

**Date:** October 21, 2019

**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 October 21, 2019

This is to inform you that the Board of Directors of the Company at its meeting held today, which commenced at 1.00 PM and concluded at 7.00 PM, inter-alia, unanimously approved/took on record the following:

**Financial Results:**

Unaudited Standalone & Consolidated Financial Results alongwith Cash Flow Statement(s) and Limited Review report thereon, for the quarter and six months ended September 30, 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 six months ended September 30, 2019 are enclosed herewith.

**Noting of business re-organisation *inter-alia* in USA within Zensar Group**

Disclosure on business re-organisation pursuant to Regulation 30(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed herewith.

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 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 six months ended September 30, 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 3 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: October 21, 2019

**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 Half Year ended 30th September, 2019

(Rs. in Lakhs)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30-Sep-2019	30-Jun-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	31-Mar-2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b> Revenue from operations	107,228	107,102	96,871	214,330	187,337	396,633
<b>2</b> Other income (net)	1,808	1,463	4,129	3,271	6,516	9,268
<b>3</b> <b>Total Income</b>	<b>109,036</b>	<b>108,565</b>	<b>101,000</b>	<b>217,601</b>	<b>193,853</b>	<b>405,901</b>
<b>4</b> <b>Expenses</b>						
a. Purchase of traded goods	2,318	4,908	1,362	7,226	3,865	11,538
b. Changes in inventories	1,243	1,294	2,152	2,537	3,361	7,278
c. Employee benefits expense	61,063	57,522	53,147	118,585	101,738	215,258
d. Subcontracting costs	15,861	16,224	16,034	32,085	29,659	63,302
e. Finance costs	1,396	1,663	952	3,059	1,538	3,729
f. Depreciation and amortisation expense	3,851	3,794	2,242	7,645	4,061	8,944
g. Other expenses	11,740	12,573	11,889	24,313	24,794	51,314
<b>Total expenses</b>	<b>97,472</b>	<b>97,978</b>	<b>87,778</b>	<b>195,450</b>	<b>169,016</b>	<b>361,363</b>
<b>5</b> <b>Profit before tax (3-4)</b>	<b>11,564</b>	<b>10,587</b>	<b>13,222</b>	<b>22,151</b>	<b>24,837</b>	<b>44,538</b>
<b>6</b> <b>Tax expense</b>						
a. Current tax	3,048	3,437	4,096	6,485	7,772	14,045
b. Deferred tax	246	(422)	(377)	(176)	(829)	(1,372)
<b>7</b> <b>Net Profit for the period (5-6)</b>	<b>8,270</b>	<b>7,572</b>	<b>9,503</b>	<b>15,842</b>	<b>17,894</b>	<b>31,865</b>
<b>8</b> <b>Net Profit/(Loss) attributable to:</b>						
- Owners	7,987	7,451	9,340	15,438	17,556	31,359
- Non-controlling interests	283	121	163	404	338	506
<b>9</b> <b>Other comprehensive income/(loss), net of income tax</b>						
A. Items that will not be reclassified to profit or loss	(284)	(132)	397	(416)	397	(44)
B. Items that will be reclassified to profit or loss	(432)	(796)	232	(1,228)	81	403
<b>Total other comprehensive income/(loss), net of income tax</b>	<b>(716)</b>	<b>(928)</b>	<b>629</b>	<b>(1,644)</b>	<b>478</b>	<b>359</b>
<b>10</b> <b>Total comprehensive income for the period (7+9)</b>	<b>7,554</b>	<b>6,644</b>	<b>10,132</b>	<b>14,198</b>	<b>18,372</b>	<b>32,224</b>
<b>11</b> <b>Total comprehensive income attributable to:</b>						
- Owners	7,317	6,502	9,962	13,819	18,163	31,893
- Non-controlling interests	237	142	170	379	209	331
<b>12</b> Paid-up equity share capital (Face value Rs. 2 each)	4,505	4,504	4,501	4,505	4,501	4,504
<b>13</b> <b>Other equity excluding Revaluation Reserves as per balance sheet</b>						189,732
<b>14</b> <b>Earnings Per Share (EPS) (Face value Rs. 2 each) (not annualised):</b>						
a) Basic	3.55	3.31	4.15	6.85	7.80	13.93
b) Diluted	3.49	3.25	4.08	6.74	7.67	13.70



