

**Date:** January 23, 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

This is to inform you that the Board of Directors of the Company at its meeting held today, which commenced at 12.00 noon and concluded at 06:10 PM, *inter-alia*, unanimously approved / noted and/or took on record the following:

**Interim Dividend**

1. Declaration of an interim dividend of Re. 1 /- per equity share;
2. Fixation of record date for the aforesaid interim dividend and related matters, as February 7, 2020.

The interim dividend declared on equity shares, shall be paid on or after February 13, 2020.

**Financial Results:**

Unaudited Standalone & Consolidated Financial Results and Limited Review report thereon, for the quarter and nine months ended December 31, 2019. Copy of the same is enclosed herewith.

**Press Release & Analyst Presentation**

Press release and analyst presentation on financial results of the Company for the quarter and nine months ended December 31, 2019 are enclosed herewith.

**Code of Fair Disclosure, Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Legitimate Purpose Policy ('Code')**

Adoption of Revised Code of Fair Disclosure, Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Legitimate Purpose Policy ('Code'), which was amended *inter-alia*, pursuant to SEBI (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019.

Copy of the same will be accordingly available under investor section on website of the Company viz. [https://www.zensar.com/investor/corporate-governance?type=2&field\\_annual\\_year\\_tid=All&field\\_annual\\_quarter\\_tid=All](https://www.zensar.com/investor/corporate-governance?type=2&field_annual_year_tid=All&field_annual_quarter_tid=All)

This is for your information and dissemination purpose.

For Zensar Technologies Limited

  
Gaurav Tongia  
Company Secretary



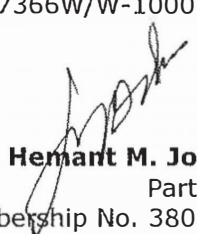
**Encl. As above**

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE  
FINANCIAL RESULTS**

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

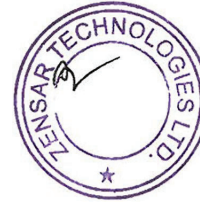
1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ZENSAR TECHNOLOGIES LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India (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 Standards on Auditing specified under section 143(10) of the Companies Act, 2013 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.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

  
**Hemant M. Joshi**  
Partner  
(Membership No. 38019)

Place: Pune  
Date: January 23, 2020

Zensar Technologies Limited						
Registered Office : Zensar Knowledge Park, Kharadi, Plot # 4 , MIDC, Off Nagar Road, Pune - 411014, India						
Statement of Unaudited Standalone Results for the Quarter and Nine months ended 31st December, 2019						
(Rs. in Lakhs)						
Particulars	Quarter Ended			Nine months ended		Year Ended
	31-Dec-2019	30-Sep-2019	31-Dec-2018	31-Dec-2019	31-Dec-2018	31-Mar-2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations	32,914	35,110	32,539	101,731	101,739	137,008
2 Other Income (net)	1,631	2,988	(287)	6,240	4,763	8,499
3 Total Income	34,545	38,098	32,252	107,971	106,502	145,507
4 Expenses						
a. Purchase of traded goods	267	266	391	721	1,049	1,209
b. Employee benefits expense	19,895	21,240	19,645	60,988	58,977	78,949
c. Subcontracting costs	1,048	1,194	950	3,116	2,641	3,934
d. Finance costs	661	356	220	1,532	706	918
e. Depreciation, amortisation and Impairment expense	2,155	1,907	1,062	5,958	3,182	4,278
f. Other expenses	3,932	5,165	5,419	14,736	16,659	22,868
Total expenses	27,957	30,128	27,687	87,051	83,214	112,156
5 Profit before tax (3-4)	6,588	7,970	4,565	20,920	23,288	33,351
6 Tax expense						
a. Current tax	1,626	1,162	1,283	4,538	6,234	8,169
b. Deferred tax	100	379	(55)	333	(455)	(618)
7 Net Profit for the period (5-6)	4,861	6,429	3,337	16,049	17,509	25,600
8 Other comprehensive Income/(loss), net of income tax						
A. Items that will not be reclassified to profit or loss	90	(281)	(353)	(323)	44	111
B. Items that will be reclassified to profit or loss	(255)	(262)	930	(694)	264	427
Total other comprehensive Income/(loss), net of income tax	(165)	(543)	577	(1,017)	308	538
9 Total comprehensive income for the period (7+8)	4,696	5,886	3,914	15,032	17,817	26,338
10 Paid-up equity share capital (Face value Rs. 2 each)	4,507	4,505	4,502	4,507	4,502	4,504
11 Other equity excluding Revaluation Reserves as per balance sheet						142,579
12 Earnings Per Share (EPS) (Face value Rs. 2 each) (not annualised):						
a) Basic	2.16	2.85	1.48	7.13	7.78	11.46
b) Diluted	2.12	2.81	1.46	7.01	7.65	11.27



**Notes :**

1. These unaudited results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as amended from time to time. The above financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on January 23, 2020.
2. 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.
3. Other Income (Net) for the quarter and nine months ended December 31, 2019 includes net foreign exchange gain of Rs. 1,147 lakhs and Rs. 3,464 lakhs respectively (Corresponding previous period: Other Income (net) of Rs. (991) lakhs and Rs. 1,716 lakhs). Other Income (net) for the quarter ended September 30, 2019 includes net foreign exchange gain of Rs. 1,302 lakhs.
4. 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 Rs. 439 lakhs and Rs. 2,080 lakhs was recognized under Other Income for the quarter ended September 30, 2018 and year ended March 31, 2019 respectively.
5. During the nine months ended December 31, 2019, the Company issued 19,500 equity shares pursuant to the exercise of stock options by certain employees under the "2002 ESOP" and 142,270 equity shares under "2006 ESOP" stock option plan.
6. The board of directors in their meeting on January 23, 2020 declared an interim dividend of Rs. 1 per equity share.
7. 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 Rs. 13,479 lakhs and a corresponding lease liability of Rs. 13,412 lakhs. The cumulative effect of applying the standard resulted in Rs. 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 nine months ended December 31, 2019.  
In respect of leases that were classified as finance leases, applying Ind AS 17, an amount of Rs. 489 lakhs has been reclassified from property, plant and equipment to right-of-use assets. An amount of Rs. 326 lakhs has been reclassified from other current financial liabilities to lease liability - current and an amount of Rs. 319 lakhs has been reclassified from borrowings - non-current to lease liability - non-current.

For and on behalf of the Board

Mumbai  
Date: January 23, 2020



Sandeep Kishore  
Managing Director & CEO  
DIN:07393680

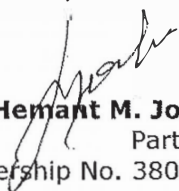
A handwritten signature in black ink, appearing to read "Sandeep Kishore", written over a horizontal line.

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED  
FINANCIAL RESULTS**

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

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **ZENSAR TECHNOLOGIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and nine months ended December 31, 2019 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent'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 Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 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.
4. The Statement includes the results of the entities listed in Note 2 of the Statement.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

  
**Hemant M. Joshi**  
Partner  
(Membership No. 38019)

Place: Pune  
Date: January 23, 2020

Zensar Technologies Limited						
Registered Office : Zensar Knowledge Park, Kharadi, Plot # 4 , MIDC, Off Nagar Road, Pune - 411014, India						
Statement of Unaudited Consolidated Results for the Quarter and Nine months ended 31st December, 2019						
(Rs. in Lakhs)						
Particulars	Quarter Ended			Nine months ended		Year Ended
	31-Dec-2019	30-Sep-2019	31-Dec-2018	31-Dec-2019	31-Dec-2018	31-Mar-2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from operations	102,059	107,228	103,555	316,389	396,633
2	Other Income (net)	3,959	1,808	251	7,230	9,268
3	<b>Total Income</b>	<b>106,018</b>	<b>109,036</b>	<b>103,806</b>	<b>323,619</b>	<b>405,901</b>
4	<b>Expenses</b>					
	a. Purchase of traded goods	5,576	2,318	4,343	12,803	11,538
	b. Changes in inventories	1,464	1,243	1,577	4,001	7,278
	c. Employee benefits expense	59,635	61,063	56,611	178,220	215,258
	d. Subcontracting costs	15,866	15,861	17,476	47,951	63,302
	e. Finance costs	1,274	1,396	1,089	4,333	3,729
	f. Depreciation, amortisation and impairment expense	4,119	3,851	2,371	11,764	8,944
	g. Other expenses	12,557	11,740	12,508	36,870	51,314
	<b>Total expenses</b>	<b>100,491</b>	<b>97,472</b>	<b>95,975</b>	<b>295,942</b>	<b>361,363</b>
5	<b>Profit before tax (3-4)</b>	<b>5,527</b>	<b>11,564</b>	<b>7,831</b>	<b>27,677</b>	<b>44,538</b>
6	<b>Tax expense</b>					
	a. Current tax	1,665	3,048	2,536	8,150	14,045
	b. Deferred tax	(256)	246	(356)	(432)	(1,372)
7	<b>Net Profit for the period (5-6)</b>	<b>4,118</b>	<b>8,270</b>	<b>5,651</b>	<b>19,959</b>	<b>31,865</b>
8	<b>Net Profit/(Loss) attributable to:</b>					
	- Owners	3,953	7,987	5,528	19,390	31,359
	- Non-controlling interests	165	283	123	569	506
9	<b>Other comprehensive income/(loss), net of income tax</b>					
	<i>A. Items that will not be reclassified to profit or loss</i>	90	(284)	(353)	(326)	(44)
	<i>B. Items that will be reclassified to profit or loss</i>	1,977	(432)	(318)	750	(237)
	<b>Total other comprehensive income/(loss), net of income tax</b>	<b>2,067</b>	<b>(716)</b>	<b>(671)</b>	<b>424</b>	<b>359</b>
10	<b>Total comprehensive income for the period (7+9)</b>	<b>6,185</b>	<b>7,554</b>	<b>4,980</b>	<b>20,383</b>	<b>32,224</b>
11	<b>Total comprehensive Income attributable to:</b>					
	- Owners	5,905	7,317	4,891	19,724	31,893
	- Non-controlling interests	280	237	89	659	331
12	Paid-up equity share capital (Face value Rs. 2 each)	4,507	4,505	4,502	4,507	4,504
13	Other equity excluding Revaluation Reserves as per balance sheet					189,732
14	<b>Earnings Per Share (EPS) (Face value Rs. 2 each) (not annualised):</b>					
	a) Basic	1.75	3.55	2.46	8.61	13.93
	b) Diluted	1.73	3.49	2.41	8.47	13.70



