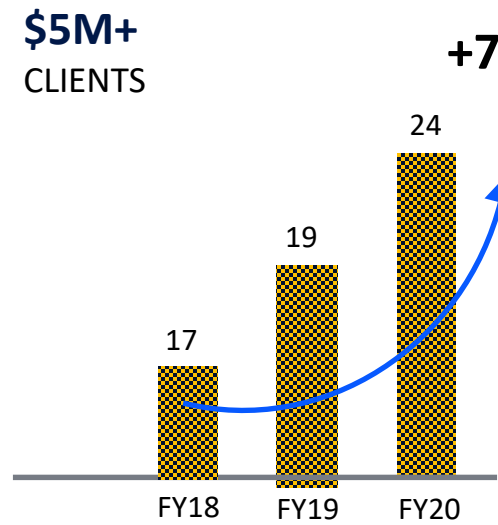
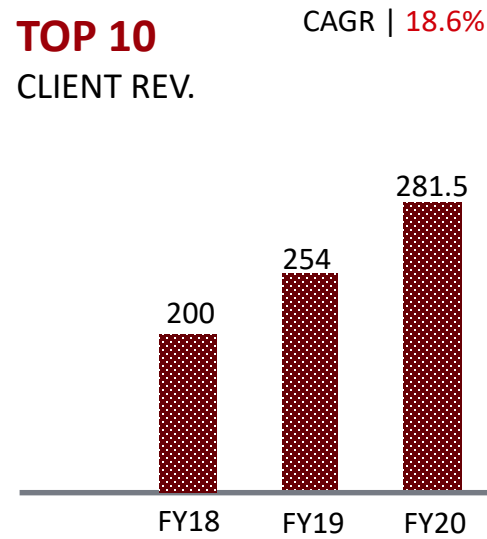
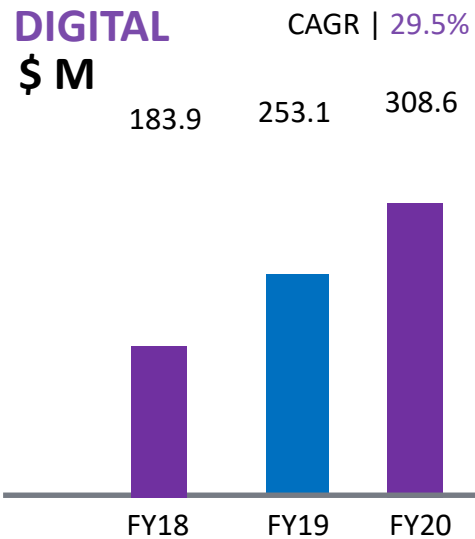
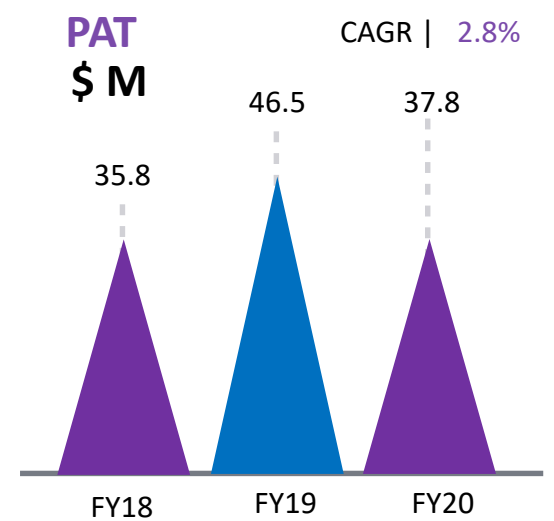
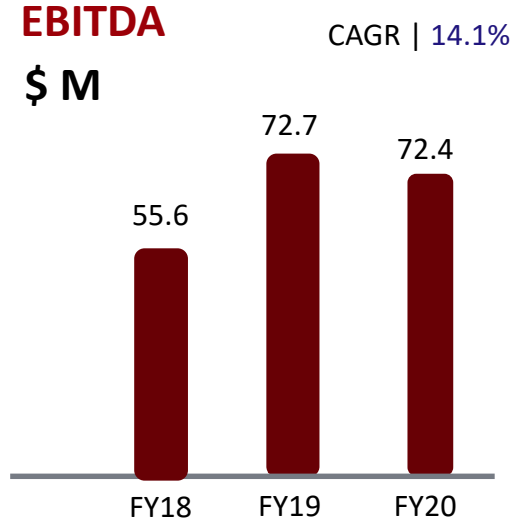
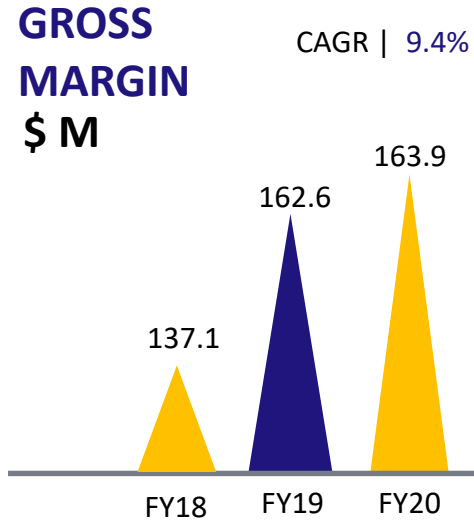
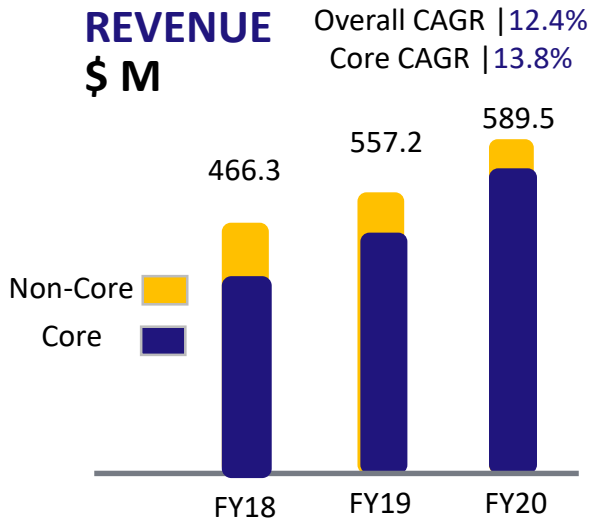
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<div data-bbox="12 863 242 942" data-label="Text"> <p>\$215B</p> </div> <div data-bbox="12 949 267 1049" data-label="Text"> <p>Market Opportunity</p> </div> <div data-bbox="101 1156 509 1278" data-label="Section-Header"> <h2>Enterprise Digital Transformation</h2> </div> <div data-bbox="216 813 1108 913" data-label="Text"> <p>AI led Digital transformation solutions &amp; services – Focused on <b>core industry verticals</b></p> </div> <div data-bbox="522 1006 1223 1256" data-label="List-Group"> <ul style="list-style-type: none"> <li>➤ Digital Supply Chain</li> <li>➤ Field services, Digital contact center and digital marketing</li> <li>➤ Digital commerce</li> <li>➤ Touchless solution stacks</li> </ul> </div>	<div data-bbox="1286 878 1490 1006" data-label="Image"> </div> <div data-bbox="1490 835 2114 1035" data-label="Text"> <p>Helping <b>clients create impact</b> by augmenting their <b>HR systems &amp; processes</b> with native platform that transforms employee experience</p> </div> <div data-bbox="1274 1156 1528 1263" data-label="Section-Header"> <h2>Everywhere Events</h2> </div> <div data-bbox="1528 1085 2076 1335" data-label="Text"> <p>Crafting digital events that <b>breaks the confines</b> of event halls, offering attendees a <b>rich, in-person experience</b> from wherever they are</p> </div>	<div data-bbox="2191 828 2446 906" data-label="Text"> <p>\$185B</p> </div> <div data-bbox="2114 921 2535 971" data-label="Text"> <p>Market Opportunity</p> </div> <div data-bbox="2216 1106 2509 1228" data-label="Section-Header"> <h2>Immersive Experiences</h2> </div>