## Statement of Assets &amp; Liabilities

(Rs. in Lakhs)

Particulars	As at 30- Sep- 2019	As at 31- Mar- 2019
<b>Assets</b>		
<b>Non-Current Assets</b>		
(a) Property, Plant and Equipment	10,323	10,267
(b) Right of use assets	25,997	-
(c) Capital work-in-progress	861	556
(d) Goodwill	61,154	60,310
(e) Other Intangible assets	22,350	24,411
(f) Intangible assets under development	1,284	629
(g) Financial Assets		
i) Investments	6,165	6,982
ii) Other financial assets	4,852	3,262
(h) Income tax assets (net)	3,045	3,146
(i) Deferred tax assets (net)	5,207	4,468
(j) Other non-current assets	457	1,125
<b>Total - Non-current assets</b>	<b>141,695</b>	<b>115,156</b>
<b>Current Assets</b>		
(a) Inventories	9,716	9,846
(b) Financial Assets		
i) Investments	5,306	4,536
ii) Trade receivables	75,002	87,621
iii) Cash and cash equivalents	33,597	31,689
iv) Bank balances other than in (iii) above	247	899
v) Other financial assets	32,215	26,444
(c) Other current assets	45,324	32,781
<b>Total - Current assets</b>	<b>201,407</b>	<b>193,816</b>
<b>Total - Assets</b>	<b>343,102</b>	<b>308,972</b>
<b>Equity And Liabilities</b>		
<b>Equity</b>		
(a) Equity Share Capital	4,505	4,504
(b) Other Equity		
i. Reserves and surplus	198,142	187,430
ii. Other components of equity	1,075	2,302
Equity Attributable to Owners of the Company	203,722	194,236
Non controlling interests	2,075	1,696
<b>Total - Equity</b>	<b>205,797</b>	<b>195,932</b>
<b>Non-Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	11,302	10,221
ii) Lease liabilities	20,852	-
iii) Other financial liabilities	7,003	6,084
(b) Provisions	237	209
(c) Employee benefit obligations	1,852	1,457
<b>Total - Non-Current Liabilities</b>	<b>41,246</b>	<b>17,971</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	18,156	15,560
ii) Trade payables	26,175	30,095
iii) Lease liabilities	6,659	-
iv) Other financial liabilities	18,618	25,351
(b) Employee benefit obligations	6,765	5,692
(c) Other current liabilities	16,544	14,422
(d) Current tax liabilities (Net)	3,142	3,949
<b>Total - Current Liabilities</b>	<b>96,059</b>	<b>95,069</b>
<b>Total - Equity And Liabilities</b>	<b>343,102</b>	<b>308,972</b>



**Consolidated Segment wise Revenue & Results for the quarter and half year ended 30th September, 2019**

Particulars		Quarter Ended			Half Year Ended		(Rs. in Lakhs)
		30-Sep-2019	30-Jun-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	Year Ended 31-Mar-2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Segment Revenue</b>						
	Application Management Services	91,768	88,779	82,165	180,546	159,078	334,692
	Infrastructure Management Services	15,460	18,323	14,706	33,783	28,259	61,941
	<b>Revenue From Operations</b>	<b>107,228</b>	<b>107,102</b>	<b>96,871</b>	<b>214,330</b>	<b>187,337</b>	<b>396,633</b>
2	<b>Segment Results (Profit / (Loss) before tax and finance cost)</b>						
	Application Management Services	14,421	13,670	11,553	28,092	23,301	46,602
	Infrastructure Management Services	1,872	1,265	1,525	3,137	2,238	3,968
	<b>Total Segment Results</b>	<b>16,293</b>	<b>14,935</b>	<b>13,078</b>	<b>31,229</b>	<b>25,539</b>	<b>50,570</b>
	Less: Finance costs	1,396	1,663	952	3,059	1,538	3,729
	Less: Unallocable expenditure net of unallocable income	3,333	2,685	(1,096)	6019	(836)	2,302
	<b>Total Profit before Tax</b>	<b>11,564</b>	<b>10,587</b>	<b>13,222</b>	<b>22,151</b>	<b>24,837</b>	<b>44,538</b>