**Consolidated Segment wise Revenue & Results for the quarter and Nine months ended December 31, 2019**

Particulars	(Rs. in Lakhs)					
	Quarter Ended			Nine months ended		Year Ended
	31-Dec-2019	30-Sep-2019	31-Dec-2018	31-Dec-2019	31-Dec-2018	31-Mar-2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Segment Revenue</b>						
Application Management Services	85,740	91,768	86,091	266,287	245,168	334,692
Infrastructure Management Services	16,319	15,460	17,464	50,102	45,724	61,941
<b>Revenue From Operations</b>	<b>102,059</b>	<b>107,228</b>	<b>103,555</b>	<b>316,389</b>	<b>290,892</b>	<b>396,633</b>
<b>2 Segment Results (Profit / (Loss) before tax and finance cost)</b>						
Application Management Services	6,201	14,421	10,891	34,294	34,192	46,602
Infrastructure Management Services	2,820	1,872	1,214	5,957	3,452	3,968
<b>Total Segment Results</b>	<b>9,021</b>	<b>16,293</b>	<b>12,105</b>	<b>40,251</b>	<b>37,644</b>	<b>50,570</b>
Less: Finance costs	1,274	1,396	1,089	4,333	2,627	3,729
Less: Unallocable expenditure net of unallocable income	2,220	3,333	3,185	8,241	2,348	2,303
<b>Total Profit before Tax</b>	<b>5,527</b>	<b>11,564</b>	<b>7,831</b>	<b>27,677</b>	<b>32,669</b>	<b>44,538</b>

Statement of Segment Assets & Liabilities		31-Dec-2019	30-Sep-2019	31-Dec-2018	31-Mar-2019
		Unaudited	Unaudited	Unaudited	Audited
<b>1 Segment Assets</b>					
<b>Trade Receivables</b>					
Application Management Services	65,935	64,457	66,375	72,964	
Infrastructure Management Services	14,061	10,546	16,306	14,657	
<b>Total Trade Receivables</b>	<b>79,996</b>	<b>75,003</b>	<b>82,681</b>	<b>87,621</b>	
<b>Inventories</b>					
Application Management Services	-	-	-	-	
Infrastructure Management Services	9,524	9,716	10,680	9,846	
<b>Total Inventories</b>	<b>9,524</b>	<b>9,716</b>	<b>10,680</b>	<b>9,846</b>	
<b>Unbilled Revenue</b>					
Application Management Services	34,723	53,402	33,854	31,753	
Infrastructure Management Services	5,401	5,536	4,716	5,906	
<b>Total Unbilled Revenue</b>	<b>40,125</b>	<b>58,938</b>	<b>38,570</b>	<b>37,659</b>	
<b>Goodwill</b>					
Application Management Services	42,818	42,109	41,873	41,728	
Infrastructure Management Services	19,182	19,045	18,747	18,582	
<b>Total Goodwill</b>	<b>62,000</b>	<b>61,154</b>	<b>60,620</b>	<b>60,310</b>	
<b>Unallocable Assets</b>	<b>166,593</b>	<b>138,291</b>	<b>111,137</b>	<b>113,536</b>	
<b>TOTAL ASSETS</b>	<b>358,238</b>	<b>343,102</b>	<b>303,688</b>	<b>308,972</b>	
<b>2 Segment Liabilities</b>					
<b>Unearned Revenue</b>					
Application Management Services	9,182	7,792	5,094	5,678	
Infrastructure Management Services	2,047	2,796	2,602	3,747	
<b>Total Unearned Revenue</b>	<b>11,229</b>	<b>10,588</b>	<b>7,696</b>	<b>9,425</b>	
<b>Unallocable Liabilities</b>	<b>134,517</b>	<b>126,714</b>	<b>108,510</b>	<b>103,616</b>	
<b>Total Liabilities</b>	<b>145,746</b>	<b>137,302</b>	<b>116,206</b>	<b>113,041</b>	



**Notes :**

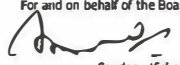
- 1 These unaudited results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as amended from time to time. The above financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on January 23, 2020.
- 2 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 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 and Zensar Technologies (Canada) Inc.
- 3 Other Income (Net) for the quarter and Nine months ended December 31, 2019 includes net foreign exchange gain of Rs. 1,015 lakhs and Rs. 3,816 lakhs respectively. (Corresponding previous period: Other Income( Net) of Rs. (1,688) lakhs and Rs. 3,093 lakhs). Other Income (net) for the quarter ended September 30, 2019 includes net foreign exchange gain of Rs. 1,721 lakhs.
- 4 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 Rs. 1,941 lakhs was recognized under Other Income for the year ended March 31, 2019.
- 5 During the Nine months ended December 31, 2019, the Company issued 19,500 equity shares pursuant to the exercise of stock options by certain employees under the "2002 ESOP" and 142,270 equity shares under "2006 ESOP" stock option plan.
- 6 Results of Zensar Technologies Limited on a stand alone basis are hosted on the Company's website www.zensar.com.

Stand-Alone Financial Information							(Rs. in Lakhs)
Particulars	Quarter Ended			Nine months ended		Year Ended	
	31-Dec-2019	30-Sep-2019	31-Dec-2018	31-Dec-2019	31-Dec-2018	31-Mar-2019	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
Revenue from operations	32,914	35,110	32,539	101,731	101,739	137,008	
Profit before tax	6,588	7,970	4,565	20,920	23,288	33,351	
Net profit for the period	4,861	6,429	3,337	16,049	17,509	25,800	

- 7 The board of directors in their meeting on January 23, 2020 declared an interim dividend of Rs. 1 per equity share.
- 8 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 Rs. 24,026 lakhs and a corresponding lease liability of Rs. 24,630 lakhs. The cumulative effect of applying the standard resulted in Rs. 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 quarter and Nine months ended December 31, 2019. In respect of leases that were classified as finance leases, applying Ind AS 17, an amount of Rs. 489 lakhs has been reclassified from property, plant and equipment to right-of-use assets. An amount of Rs. 326 lakhs has been reclassified from other current financial liabilities to lease liability - current and an amount of Rs. 319 lakhs has been reclassified from borrowings - non-current to lease liability - non-current.
- 9 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 [Rs.2568 lakhs] based on company's assessment, being no longer payable. This reversal is accounted under other income.

Mumbai  
Date: January 23, 2020



For and on behalf of the Board  
  
 Sandeep Kishore  
 Managing Director & CEO  
 DIN:07393680



## Zensar reports 1.1% Y-o-Y growth in revenue in Q3FY20 Digital revenues now at 54.1% of total revenues

Pune, India, January 23, 2020: [Zensar Technologies](#), a leading 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 its third Quarter ending December 31, 2019 of the fiscal year 2019-2020.

**Financial Highlights:** The Company reported 1.1% YoY revenue growth at close of Q3FY20 from 141.8M USD to 143.3 M USD. In sequential terms, revenues have declined by 5.9% in dollar terms and consequently PAT for the quarter also declined sequentially and stood at 3.9% of revenue. Digital revenues continue to grow and is now 54.1% of Q3FY20 revenue. The Board of Directors has approved an interim dividend of Re 1 per share.

**Sandeep Kishore, Chief Executive Officer and Managing Director, Zensar Technologies** said, "A combination of furloughs, project specific customer ramp downs and continued softness in the retail vertical resulted in a soft quarter. However, our digital business across our cloud and infrastructure and applications continued its growth momentum registering a growth of 20.2 % YoY."

**Navneet Khandelwal, Chief Financial Officer, Zensar Technologies** said, "Our focus on improving operating cashflows continues to show positive results. Rigour on invoicing and collections has ensured an increase in our net cash position by 33.4M USD Q-o-Q and a reduction in the DSO by 9 days Q-o-Q."

### Significant Wins Q3FY20:

- 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

### Corporate Excellence Snapshot in Q3FY20:

- Zensar mentioned as a challenger in the Avasant Blockchain RadarView™
- Zensar recognized as an Innovator in Avasant's Hybrid Enterprise Cloud Services RadarView™ 2019
- Zensar featured in Digital Workplace of the Future - ISG Provider Lens™ Study 2019
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### Awards and Recognitions in Q3FY20:

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- Zensar participates in the 'Women in the Workplace 2019' report by McKinsey and LeanIn.Org
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### Q3FY20 Revenue and profitability snapshot

Particulars	Q3 FY20		Growth					
	USD Mn	INR Cr	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	\$ 143.3	₹ 1020.6	(5.9%)	(4.8%)	(6.4%)	1.1%	(0.1%)	0.8%
EBITDA	\$ 9.8	₹ 69.6	(54.1%)	(53.6%)		(39.8%)	(40.6%)	
EBIT	\$ 4.0	₹ 28.4	(74.8%)	(74.5%)		(69.2%)	(69.6%)	
PAT	\$ 5.6	₹ 39.5	(51.0%)	(50.5%)		(31.7%)	(32.6%)	

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

#### [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; assertion of commitment to client's success, Zensar's comprehensive range of digital and technology services and solutions enable 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 them surpass challenges around running their existing business most efficiently, helping in their legacy transformation, and planning for business expansion and growth through innovative and digital ways.