# Zensar Business Update

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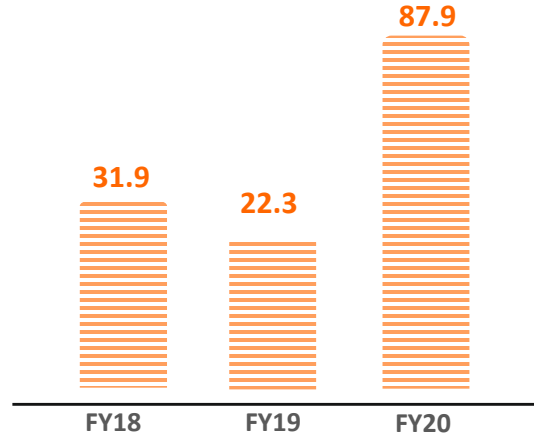


# 3 Years Key Financials incl. FY20

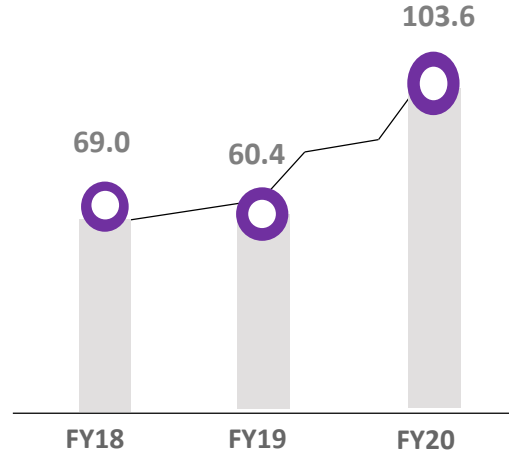


# 3 Years Balance Sheet, Cash Flow incl. FY20

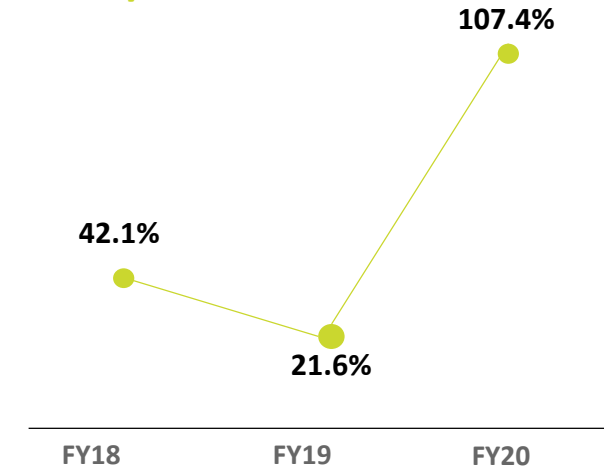
### OPERATING CASH FLOW (\$ M)