Statement of Segment Assets & Liabilities		30-Sep-2019	30-Jun-2019	30-Sep-2018	31-Mar-2019
		Unaudited	Unaudited	Unaudited	Audited
1	<b>Segment Assets</b>				
	<b>Trade Receivables</b>				
	Application Management Services	64,457	74,369	58,812	72,964
	Infrastructure Management Services	10,546	13,775	13,946	14,657
	<b>Total Trade Receivables</b>	<b>75,003</b>	<b>88,144</b>	<b>72,758</b>	<b>87,621</b>
	<b>Inventories</b>				
	Application Management Services	-	-	-	-
	Infrastructure Management Services	9,716	9,594	11,091	9,846
	<b>Total Inventories</b>	<b>9,716</b>	<b>9,594</b>	<b>11,091</b>	<b>9,846</b>
	<b>Unbilled Revenue</b>				
	Application Management Services	53,402	36,908	38,151	31,753
	Infrastructure Management Services	5,536	10,381	6,233	5,906
	<b>Total Unbilled Revenue</b>	<b>58,938</b>	<b>47,289</b>	<b>44,384</b>	<b>37,659</b>
	<b>Goodwill</b>				
	Application Management Services	42,109	41,454	43,278	41,728
	Infrastructure Management Services	19,045	18,547	19,477	18,582
	<b>Total Goodwill</b>	<b>61,154</b>	<b>60,001</b>	<b>62,755</b>	<b>60,310</b>
	<b>Unallocable Assets</b>	<b>138,291</b>	<b>148,793</b>	<b>106,738</b>	<b>113,536</b>
	<b>TOTAL ASSETS</b>	<b>343,102</b>	<b>353,821</b>	<b>297,726</b>	<b>308,972</b>
2	<b>Segment Liabilities</b>				
	<b>Unearned Revenue</b>				
	Application Management Services	7,792	6,079	5,555	5,677
	Infrastructure Management Services	2,796	3,013	2,911	3,747
	<b>Total Unearned Revenue</b>	<b>10,588</b>	<b>9,092</b>	<b>8,466</b>	<b>9,425</b>
	<b>Unallocable Liabilities</b>	<b>126,714</b>	<b>142,254</b>	<b>105,706</b>	<b>103,616</b>
	<b>Total Liabilities</b>	<b>137,302</b>	<b>151,346</b>	<b>114,172</b>	<b>113,041</b>



**Notes :**

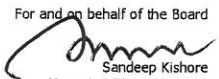
- 1 These unaudited results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as 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 October 21, 2019.
- 2 Consolidated Statement of Cash flows is attached in Annexure I.
- 3 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.
- 4 Other Income (Net) for the quarter and half year ended September 30, 2019 includes foreign exchange gain of Rs. 1,721 lakhs and Rs. 2,801 lakhs respectively. (Corresponding previous period: net gain of Rs. 3,533 lakhs and Rs. 4,781 lakhs). Other Income (net) for the quarter ended June 30, 2019 includes net foreign exchange gain of Rs. 1,080 lakhs.
- 5 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 Year ended March 31, 2019.
- 6 During the half year ended September 30, 2019, the Company issued 18,000 equity shares pursuant to the exercise of stock options by certain employees under the "2002 ESOP" and 64,450 equity shares under "2006 ESOP" stock option plan.
- 7 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			Half Year Ended		Year Ended	
	30-Sep-2019	30-Jun-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	31-Mar-2019	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
Revenue from operations	35,110	33,706	34,918	68,816	69,200	137,008	
Profit before tax	7,970	6,362	10,779	14,332	18,723	33,351	
Net profit for the period	6,429	4,758	8,260	11,187	14,172	25,800	

- 8 The shareholders in their meeting dated August 05, 2019 have approved the final dividend for year ending March 31, 2019 of Rs. 1.80 per share.
- 9 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. 23,810 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 half year ended September 30, 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.