#### Follow Zensar via:

Zensar Blog: <http://www.zensar.com/blogs>

Twitter: <https://twitter.com/Zensar>

LinkedIn: <https://www.linkedin.com/company/zensar-technologies>

Facebook: <https://www.facebook.com/Zensar>

Catch our refreshed new website at: [www.zensar.com](http://www.zensar.com)

#### **About RPG Enterprises ([www.rpggroup.com](http://www.rpggroup.com))**

RPG Enterprises, established in 1979, is one of India's fastest growing business groups with a turnover of Rs 23000 Cr. 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 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 reports 1.1% Y-o-Y growth in revenue in Q3FY20 Digital revenues now at 54.1% of total revenues

Pune, India, January 23, 2020: [Zensar Technologies](#), a leading 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 its third Quarter ending December 31, 2019 of the fiscal year 2019-2020.

**Financial Highlights:** The Company reported 1.1% YoY revenue growth at close of Q3FY20 from 141.8M USD to 143.3 M USD. In sequential terms, revenues have declined by 5.9% in dollar terms and consequently PAT for the quarter also declined sequentially and stood at 3.9% of revenue. Digital revenues continue to grow and is now 54.1% of Q3FY20 revenue. The Board of Directors has approved an interim dividend of Re 1 per share.

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Q3FY20 Revenue and profitability snapshot

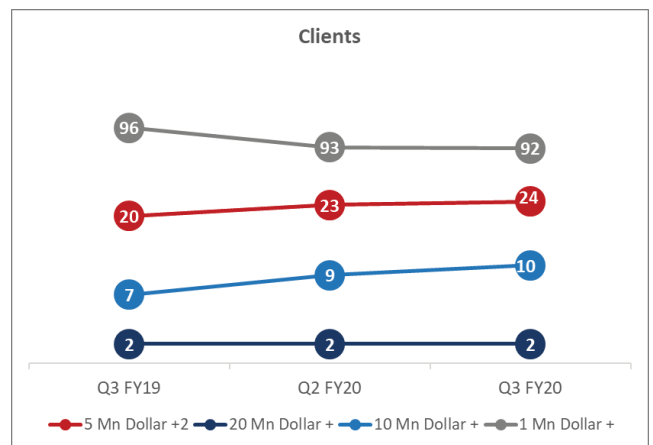
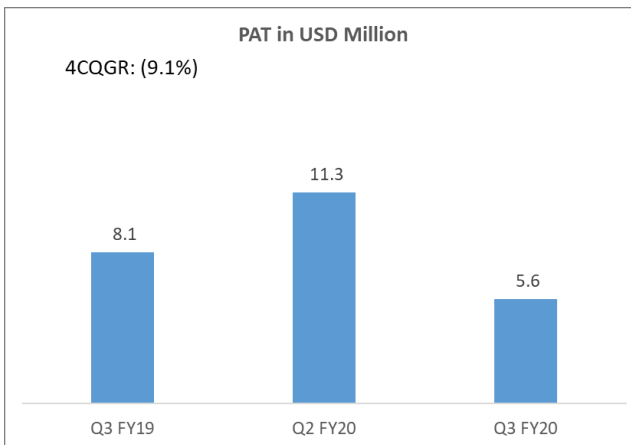
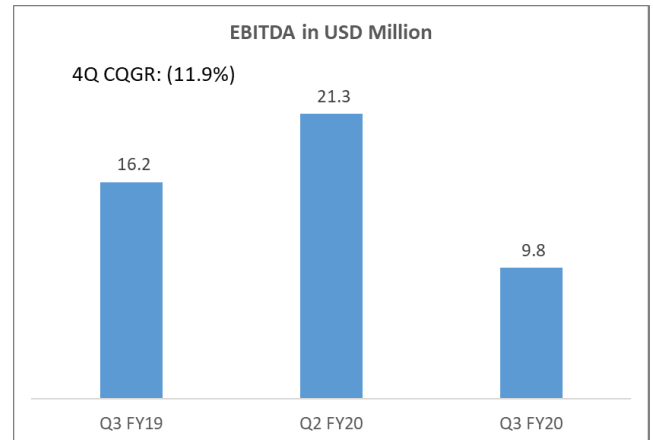
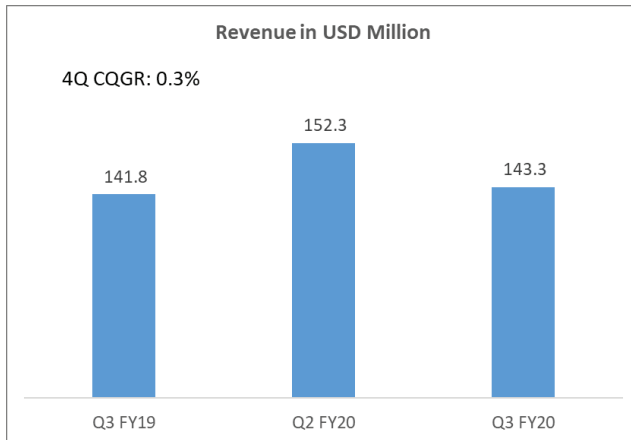
Particulars	Q3 FY20		Growth					
	USD Mn	INR Cr	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	\$ 143.3	₹ 1020.6	(5.9%)	(4.8%)	(6.4%)	1.1%	(0.1%)	0.8%
EBITDA	\$ 9.8	₹ 69.6	(54.1%)	(53.6%)		(39.8%)	(40.6%)	
EBIT	\$ 4.0	₹ 28.4	(74.8%)	(74.5%)		(69.2%)	(69.6%)	
PAT	\$ 5.6	₹ 39.5	(51.0%)	(50.5%)		(31.7%)	(32.6%)	

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

Q3FY20 Revenue Growth in Constant Currency

Particulars	Segments	Q3 FY20
		QoQ
<b>Consolidated</b>	For the Company	(6.4%)
<b>Geography</b>	US	(5.9%)
	Europe	(7.1%)
	Africa	(9.0%)
<b>Services</b>	Digital and Application Services, DAS	(8.1%)
	Digital Services	0.5%
	Core Application Services	(17.3%)
	Cloud and Infrastructure Services, CIS	3.6%
	Cloud, Digital Led next gen CIS	4.7%
	Core Infrastructure Services	18.3%
	Third Party Maintenance	(13.5%)
	Total Digital Services	1.0%
<b>Industry</b>	Hitech and Manufacturing	(2.9%)
	Hitech	(2.6%)
	Mfg.	(3.9%)
	Retail and Consumer Services	(21.5%)
	Financial Services	(4.7%)
	Insurance	(8.8%)
	Banking	6.3%
	Emerging	0.0%

### Performance Highlights



### Income Statement (USD Mn)

Income Statement (USD Mn)	Q3 FY 19	FY19	Q2 FY 20	Q3 FY 20
<b>Operating revenue</b>	<b>141.8</b>	<b>557.2</b>	<b>152.3</b>	<b>143.3</b>
<i>Sequential Growth</i>	5.1%		-0.7%	-5.9%
<i>Year-Over-Year Growth</i>	19.9%	19.5%	12.8%	1.1%
Cost of revenue	102.8	394.6	107.9	109.5
<b>Gross profit</b>	<b>39.0</b>	<b>162.6</b>	<b>44.3</b>	<b>33.8</b>
<i>Gross profit % of revenue</i>	27.5%	29.2%	29.1%	23.6%
<i>Sequential Growth</i>	-1.6%		-1.7%	-23.7%
<i>Year-Over-Year Growth</i>	6.6%	18.6%	11.9%	-13.3%
Sales and marketing expenses	9.7	37.7	9.8	9.5
General and administration expenses	13.3	54.5	13.2	14.6
Operating expenses	23.0	92.2	23.0	24.1
<i>% of revenue</i>	16.3%	16.5%	15.1%	16.8%
Other operating income	0.3	2.3	-	-
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>16.2</b>	<b>72.7</b>	<b>21.3</b>	<b>9.8</b>
<i>EBITDA % of revenue</i>	11.5%	13.0%	14.0%	6.8%
<i>Sequential Growth</i>	-10.6%		-2.3%	-54.1%
<i>Year-Over-Year Growth</i>	-3.1%	30.8%	17.2%	-39.8%
Depreciation and amortisation	3.3	12.8	5.5	5.8
<b>Earnings before interest and tax (EBIT)</b>	<b>13.0</b>	<b>59.9</b>	<b>15.8</b>	<b>4.0</b>
<i>EBIT % of revenue</i>	9.1%	10.8%	10.4%	2.8%
<i>Sequential Growth</i>	-13.5%		-3.1%	-74.8%
<i>Year-Over-Year Growth</i>	-9.3%	31.8%	5.7%	-69.2%
Interest	1.5	5.3	2.0	1.8
Exchange Gain/(Loss)	-2.3	4.3	2.4	1.4
Other income	2.4	7.1	0.1	4.1
<b>Profit before tax</b>	<b>11.5</b>	<b>66.0</b>	<b>16.4</b>	<b>7.8</b>
<i>% of revenue</i>	8.1%	11.9%	10.8%	5.4%
<i>Sequential Growth</i>	-40.1%		2.3%	-52.7%
<i>Year-Over-Year Growth</i>	-18.5%	26.3%	-14.5%	-32.6%
Provision for taxation	3.2	18.8	4.7	2.0
<b>Profit after tax (before minority interest)</b>	<b>8.3</b>	<b>47.2</b>	<b>11.7</b>	<b>5.8</b>
<i>% of revenue</i>	5.9%	8.5%	7.7%	4.0%
Minority interest	0.2	0.7	0.4	0.2
<b>Profit after tax</b>	<b>8.1</b>	<b>46.5</b>	<b>11.3</b>	<b>5.6</b>
<i>Profit after tax % of revenue</i>	5.7%	8.3%	7.4%	3.9%
<i>Sequential Growth</i>	-40.0%		0.2%	-51.0%
<i>Year-Over-Year Growth</i>	-12.4%	30.0%	-16.4%	-31.7%