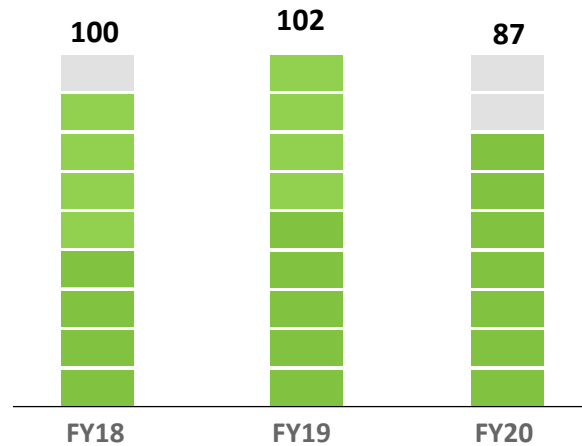
### GROSS CASH. (\$ M)



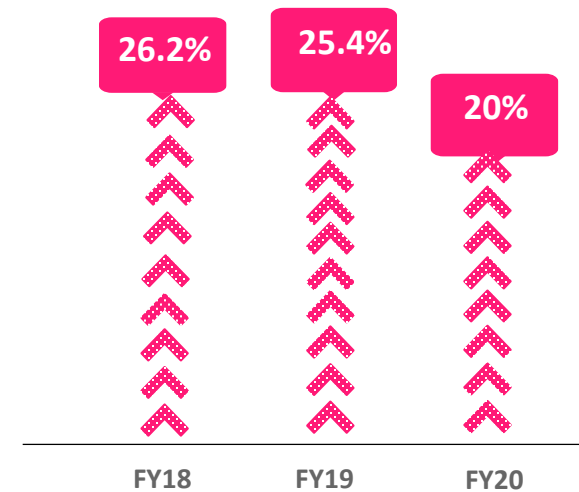
### FCF/EBITDA %



### DSO



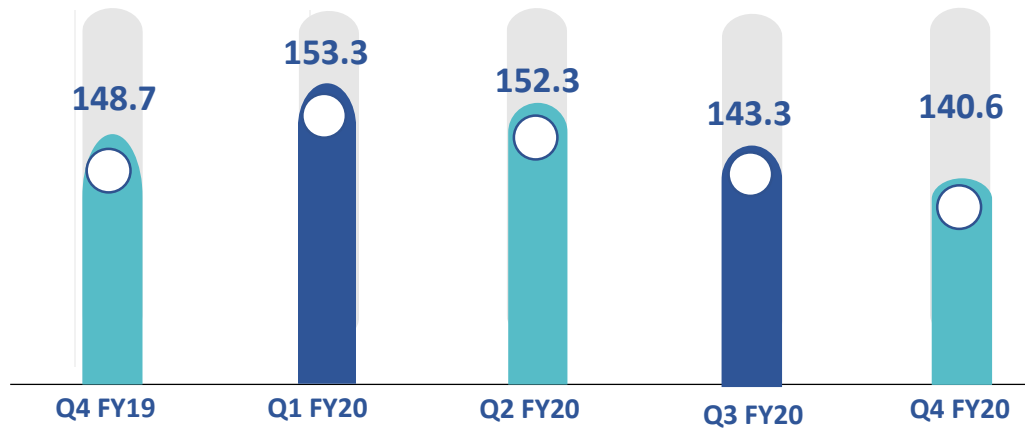
### ROCE %



# Q4 FY20 : Key Financials

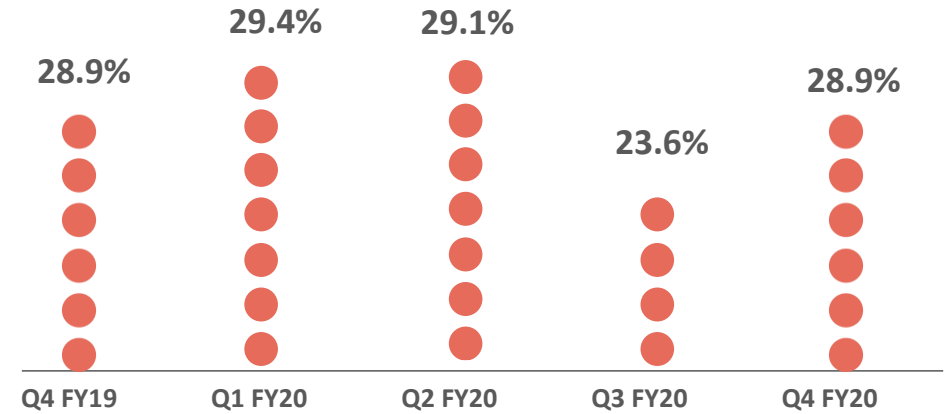
## REVENUE (\$ MN)