Mumbai  
Date: October 21, 2019



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

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

Annexure I

(Rs. in Lakhs)

Particulars	Half Year Ended		Year Ended
	30-Sep-19	30-Sep-18	31-Mar-19
	Unaudited	Unaudited	Audited
<b>Cash flow from operating activities</b>			
Profit before taxation	22,151	24,837	44,538
<b>Adjustments for:</b>			
Depreciation and amortisation	7,645	4,061	8,944
Employee share based payment expense	858	577	1,652
(Profit) / loss on sale of investments (net) on mutual funds	(580)	(1,525)	(2,796)
Changes in fair value of financial assets/liabilities measured at fair value through profit and loss	111	988	1,796
Fair value (gain)/loss on share buyback liability	346	-	208
Change in fair value of equity instruments	-	-	(196)
Interest income	(194)	(283)	(545)
Finance costs	2,379	1,197	2,951
(Profit)/Loss on sale of tangible assets (net)	(3)	0	9
Provision for doubtful debts and advances (net)	(1,874)	2,318	2,368
Bad debts written off	1,600	105	1,174
(Profit)/Loss on disposal of business/subsidiary	93	-	(1,941)
Provision no Longer required and credit balances written back	-	(670)	(2,391)
Unrealised exchange gains/(loss) (net)	(1,122)	1,831	(83)
	9,259	8,599	11,150
<b>Operating profit before working capital changes</b>	<b>31,410</b>	<b>33,436</b>	<b>55,688</b>
<b>Change in operating assets and liabilities</b>			
(Increase)/ decrease in other non current financial assets	(1,588)	(111)	(700)
(Increase)/ decrease in other non current assets	373	608	1,113
(Increase)/ decrease in inventories	130	(491)	754
(Increase)/decrease in trade receivables	14,834	(5,159)	(27,566)
(Increase)/decrease in other current financial assets	(6,833)	(13,529)	8,100
(Increase)/ decrease in other current assets	(9,736)	(4,307)	(25,191)
Increase/(decrease) in other non current financial liabilities	425	3,221	(557)
Increase/(decrease) in non current provisions	27	70	121
Increase/(decrease) in non current employee benefit obligations	395	48	(39)
Increase/(decrease) in trade payables	(3,956)	4,405	11,482
Increase/ (decrease) in other current financial liabilities	(2,284)	(6,932)	4,092
Increase/ (decrease) in current employee benefit obligations	657	1,152	1,221
Increase/ (decrease) in other current liabilities	2,104	679	948
<b>Cash generated from operations</b>	<b>25,958</b>	<b>13,090</b>	<b>29,466</b>
Income taxes paid (net of refunds)	(7,081)	(5,779)	(13,864)
<b>Net cash inflow from operating activities</b>	<b>18,877</b>	<b>7,311</b>	<b>15,602</b>
<b>Cash flow from investing activities</b>			
Purchase of tangible/intangible assets including capital work in progress	(4,629)	(3,321)	(5,242)
Payment of earnout pertaining to entities acquired	(4,988)	(3,179)	(3,179)
Purchase of business	-	(34,171)	(34,171)
Proceeds from sale of tangible/intangible assets	79	43	68
Proceeds on disposal of business	363	(0)	847
Proceeds from disposal of entities	-	-	921
Fixed Deposits/ Margin Money placed	-	(302)	(615)
Fixed Deposits/ Margin Money matured	667	-	-
Purchase of investments (Mutual Funds)	(47,870)	(37,519)	(79,121)
Proceeds from sale of investments (Mutual Funds)	48,445	51,930	95,202
Proceeds from sale of Non Convertible Debentures	-	-	814
Interest income received	210	270	366
<b>Net cash used in investing activities</b>	<b>(7,723)</b>	<b>(26,249)</b>	<b>(24,110)</b>
<b>Cash flow from financing activities</b>			
Proceeds from issue of equity shares	70	45	140
Payment of lease liabilities	(2,774)	-	-
Interest paid	(669)	(505)	(1,339)
Dividend on equity shares and tax thereon	(4,628)	(3,798)	(6,333)
Proceeds of long-term borrowings	-	13,054	13,067
Repayment of long-term borrowings	(1,987)	(150)	(290)
Proceeds from short-term borrowings	1,050	23,278	23,278
Repayment of short-term borrowings	-	(2,840)	(8,433)
<b>Net cash used in financing activities</b>	<b>(8,938)</b>	<b>29,084</b>	<b>20,090</b>
Effect of exchange differences on translation of cash and cash equivalents	2	1	-
<b>Increase in Cash and Cash Equivalents on Acquisition</b>	-	1,530	1,530
Decrease in Cash and Cash Equivalents on disposal of subsidiaries	-	-	(288)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,218</b>	<b>11,677</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>18,555</b>
<b>Cash and cash equivalents at the end of the half year/year</b>	<b>33,597</b>	<b>30,232</b>	<b>31,379</b>