### Income Statement (INR Mn)

Income Statement (INR Mn)	Q3 FY 19	FY 19	Q2 FY20	Q3 FY20
<b>Operating revenue</b>	<b>10,220</b>	<b>38,988</b>	<b>10,723</b>	<b>10,206</b>
<i>Sequential Growth</i>	8.0%		0.6%	-4.8%
<i>Year-Over-Year Growth</i>	33.5%	29.7%	13.3%	-0.1%
Cost of revenue	7,409	27,626	7,600	7,796
<b>Gross profit</b>	<b>2,812</b>	<b>11,362</b>	<b>3,123</b>	<b>2,410</b>
<i>Gross profit % of revenue</i>	27.5%	29.1%	29.1%	23.6%
<i>Sequential Growth</i>	1.2%		-0.5%	-22.8%
<i>Year-Over-Year Growth</i>	18.7%	28.6%	12.4%	-14.3%
Sales and marketing expenses	701	2,639	690	675
General and administration expenses	960	3,806	933	1,039
Operating expenses	1,661	6,445	1,623	1,714
<i>% of revenue</i>	16.3%	16.5%	15.1%	16.8%
Other operating income	20	162	-	-
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>1,171</b>	<b>5,079</b>	<b>1,500</b>	<b>696</b>
<i>EBITDA % of revenue</i>	11.5%	13.0%	14.0%	6.8%
<i>Sequential Growth</i>	-8.1%		-1.0%	-53.6%
<i>Year-Over-Year Growth</i>	11.7%	41.8%	17.7%	-40.6%
Depreciation and amortisation	237	894	385	412
<b>Earnings before interest and tax (EBIT)</b>	<b>934</b>	<b>4,184</b>	<b>1,115</b>	<b>284</b>
<i>EBIT % of revenue</i>	9.1%	10.7%	10.4%	2.8%
<i>Sequential Growth</i>	-11.1%		-1.8%	-74.5%
<i>Year-Over-Year Growth</i>	5.1%	42.7%	6.2%	-69.6%
Interest	109	373	139	127
Exchange Gain/(Loss)	-169	291	172	102
Other income	174	502	9	295
<b>Profit before tax</b>	<b>830</b>	<b>4,604</b>	<b>1,156</b>	<b>553</b>
<i>% of revenue</i>	8.1%	11.8%	10.8%	5.4%
<i>Sequential Growth</i>	-38.4%		3.7%	-52.2%
<i>Year-Over-Year Growth</i>	-5.5%	36.6%	-14.1%	-33.4%
Provision for taxation	231	1,310	329	141
<b>Profit after tax (before minority interest)</b>	<b>599</b>	<b>3,294</b>	<b>827</b>	<b>412</b>
<i>% of revenue</i>	5.9%	8.4%	7.7%	4.0%
Minority interest	12	51	28	16
<b>Profit after tax</b>	<b>586</b>	<b>3,243</b>	<b>799</b>	<b>395</b>
<i>Profit after tax % of revenue</i>	5.7%	8.3%	7.4%	3.9%
<i>Sequential Growth</i>	-38.4%		1.5%	-50.5%
<i>Year-Over-Year Growth</i>	3.9%	40.6%	-16.1%	-32.6%



Other Metrics	Q3 FY 19	FY 19	Q2 FY 20	Q3 FY 20
<b><u>Revenue By Service Offering</u></b>				
<b>Digital &amp; Application Services (DAS)</b>	<b>82.8%</b>	<b>84.4%</b>	<b>85.6%</b>	<b>84.0%</b>
<i>Digital Services</i>	40.2%	40.3%	44.2%	47.5%
<i>Core Application Services</i>	42.5%	44.1%	41.3%	36.5%
<b>Cloud and Infrastructure Services (CIS)</b>	<b>17.2%</b>	<b>15.6%</b>	<b>14.4%</b>	<b>16.0%</b>
<i>Cloud, Digital Led next gen CIS</i>	5.3%	5.1%	5.9%	6.6%
<i>Core Infrastructure Services</i>	7.4%	5.6%	4.4%	5.6%
<i>Third Party Maintenance</i>	4.6%	4.9%	4.1%	3.8%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total Digital Services</b>	<b>45.5%</b>	<b>45.4%</b>	<b>50.1%</b>	<b>54.1%</b>
<b><u>Revenue By Industry</u></b>				
<b>Manufacturing</b>	<b>50.8%</b>	<b>50.9%</b>	<b>52.7%</b>	<b>54.5%</b>
<i>Hi-Tech</i>	38.4%	38.6%	39.7%	41.1%
<i>Mfg</i>	12.4%	12.3%	13.0%	13.4%
<b>Retail and Consumer Services</b>	<b>19.9%</b>	<b>21.3%</b>	<b>16.2%</b>	<b>13.7%</b>
<b>Financial Services</b>	<b>25.5%</b>	<b>24.6%</b>	<b>28.4%</b>	<b>28.9%</b>
<i>Insurance</i>	19.0%	18.8%	20.8%	20.3%
<i>Banking</i>	6.5%	5.8%	7.5%	8.6%
<b>Emerging</b>	<b>3.8%</b>	<b>3.2%</b>	<b>2.7%</b>	<b>2.8%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b><u>Revenue By Geographical Segment</u></b>				
US	77.0%	76.5%	74.0%	74.2%
Europe	14.5%	14.6%	15.3%	15.6%
Africa	8.4%	8.9%	10.6%	10.2%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b><u>Revenue By Project Type</u></b>				
Fixed Price	53.5%	53.3%	57.4%	57.5%
Time & Materials	46.5%	46.7%	42.6%	42.5%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Other Metrics	Q3 FY 19	FY 19	Q2 FY 20	Q3 FY 20
<b><u>Constant Currency</u></b>				
<b>Operating revenue (Constant Currency mn)</b>	<b>142.4</b>	<b>561.1</b>	<b>153.7</b>	<b>142.5</b>
Sequential Growth	5.5%	20.3%	0.3%	-6.4%
Year-Over-Year Growth	20.2%	20.3%	13.4%	0.8%
<b>Constant Currency Growth By Service Offering (QoQ %)</b>				
<b>Digital &amp; Application Services (DAS)</b>	<b>2.8%</b>	<b>22.4%</b>	<b>3.6%</b>	<b>-8.1%</b>
<i>Digital Services</i>	5.9%	35.2%	7.0%	0.5%
<i>Core Application Services</i>	0.2%	12.7%	0.1%	-17.3%
<b>Cloud and Infrastructure Services (CIS)</b>	<b>20.4%</b>	<b>10.2%</b>	<b>-15.8%</b>	<b>3.6%</b>
<i>Cloud, Digital Led next gen CIS</i>	10.1%	77.8%	-17.0%	4.7%
<i>Core Infrastructure Services</i>	69.3%	-6.9%	-27.8%	18.3%
<i>Third Party Maintenance</i>	-11.5%	-7.3%	5.2%	-13.5%
<b>Total Digital Services</b>	6.3%	38.9%	3.5%	1.0%
<b><u>Constant Currency Growth By Industry (QoQ %)</u></b>				
<b>Manufacturing</b>	<b>2.6%</b>	<b>19.3%</b>	<b>0.6%</b>	<b>-2.9%</b>
<i>Hi Tech</i>	2.0%	26.3%	1.1%	-2.6%
<i>Mfg</i>	4.8%	1.5%	-0.9%	-3.9%
<b>Retail and Consumer Services</b>	<b>1.4%</b>	<b>-2.3%</b>	<b>-9.2%</b>	<b>-21.5%</b>
<b>Financial Services</b>	<b>10.4%</b>	<b>38.7%</b>	<b>16.0%</b>	<b>-4.7%</b>
<i>Insurance</i>	6.5%	47.9%	17.1%	-8.8%
<i>Banking</i>	23.2%	15.5%	12.9%	6.3%
<b>Emerging</b>	<b>44.4%</b>	<b>240.0%</b>	<b>-47.9%</b>	<b>0.0%</b>
<b><u>Constant Currency Growth By Geography (QoQ %)</u></b>				
US	6.5%	21.5%	-3.3%	-5.9%
Europe	5.7%	22.4%	5.1%	-7.1%
Africa	-3.6%	9.5%	23.4%	-9.0%

Other Metrics	Q3 FY 19	FY 19	Q2 FY 20	Q3 FY 20
<b><u>Client Data</u></b>				
<b>Number of million dollar Clients (LTM Revenue)</b>				
1 Million dollar +	96	90	93	92
5 Million dollar +	20	19	23	24
10 Million dollar +	7	9	9	10
20 Million dollar +	2	2	2	2
<b>Revenue from top clients</b>				
Revenue- top 5 clients	38.3%	36.5%	37.6%	39.6%
Revenue- top 10 clients	48.8%	45.6%	48.0%	49.3%
Revenue- top 20 clients	59.7%	56.3%	62.6%	63.6%
<b>Repeat business %</b>	<b>87.7%</b>	<b>83.3%</b>	<b>86.3%</b>	<b>84.2%</b>
<b>Number of active clients</b>	<b>279</b>	<b>285</b>	<b>309</b>	<b>308</b>
<b><u>Onsite:Offshore</u></b>				
<b>Revenue mix</b>				
Onsite	67.4%	66.5%	66.7%	67.6%
Offshore	32.6%	33.5%	33.3%	32.4%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b><u>Utilization</u></b>				
Utilization (excluding Trainees)	81.7%	83.4%	84.1%	81.0%
<b><u>Employee data</u></b>				
<b>Headcount</b>				
Technical - Onsite	2,346	2,412	2,537	2,368
Technical - Offshore	5,922	6,188	6,353	6,474
Technical - BPO / Others	283	275	205	197
Marketing	76	76	85	90
Support (including trainees)	829	797	1,039	822
<b>Total</b>	<b>9,456</b>	<b>9,748</b>	<b>10,219</b>	<b>9,951</b>
<b>Gross employees added during the period</b>	<b>1,045</b>	<b>3,689</b>	<b>977</b>	<b>608</b>
<b>% of women employees</b>	<b>27.9%</b>	<b>28.5%</b>	<b>30.6%</b>	<b>30.6%</b>
<b><u>Attrition</u></b>				
Attrition	16.5%	16.3%	17.0%	16.0%