QoQ -1.9%



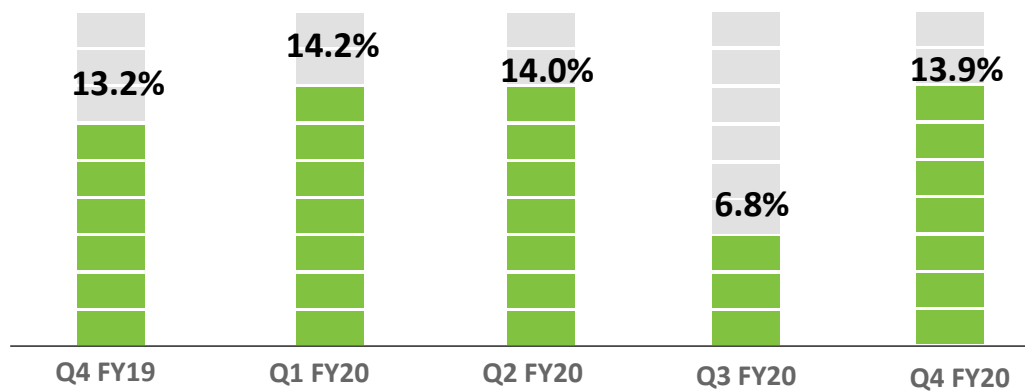
## GROSS MARGIN (%)

QoQ 20.0%



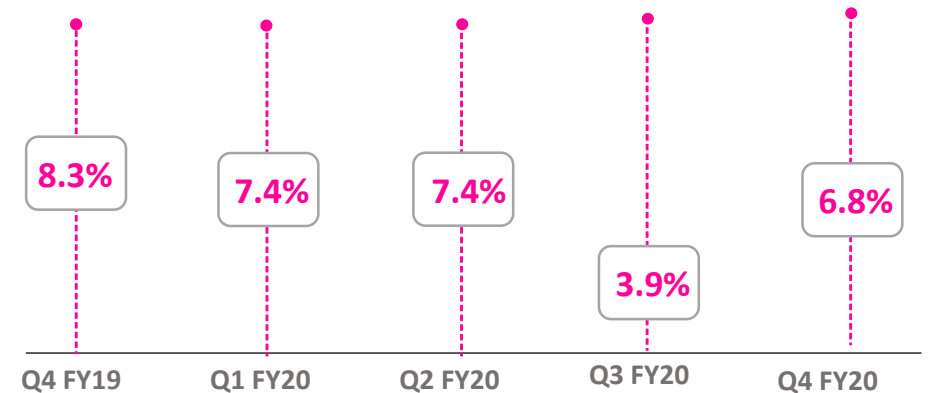
## EBITDA (%)