**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 six months ended September 30, 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: October 21, 2019



**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 Half Year ended 30th September, 2019

(Rs. in Lakhs)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30-Sep-2019	30-Jun-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	31-Mar-2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations	35,110	33,706	34,918	68,816	69,200	137,008
2 Other income (net)	2,988	1,622	3,350	4,610	5,050	8,499
3 <b>Total Income</b>	<b>38,098</b>	<b>35,328</b>	<b>38,268</b>	<b>73,426</b>	<b>74,250</b>	<b>145,507</b>
4 <b>Expenses</b>						
a. Purchase of traded goods	266	188	261	454	658	1,209
b. Employee benefits expense	21,240	19,853	19,400	41,093	39,332	78,949
c. Subcontracting costs	1,194	874	968	2,068	1,691	3,934
d. Finance costs	356	515	211	871	486	918
e. Depreciation and amortisation expense	1,907	1,896	1,085	3,803	2,120	4,278
f. Other expenses	5,165	5,640	5,564	10,805	11,240	22,868
<b>Total expenses</b>	<b>30,128</b>	<b>28,966</b>	<b>27,489</b>	<b>59,094</b>	<b>55,527</b>	<b>112,156</b>
5 <b>Profit before tax (3-4)</b>	<b>7,970</b>	<b>6,362</b>	<b>10,779</b>	<b>14,332</b>	<b>18,723</b>	<b>33,351</b>
6 <b>Tax expense</b>						
a. Current tax	1,162	1,750	2,735	2,912	4,951	8,169
b. Deferred tax	379	(146)	(216)	233	(400)	(618)
7 <b>Net Profit for the period (5-6)</b>	<b>6,429</b>	<b>4,758</b>	<b>8,260</b>	<b>11,187</b>	<b>14,172</b>	<b>25,800</b>
8 <b>Other comprehensive income/(loss), net of income tax</b>						
A. Items that will not be reclassified to profit or loss	(281)	(132)	397	(413)	397	111
B. Items that will be reclassified to profit or loss	(262)	(177)	(663)	(439)	(666)	427
<b>Total other comprehensive income/(loss), net of income tax</b>	<b>(543)</b>	<b>(309)</b>	<b>(266)</b>	<b>(852)</b>	<b>(269)</b>	<b>538</b>
9 <b>Total comprehensive income for the period (7+8)</b>	<b>5,886</b>	<b>4,449</b>	<b>7,994</b>	<b>10,335</b>	<b>13,903</b>	<b>26,338</b>
10 Paid-up equity share capital (Face value Rs. 2 each)	4,505	4,504	4,501	4,505	4,501	4,504
11 Other equity excluding Revaluation Reserves as per balance sheet						142,579
12 <b>Earnings Per Share (EPS) (Face value Rs. 2 each) (not annualised):</b>						
a) Basic	2.85	2.11	3.67	4.97	6.30	11.46
b) Diluted	2.81	2.08	3.61	4.89	6.19	11.27



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## Statement of Assets &amp; Liabilities

(Rs. in Lakhs)

Particulars	As at 30- Sep-2019	As at 31- Mar-2019
<b>Assets</b>		
<b>Non-Current Assets</b>		
(a) Property, Plant and Equipment	7,767	8,126
(b) Right of use assets	16,394	-
(c) Capital work-in-progress	782	31
(d) Goodwill	8,402	8,402
(e) Other Intangible assets	3,848	3,603
(f) Intangible assets under development	1,284	629
(g) Financial Assets		
i) Investments	5,442	6,318
ii) Loans	-	-
iii) Other financial assets	2,948	2,979
(h) Income tax assets (net)	2,437	2,422
(i) Deferred tax assets (net)	3,445	3,332
(j) Other non-current assets	390	996
<b>Total - Non-current assets</b>	<b>53,139</b>	<b>36,898</b>
<b>Current Assets</b>		
(a) Financial Assets		
i) Investments	5,306	4,536
ii) Trade receivables	117,387	87,382
iii) Cash and cash equivalents	3,949	12,462
iv) Bank balances other than in (iii) above	247	586
v) Other financial assets	7,037	28,022
(b) Other current assets	7,528	5,016
<b>Total - Current assets</b>	<b>141,454</b>	<b>138,004</b>
<b>Total - Assets</b>	<b>194,593</b>	<b>174,902</b>
<b>Equity And Liabilities</b>		
<b>Equity</b>		
(a) Equity Share Capital	4,505	4,504
(b) Other Equity		
i. Reserves and surplus	149,325	142,385
ii. Other components of equity	(245)	194
<b>Total - Equity</b>	<b>153,585</b>	<b>147,083</b>
<b>Non-Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	-	319
ii) Lease liabilities	12,853	-
(b) Provisions	236	209
(c) Employee benefit obligations	1,841	1,450
<b>Total - Non-Current Liabilities</b>	<b>14,930</b>	<b>1,978</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
i) Trade payables	10,592	8,672
ii) Lease Liabilities	4,235	-
iii) Other financial liabilities	5,697	12,528
(b) Employee benefit obligations	1,960	1,410
(c) Other Current Liabilities	2,146	1,777
(d) Income Tax Liabilities (Net)	1,448	1,454
<b>Total - Current Liabilities</b>	<b>26,078</b>	<b>25,841</b>
<b>Total - Equity And Liabilities</b>	<b>194,593</b>	<b>174,902</b>