Other Metrics	Q3 FY 19	FY 19	Q2 FY 20	Q3 FY 20
<b><u>Exchange Rates</u></b>				
<b>Rupee Dollar Rate</b>				
Period Closing Rate	69.8	69.2	70.9	71.4
Period Average Rate	72.1	69.9	70.4	71.2
<b>Rupee Euro Rate</b>				
Period Closing Rate	80.0	77.7	77.3	80.1
Period Average Rate	82.2	80.9	78.3	78.7
<b>Rupee GBP Rate</b>				
Period Closing Rate	89.1	90.5	87.3	94.2
Period Average Rate	92.7	91.8	86.9	91.6
<b>Rupee ZAR Rate</b>				
Period Closing Rate	4.9	4.8	4.7	5.1
Period Average Rate	5.0	5.1	4.8	4.8
<b><u>Revenue By Currency</u></b>				
Dollar	73.6%	73.8%	68.8%	68.7%
Euro	0.8%	5.3%	1.2%	1.7%
GBP	16.1%	13.0%	17.0%	16.7%
ZAR	8.0%	7.1%	10.3%	9.8%
Others	1.5%	0.9%	2.7%	3.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Effective Tax Rate</b>	<b>27.8%</b>	<b>28.5%</b>	<b>28.5%</b>	<b>25.5%</b>
<b><u>Accounts receivables (in days)</u></b>				
Billed	69	69	57	57
Unbilled	36	33	45	36
<b>Total</b>	<b>105</b>	<b>102</b>	<b>102</b>	<b>93</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
<i>Balances with Banks:</i>				
In current accounts	46.0	42.6	43.0	67.0
Deposit with original maturity of less than three months	2.2	4.2	4.4	5.0
<i>Other Bank Balances:</i>				
Unpaid dividend accounts	0.3	0.3	0.3	0.3
<b>Total</b>	<b>48.5</b>	<b>47.1</b>	<b>47.8</b>	<b>72.4</b>
<b>Investment in Mutual Funds</b>	<b>19.1</b>	<b>13.3</b>	<b>12.8</b>	<b>19.6</b>

Other Metrics	Q3 FY 19	FY 19	Q2 FY 20	Q3 FY 20
<b><u>Summary of Debt</u></b>				
<b>Debt (USD mn)</b>				
Short-term debt	30.5	23.0	25.6	23.5
Long-term debt	20.0	20.0	21.6	21.8
<b>Total</b>	<b>50.5</b>	<b>43.0</b>	<b>47.2</b>	<b>45.3</b>
<b><u>Outstanding Hedges</u></b>				
<b>USD</b>				
Value	74.8	115.2	126.0	133.5
Avg. Rate/ INR	72.2	72.0	71.8	72.5
<b>GBP</b>				
Value	14.3	15.8	19.0	14.6
Avg. Rate/ INR	94.6	94.2	89.6	92.2
<b>ZAR</b>				
Value	88.3	100.8	272.2	351.9
Avg. Rate/ INR	5.0	5.1	4.8	4.9
<b><u>Summary of Capex</u></b>				
<b>Capex (USD Mn)</b>	<b>1.4</b>	<b>6.9</b>	<b>1.5</b>	<b>2.2</b>
<b><u>Earning Per Share (INR/share)</u></b>				
Basic	2.5	13.9	3.6	1.8
Diluted	2.4	13.7	3.5	1.7
<b><u>Shareholding</u></b>				
Public Shareholding	51.2%	51.1%	51.1%	51.0%
Promoter Shareholding	48.9%	48.9%	48.9%	49.0%
<b>Total</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; assertion of commitment to client's success, Zensar's comprehensive range of digital and technology services and solutions enable 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 them surpass challenges around running their existing business most efficiently, helping in their legacy transformation, and planning for business expansion and growth through innovative and digital ways.

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**[About RPG Enterprises \(www.rpggroup.com\)](http://www.rpggroup.com)**

RPG Enterprises, established in 1979, is one of India's fastest growing business groups with a turnover of Rs 23000 Cr. 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 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, Q3 FY20

Quarter Ending Dec 31, 2019



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# Company Overview



Zensar Technologies records  
\$143.3 Mn in Q3FY20 (\$597.6  
Mn LTM)

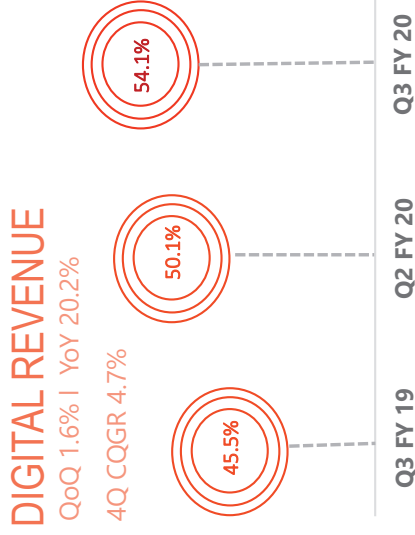
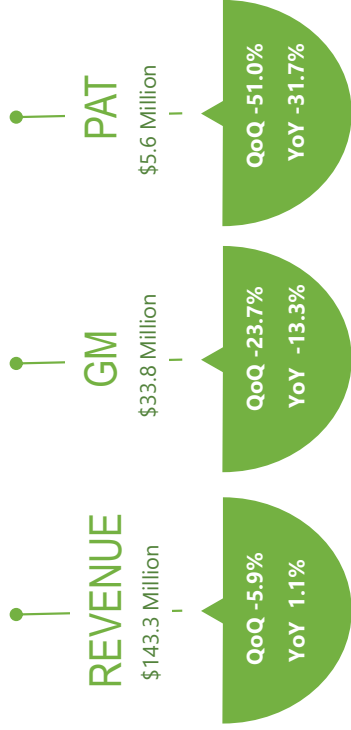
- Part of \$3 B RPG Group
- Portfolio Company of the \$40 B APAX Group
- Among 5 global tech companies to be listed on a major global stock exchange (BSE) for 55+ years
- 54.1% Digital Revenue, (20.2% YoY Growth)



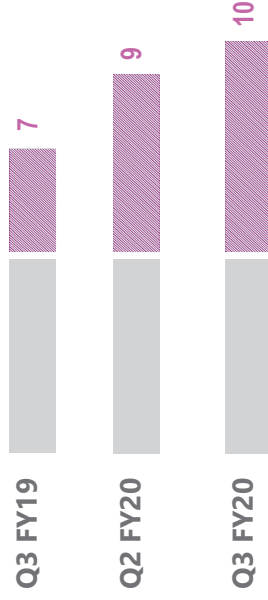
# Zensar Business Update

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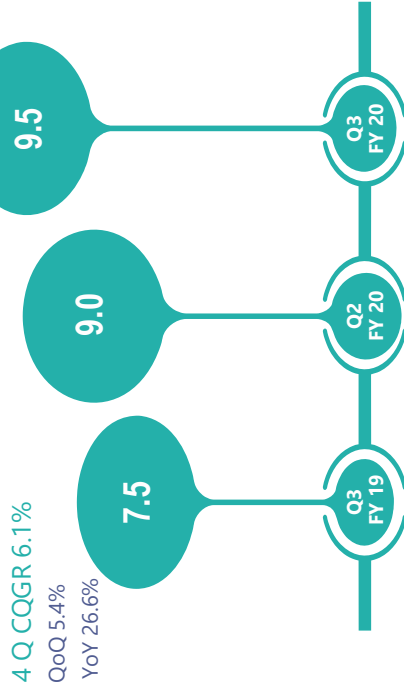
# Q3 FY20 Brief Snapshot