QoQ 100.2%

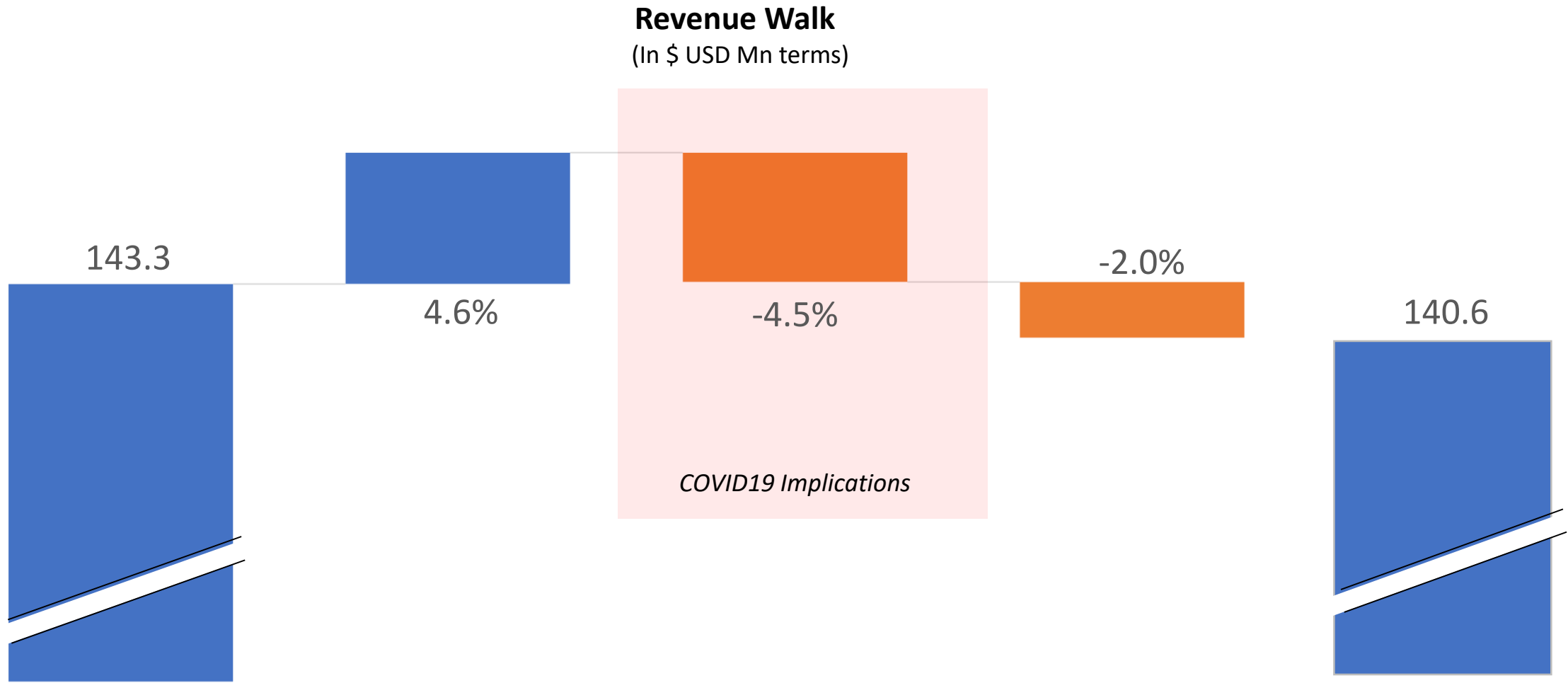


## PAT (%)

QoQ 72.9%



# Q4 FY20 : Revenue Walk



Q3 FY 20 Revenue

Recovery - \$6.6 M  
(mostly from Q3 one  
timers)

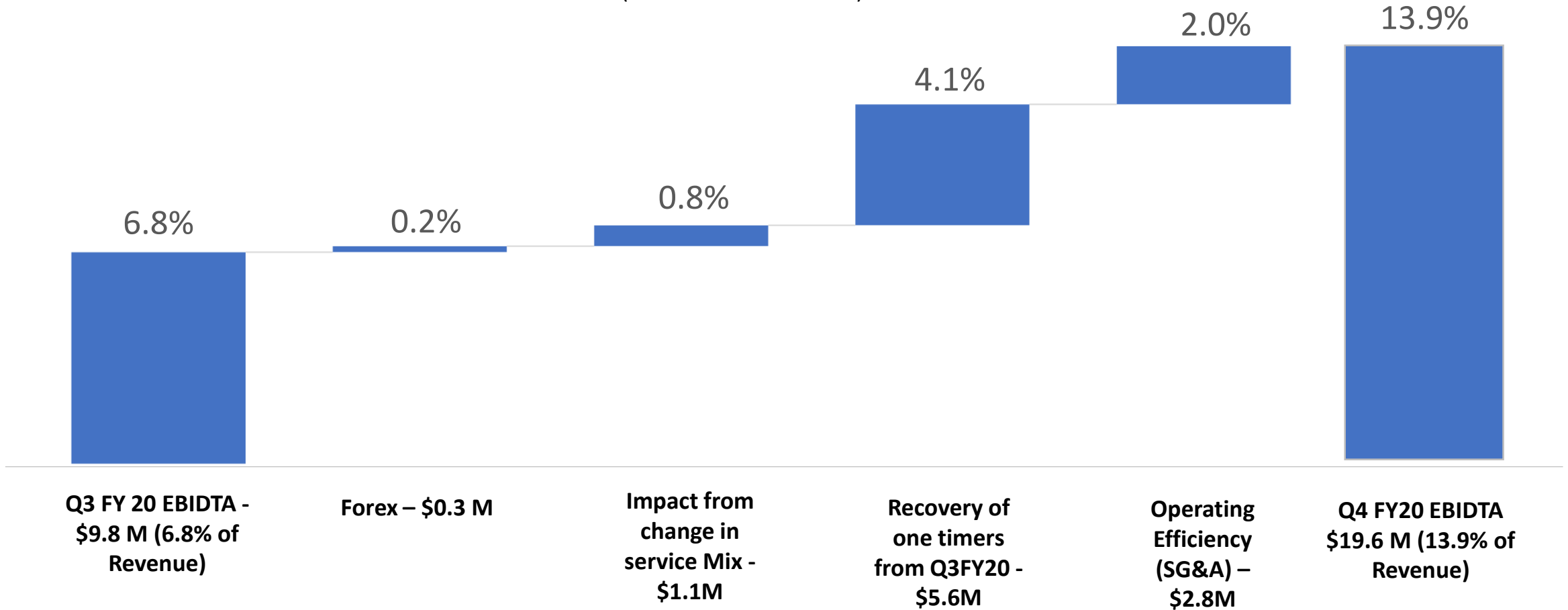
Deal Delays -  
(\$6.5 M)

Revenue Mix -  
(\$2.8 M)