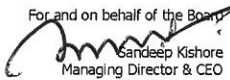


**Notes :**

- 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 October 21, 2019.
- 2 Standalone Statement of Cash flows is attached in Annexure I.
- 3 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.
- 4 Other Income (Net) for the quarter and half year ended September 30, 2019 includes foreign exchange gain of Rs. 1,302 lakhs and Rs. 2,317 lakhs respectively (Corresponding previous period: net gain of Rs. 2,060 lakhs and Rs. 2,707 lakhs). Other Income (net) for the quarter ended June 30, 2019 includes net foreign exchange gain of Rs. 1,015 lakhs.
- 5 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.
- 6 During the half year ended September 30, 2019, the Company issued 18,000 equity shares pursuant to the exercise of stock options by certain employees under the "2002 ESOP" and 64,450 equity shares under "2006 ESOP" stock option plan.
- 7 The shareholders in their meeting dated August 05, 2019 have approved the final dividend for year ending March 31, 2019 of Rs. 1.80 per share.
- 8 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. 13,263 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 half year ended September 30, 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.

Mumbai  
Date: October 21, 2019



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

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

Annexure I

(Rs. in Lakhs)

Particulars	Half Year Ended		Year Ended
	30-Sep-19	30-Sep-18	31-Mar-19
	Unaudited	Unaudited	Audited
<b>Cash flow from operating activities</b>			
Profit before taxation	14,332	18,723	33,351
<b>Adjustments for:</b>			
Depreciation and amortisation	3,803	2,120	4,278
Employee share based payment expense	255	162	477
(Profit) / loss on sale of investments (net) on mutual funds	(580)	(1,525)	(2,796)
Changes in fair value of financial assets/liabilities measured at fair value through profit and loss	111	990	1,796
Dividend income	(1,261)	-	(870)
Interest income	(108)	(176)	(317)
Finance costs	844	470	875
(Profit)/Loss on sale of tangible assets (net)	(12)	6	9
Provision for doubtful debts and advances (net)	(1,434)	841	1,103
Bad debts written off	1,589	105	492
(Profit)/loss on disposal of subsidiaries	93	(441)	(513)
Profit on transfer of customer contracts	-	-	(1,567)
Provision for Impairment in the value of investments	-	-	78
Provision no longer required and credit balances written back	-	(308)	(372)
Unrealised exchange gains/(loss) (net)	2,420	(1,058)	1,578
	5,720	1,186	4,251
<b>Operating profit before working capital changes</b>	<b>20,052</b>	<b>19,909</b>	<b>37,602</b>
<b>Change in operating assets and liabilities</b>			
(Increase)/ decrease in other non current financial assets	31	(39)	(860)
(Increase)/ decrease in other non current assets	880	401	467
(Increase)/decrease in trade receivables	(12,050)	(9,374)	(21,197)
(Increase)/decrease in other current financial assets	205	(6,730)	(3,935)
(Increase)/ decrease in other current assets	(2,518)	(1,483)	(1,079)
Increase/(decrease) in non current provisions	27	69	121
Increase/(decrease) in non current employee benefit obligations	391	48	(45)
Increase/(decrease) in trade payables	1,919	(1,563)	90
Increase/ (decrease) in other current financial liabilities	(2,477)	(936)	2,026
Increase/ (decrease) in current employee benefit obligations	137	344	185
Increase/ (decrease) in other current liabilities	369	347	96
	<b>6,966</b>	<b>993</b>	<b>13,471</b>
<b>Cash generated from operations</b>			
Income taxes paid (net of refunds)	(3,218)	(2,746)	(8,210)
<b>Net cash inflow from operating activities</b>	<b>3,748</b>	<b>(1,753)</b>	<b>5,261</b>