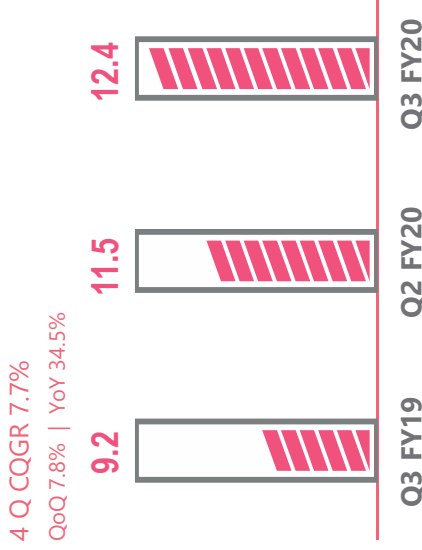
## \$10 M PER ANNUM CLIENTS YoY +3



## CLOUD, DIGITAL LED NEXT-GEN SERVICES

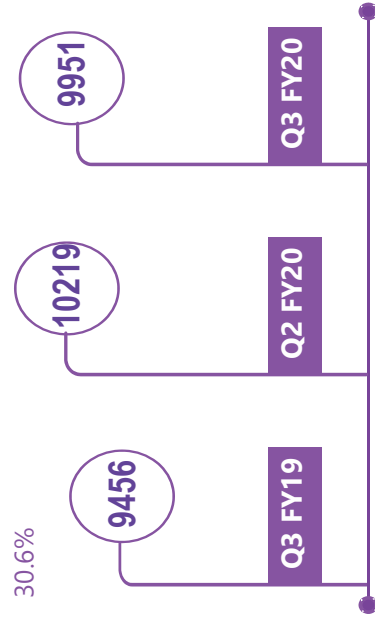


## CONTINUOUS GROWTH IN BANKING



## HEADCOUNT

WOMEN ASSOCIATES  
30.6%



# Q3 FY20 Financials

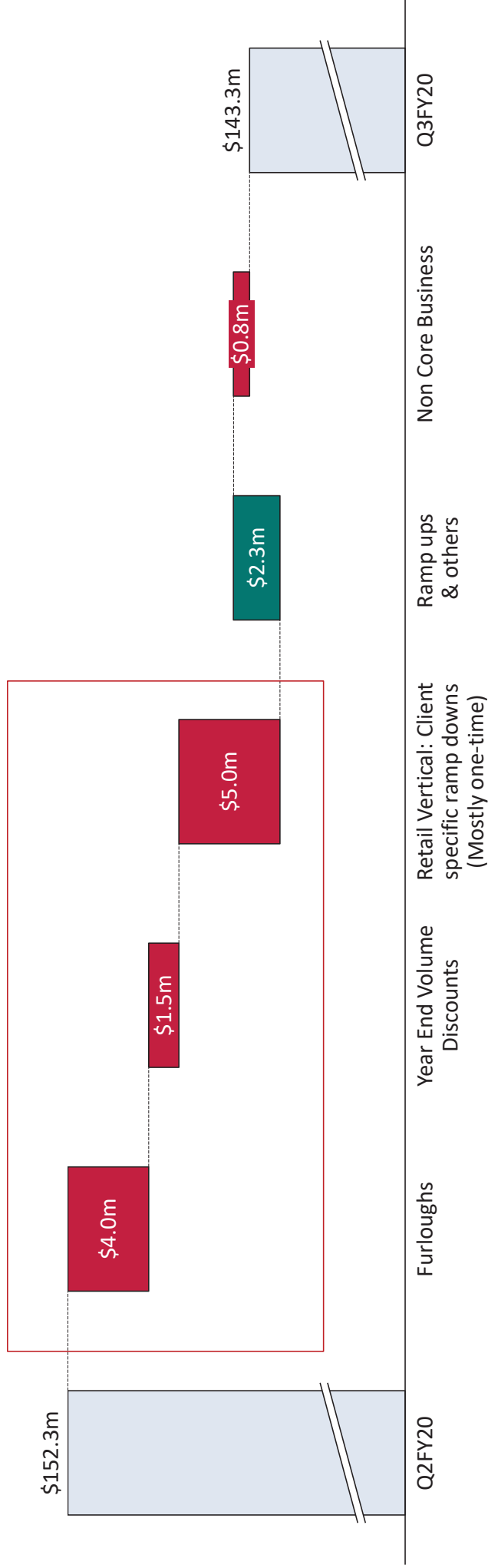


Particulars	Q3 FY20		Growth					
	USD Mn	INR Cr	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	\$ 143.3	₹ 1020.6	(5.9%)	(4.8%)	(6.4%)	1.1%	(0.1%)	0.8%
EBITDA	\$ 9.8	₹ 69.6	(54.1%)	(53.6%)		(39.8%)	(40.6%)	
EBIT	\$ 4.0	₹ 28.4	(74.8%)	(74.5%)		(69.2%)	(69.6%)	
PAT	\$ 5.6	₹ 39.5	(51.0%)	(50.5%)		(31.7%)	(32.6%)	
	INR/Share		Q-o-Q			Y-o-Y		
EPS (Diluted)	1.7		(50.9%)			(28.3%)		

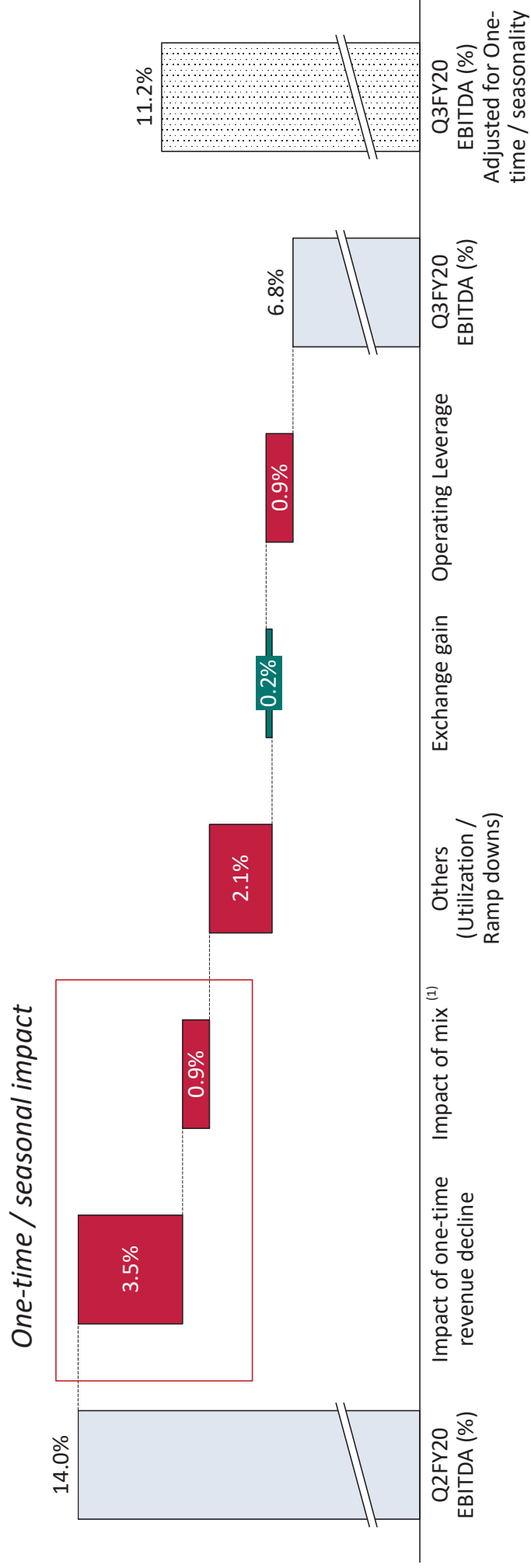
# Q3 FY20 Revenue Walk



## One-time / seasonal impact



# Q3 FY20 Margin Walk



1. Seasonal impact of higher pass through product sales in Q3FY20

# Q3 FY20 Key Business Highlights



## ❑ Wins, Pipeline quality and Large Deals

- Strong order booking of 170M + TCV with 45% as new wins in existing and new accounts, largely all digital and next gen cloud services
- Pipeline continues to remain strong at more than 1 Bn
- Focus on 5+m pa potential multi-services accounts and larger Deals; 60% deals are being fought with a TCV over \$5m

## ❑ Core Business

- Digital Services grew 20.2% YoY and 1.6% QoQ in US \$ terms, making a total of 54.1% of the revenue
- Cloud and infrastructure Services business grew 4.3% QoQ. Next Gen Cloud grew at 26.6% YoY and 5.4% QoQ (all in US \$ terms)
- Financial services declined 4% QoQ but grew 14.8% YoY; Banking growing 34.5% YoY and Insurance by 8.1% YoY ; 4 new logos added
- Application and Digital services grew 2.6% YoY, with digital services witnessing 19.3% growth YoY
- Manufacturing vertical witnessed a growth of 8.5% YoY led by Hi tech growing at 8.1% and manufacturing by 9.5% YoY

## ❑ Other Key Highlights

- Net cash position increased by 33.4M USD QoQ and DSO reduced by 9 days QoQ
- The number of 5Mn+ pa clients increased by 4 YoY and 10Mn+ clients increased by 3 YoY
- CIS differentiated propositions getting well recognised by analyst and advisors