Q4 FY20 Revenue -  
(1.9%) QoQ

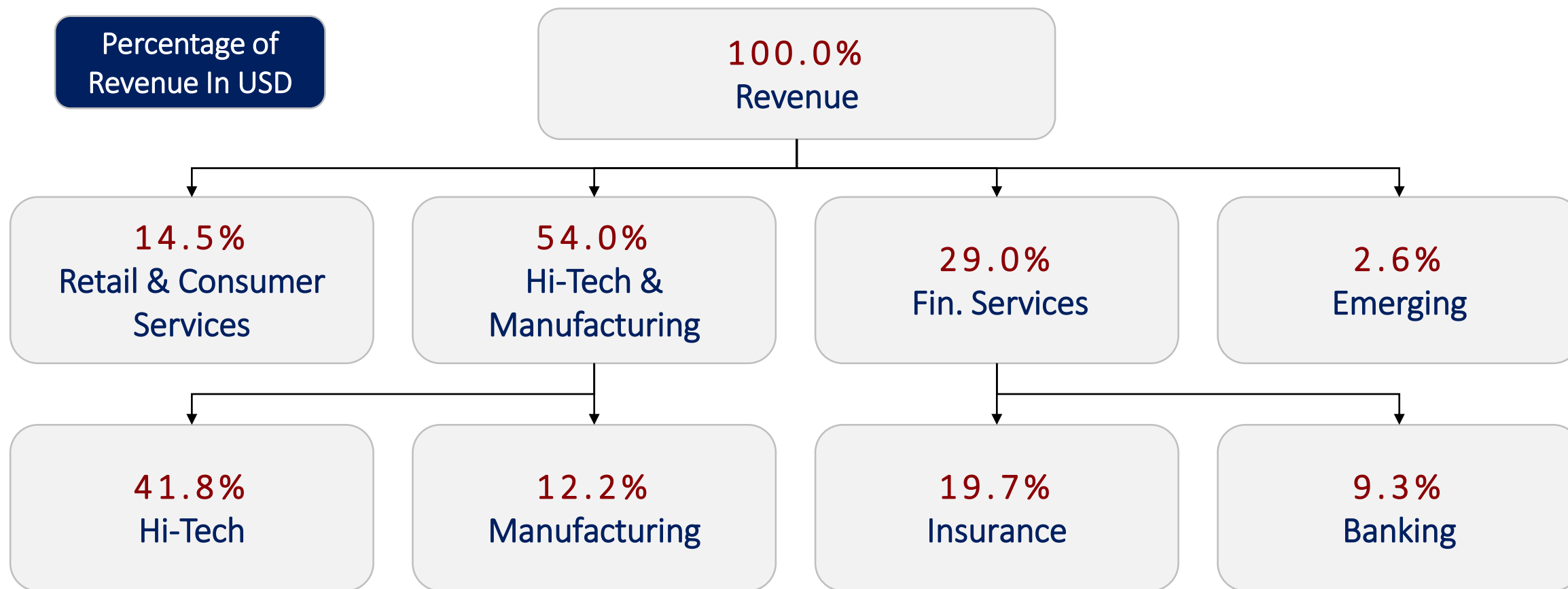


## EBIDTA Walk (In % of Revenue terms)



- Q4 FY20 Core Business EBIDTA : 14.6% of Core Business Revenue
- FY20 Core Business EBIDTA : 12.5% of Core Business Revenue