## Q3 FY20 Wins



**\$170**

**Mn+**

**TCV wins in  
Q3 FY 20**



**Application & maintenance services for SA based financial services group company**



**Application & development work for a large US-based Hi-tech global company**



**Infrastructure mandate for an American manufacturer of lighting solutions**



**Digital transformation mandate for a large US-based hi-tech global**



**Digital solutions for a leading Insurance company in South Africa**



**Cloud and infrastructure services for a US Hitech Mfg. company**

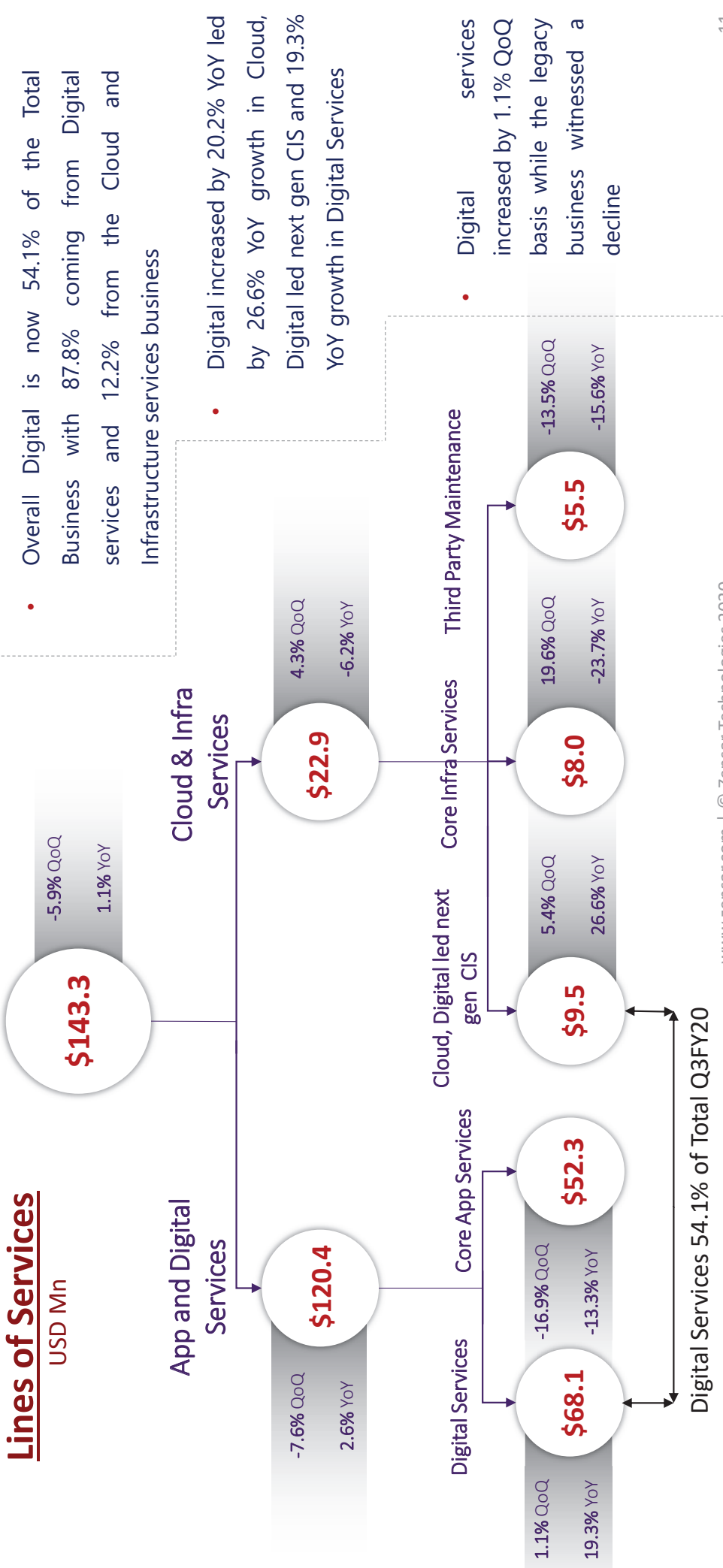


# Q3 FY20 Overall Digital Growth, 20.2% YoY



## Lines of Services

USD Mn

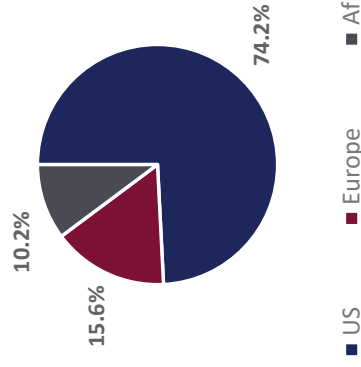


Digital Services 54.1% of Total Q3FY20

# Q3 FY20 Region & Vertical Split



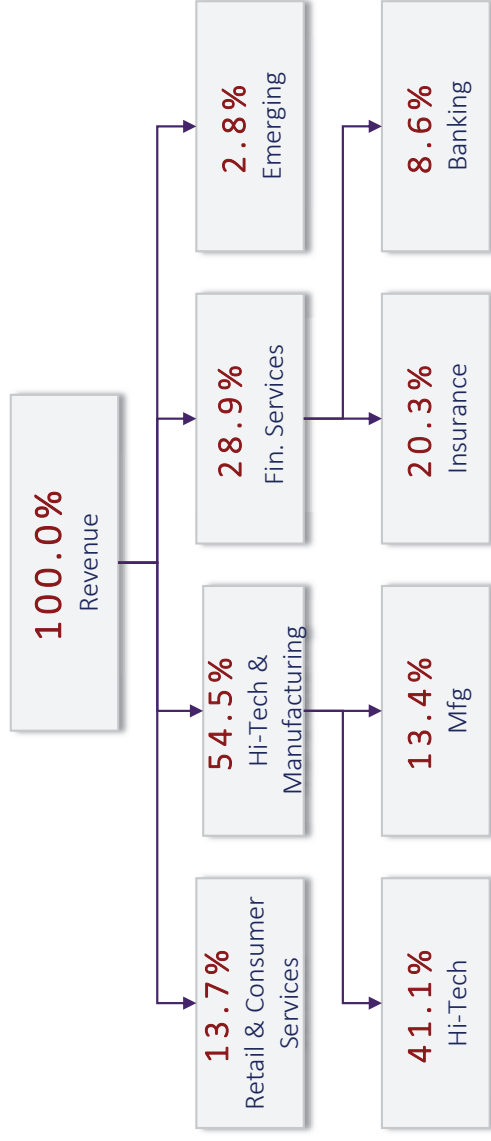
## Region Split



Percentage of Revenue In USD

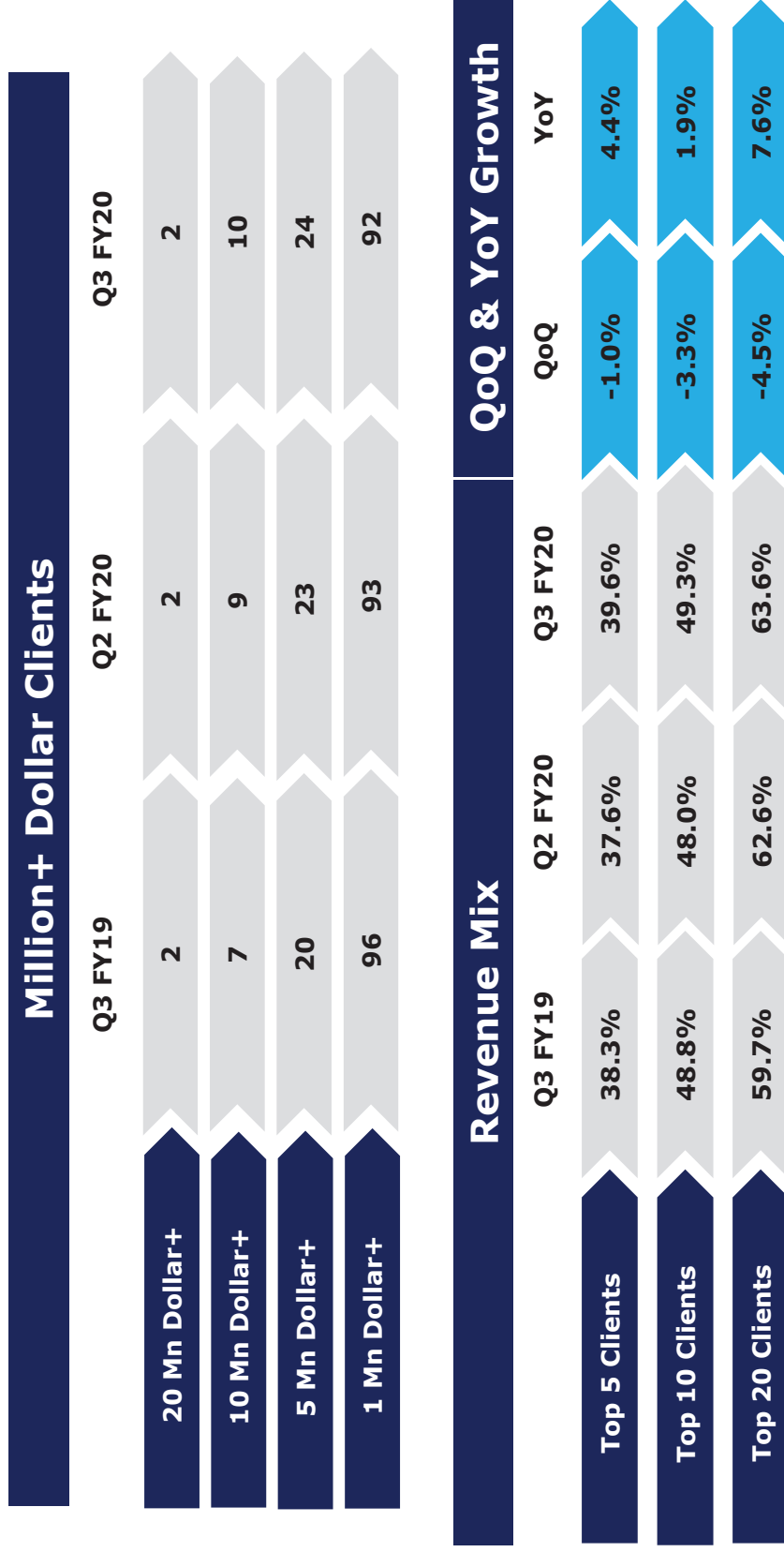
Geography	YoY
US	-2.7%
Europe	8.9%
Africa	22.2%

## Vertical Split



Vertical	YoY
Retail & Consumer Services	-30.5%
Hi-Tech & Manufacturing	8.5%
Fin. Services	14.8%
Emerging	-24.8%

# Q3 FY20 Top Clients Revenue



# Analyst Coverage & Mentions



Challenger in Avasant Blockchain RadarView™

Innovator in the Avasant's Hybrid Enterprise Cloud Services RadarView™ 2019



Zensar featured in Digital Workplace of the Future - ISG Provider Lens™ Study 2019



Aspirant in "Application and Digital Services in Banking – Services PEAK Matrix™ Assessment 2020

Major Contender in Application Transformation Services PEAK Matrix™ Assessment 2020