# Q4 FY20 : Vertical Split



The US Region forms 74.3% of Zensar's Business

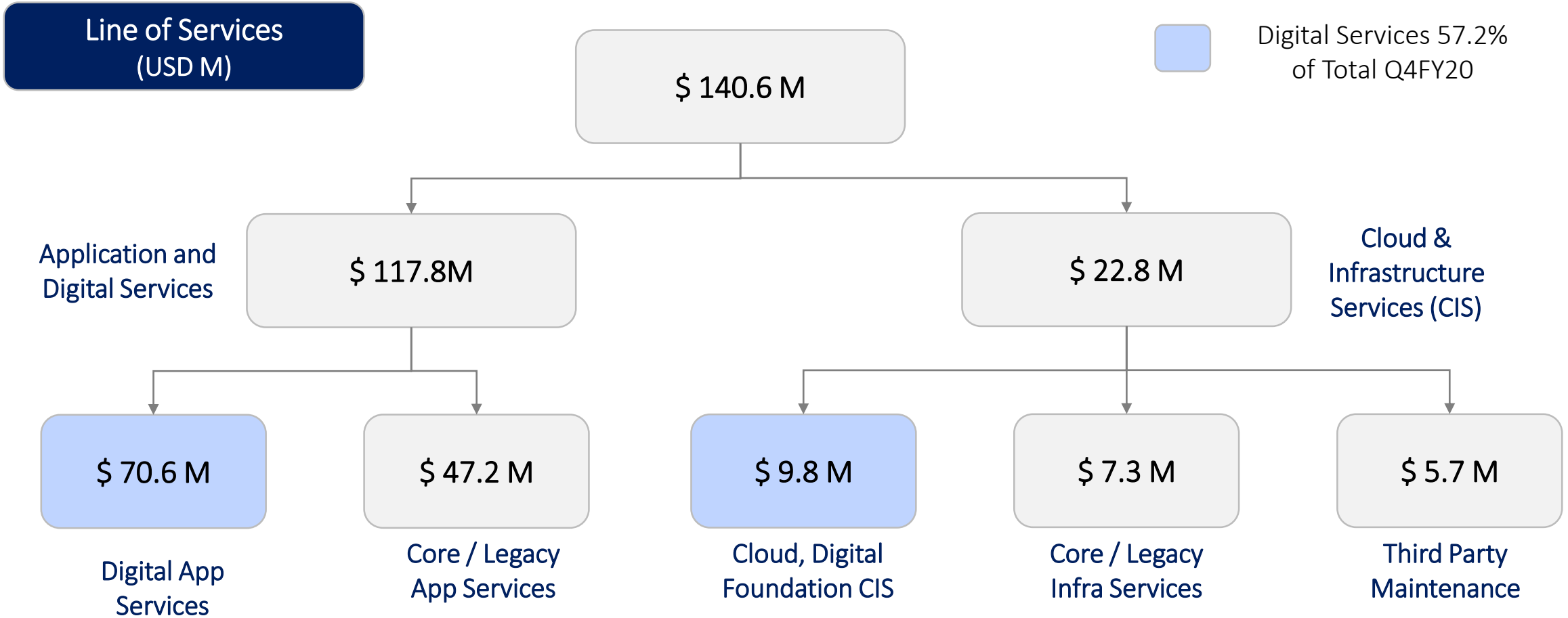


The Europe Region forms 14.9% of Zensar's Business



The Africa Region forms 10.8% of Zensar's Business

# Q4 FY20 : Overall Digital Growth, 15.4% YoY



Overall Digital is now **57.2%** of the Revenue with **87.8%** from App. & Digital services and **12.2%** from the Cloud & Infra Services

Digital increased by **15.4% YoY** led by **22.5% YoY** growth in Cloud, Digital led next gen CIS and **14.4% YoY** growth in Application Digital Services

Digital services increased by **3.7% QoQ** basis while the legacy business witnessed a decline

## Million+ Dollar Clients, per annum

	FY 19	FY20
20 Mn Dollar+	2	2
10 Mn Dollar+	9	10
5 Mn Dollar+	19	24
1 Mn Dollar+	90	87

## Revenue Mix

	FY 19	FY20
Top 5 Clients	36.5%	37.2%
Top 10 Clients	45.6%	47.7%
Top 20 Clients	56.3%	61.3%

# Community Service



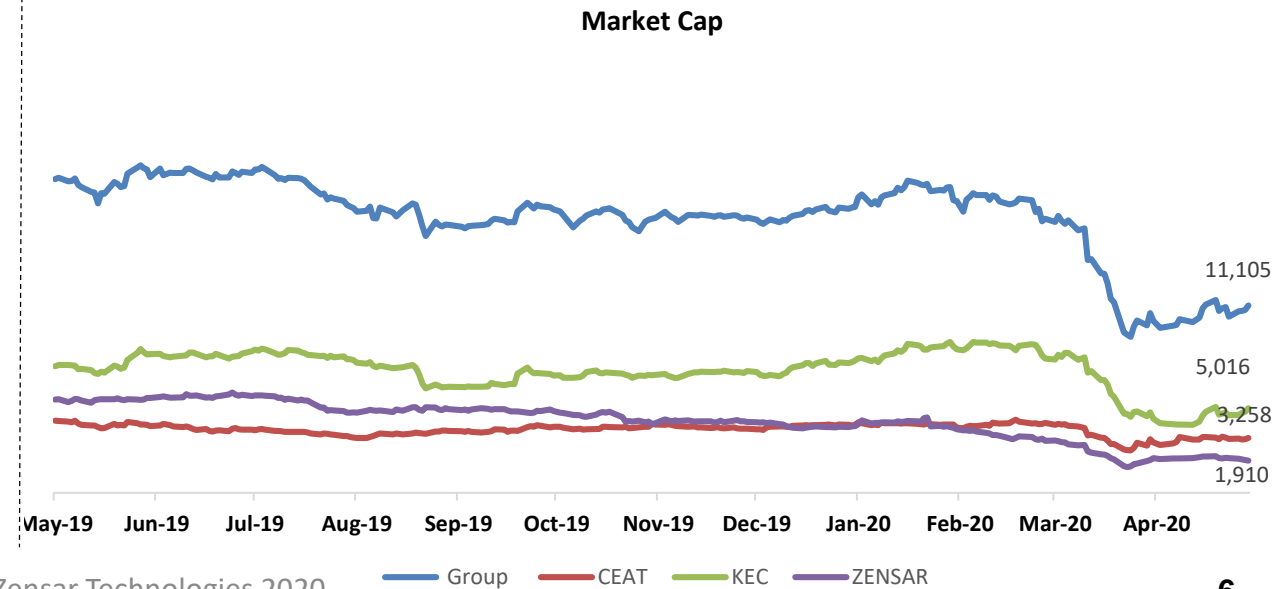
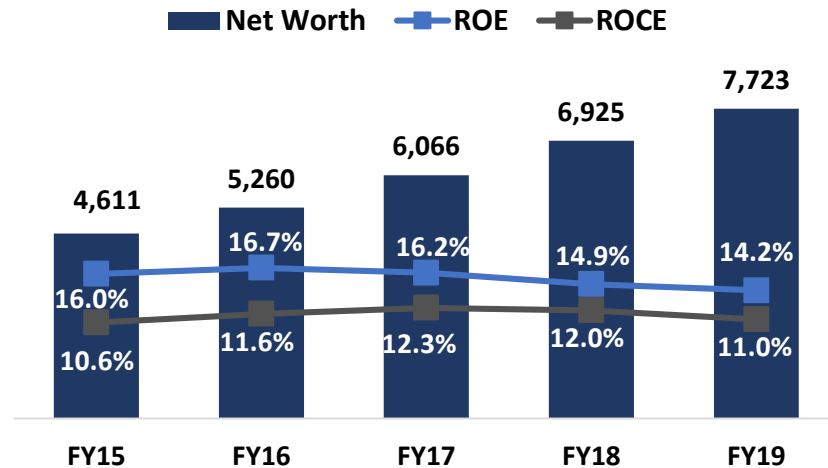
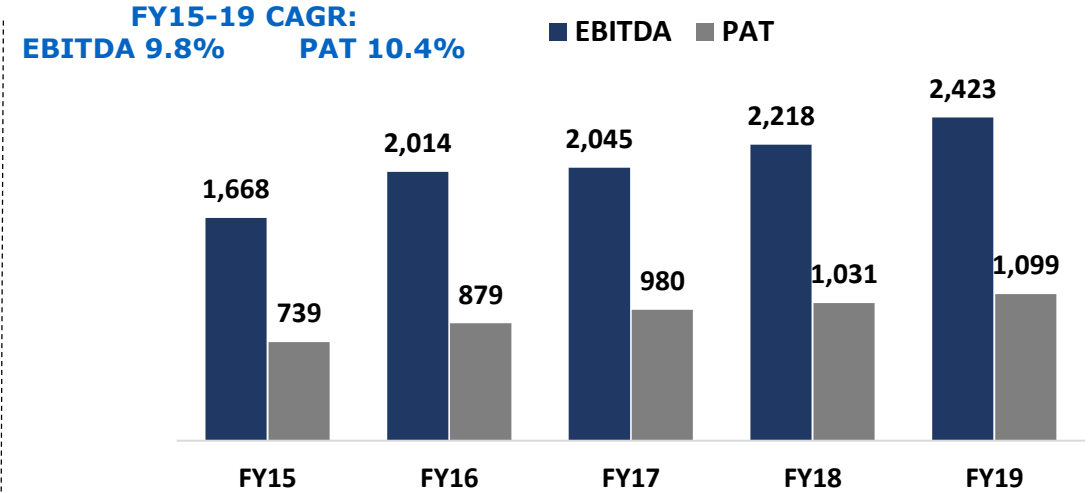
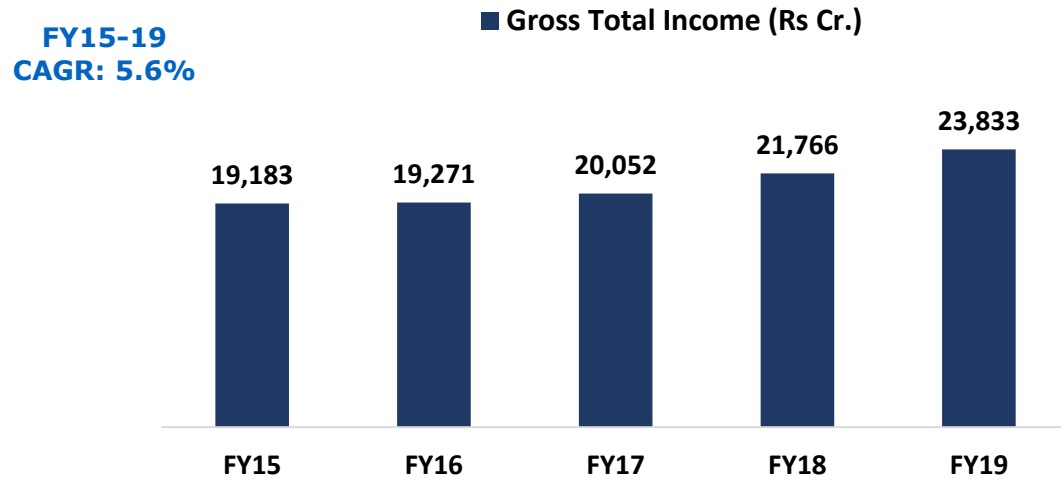
- As a part of Zensar and RPG foundation's CSR initiative, **food distribution camps** were organized in Pune for migrant laborers and daily wage earners in partnership with the Wagholi Gram Panchayat
- Zensar distributed **32000+** meals to such targeted communities
- Launched a voluntary initiative for associates to contribute **one day salary for COVID-19 relief work in country**. Zensar contributes an equal amount for the cause.

Analyst Presentation for the quarter  
ending March 31, 2020

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## RPG Group Overview

# RPG Group: Key Financials



**Note:**  
 1) ROCE is calculated by taking EBIT\*(1-ETR) divided by Capital Employed  
 2) ROE is calculated by taking PAT divided by Net-worth  
 3) Market Cap updated till 30<sup>th</sup> April 2020

Thank You