Aspirant in Advanced Analytics and Insights PEAK Matrix™ Assessment 2020



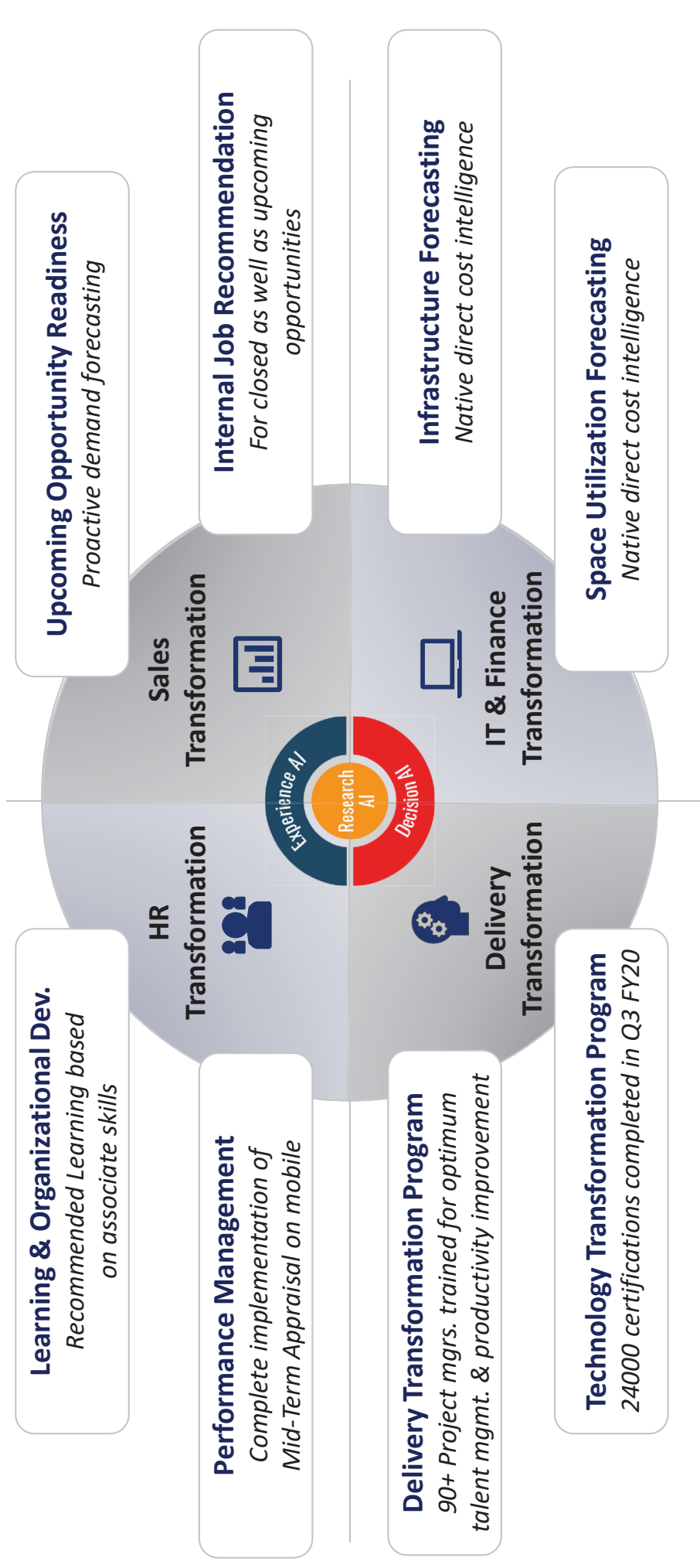
SHRM HR Excellence Awards 2019 for Excellence in Leveraging HR Technology and Excellence in HR Analytics

ISG Special Award at the ISG Paragon Awards™ Americas

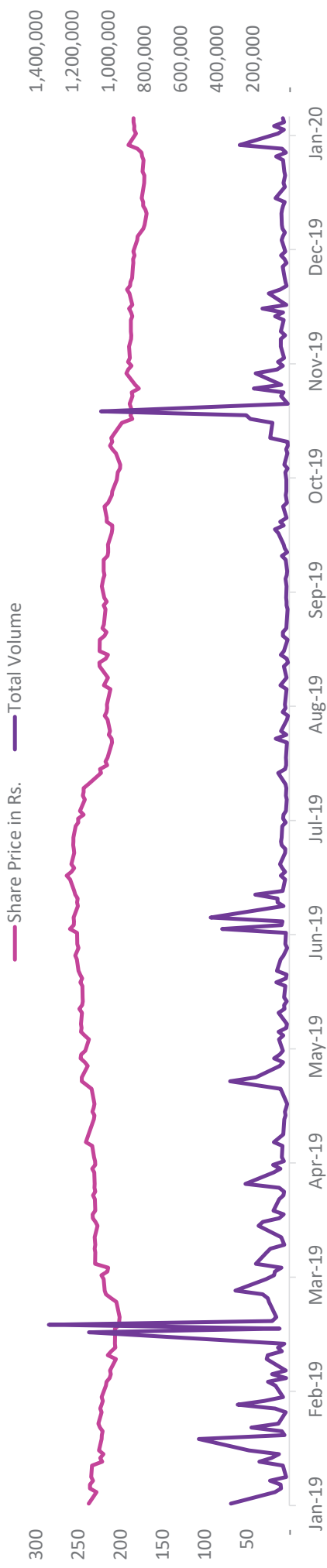


Competitive Landscape: **Robotic Process Automation** Service Providers 2019

# Living AI Journey update



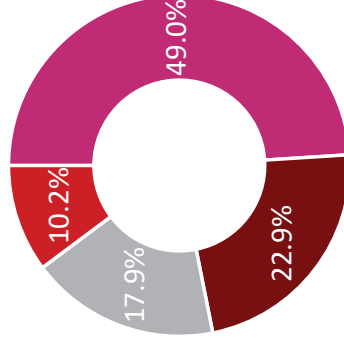
# Stock Price and Shareholding Pattern



## Equity Share Information:

- Share Price (10<sup>th</sup> January 2020): INR 184.80/ share
- Market Cap (10<sup>th</sup> January 2020): INR 4,172 Crs
- Financial Year: April to March
- Face Value: INR 2 / share
- Listed on Indian Stock Exchanges:
  - a) Bombay Stock Exchange (code: 504067)
  - b) National Stock Exchange (code: ZENSARTECH)
- Bloomberg Code: ZENT.IN
- Reuters Code: ZENT.BOX

## Shareholding Pattern (as on 31<sup>st</sup> December 2019):



- Promoter
- Apex Partners
- FPIs
- DIIIs/ Others

Analyst Presentation for the quarter ending  
December 31, 2019

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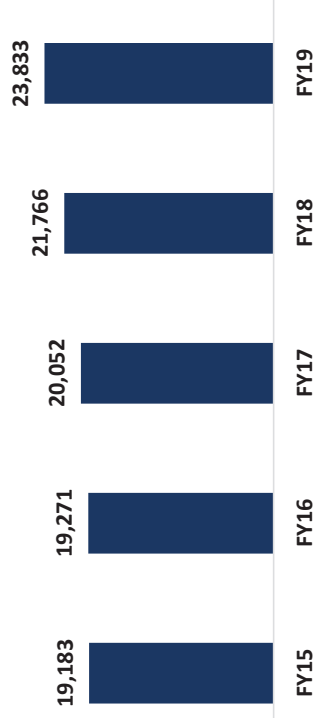
# RPG Group Overview

# RPG Group: Key Financials

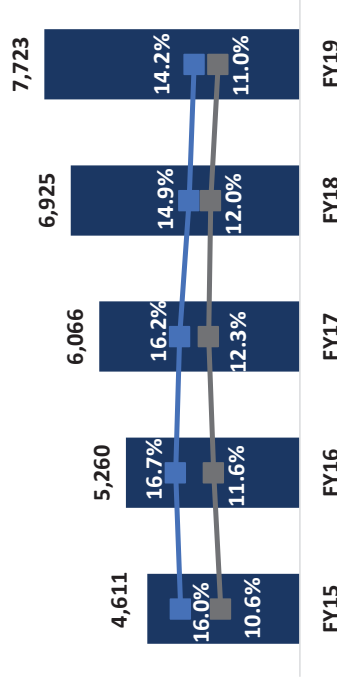


**FY15-19  
CAGR: 5.6%**

■ Gross Total Income (Rs Cr.)



■ Net Worth — ROE — ROCE

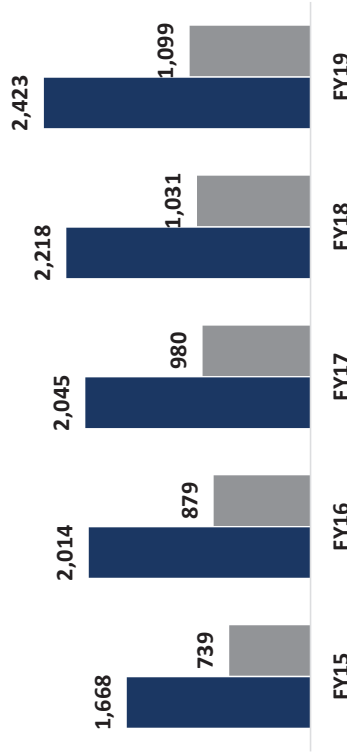


Note:

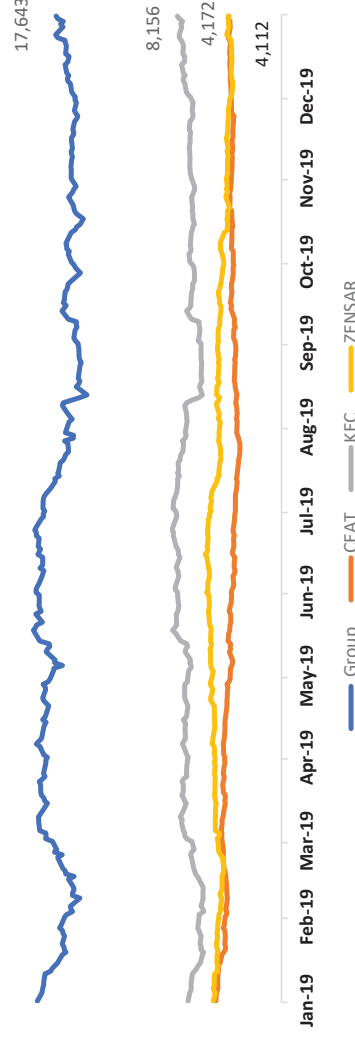
- 1) ROCE is calculated by taking EBIT\*(1-ETR) divided by Capital Employed
- 2) ROE is calculated by taking PAT divided by Net-worth
- 3) Market Cap updated till 10<sup>th</sup> January 2020

**FY15-19 CAGR:  
EBITDA 9.8% PAT 10.4%**

■ EBITDA ■ PAT



Market Cap





**Thank You**