<b>Cash flow from investing activities</b>			
Purchase of tangible/Intangible assets including capital work in progress	(3,168)	(2,281)	(3,855)
Investment in Subsidiaries	-	(1,270)	(1,270)
Payment of earnout pertaining to entities acquired	(4,988)	(3,179)	(3,179)
Proceeds from sale of tangible/Intangible assets	79	40	40
Proceeds on disposal of business	363	-	847
Fixed Deposits/ Margin Money placed	-	(350)	(350)
Fixed Deposits/ Margin Money matured	339	-	-
Purchase of investments (Mutual Funds)	(47,870)	(37,519)	(79,121)
Proceeds from sale of investments (Mutual Funds)	48,445	51,930	95,202
Proceeds from sale of Non Convertible Debentures	-	-	814
Sale of Shares in Subsidiary	-	-	921
Interest income received	108	164	292
Dividend income received	1,261	-	870
<b>Net cash used in investing activities</b>	<b>(5,431)</b>	<b>7,535</b>	<b>11,211</b>
<b>Cash flow from financing activities</b>			
Proceeds from issue of equity shares	70	45	140
Payment of lease liabilities	(1,938)	-	-
Interest paid	(24)	(46)	(75)
Dividend on equity shares and tax thereon	(4,628)	(3,798)	(6,333)
Repayment of long-term borrowings	-	(150)	(290)
Proceeds from short-term borrowings	-	2,742	2,742
Repayment of short-term borrowings	-	(2,840)	(2,903)
<b>Net cash used in financing activities</b>	<b>(6,520)</b>	<b>(4,046)</b>	<b>(6,719)</b>
Effect of exchange differences on translation of cash and cash equivalents	-	0	46
<b>Increase in Cash and Cash Equivalents</b>	<b>(8,203)</b>	<b>1,736</b>	<b>9,799</b>
Decrease in Cash and Cash Equivalents on disposal of business	-	(175)	(175)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(8,203)</b>	<b>1,561</b>	<b>9,624</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>12,152</b>	<b>2,528</b>	<b>2,528</b>
<b>Cash and cash equivalents at the end of the half year/year</b>	<b>3,949</b>	<b>4,089</b>	<b>12,152</b>



## Press Release

### Zensar reports 12.8% YoY revenue growth in Q2FY20 Digital revenues now at 50.1% of total revenues

**Pune, India, October 21, 2019:** 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 second Quarter ending September 30, 2019 of the fiscal year 2019-2020.

**Financial Highlights:** The company reported 12.8% YoY revenue growth at close of Q2Y20 from 135M USD to 152.3M USD. In sequential terms, revenues grew 0.3% in Constant Currency. The PAT for the quarter grew 0.2% sequentially and stood at 7.4% of the revenue. Digital revenues continue to grow and have moved up by 25.2% YoY crossing the 50% mark for the first time and is now 50.1% of Q2FY20 revenue.

**Sandeep Kishore, Chief Executive Officer and Managing Director, Zensar Technologies** said, "Zensar's year-on-year revenue growth continues to be strong with an increase of 14.1% on constant currency basis. Digital continues to maintain consistent momentum and grew by 25.2% YoY."

**Navneet Khandelwal, Chief Financial Officer, Zensar Technologies** said, "We continue to focus on operational effectiveness across all parameters, YoY EBIDTA growth of 17.2% reflects our focus on the same. We would also like to highlight addition of 3 accounts to our USD 5MN+ customers in this quarter, taking total to 23 such clients."

Due to the company's focus on core business operating performances, the core business operating margin is maintained at 14.0% despite wage hike in the quarter gone by. The wage hike in Q2 was negated by improved operational efficiencies. The quarterly revenue performance was impacted by the completion of two client specific programs.

#### Significant Wins Q2FY20:

- Deliver next-gen retail innovation for Aptos, a recognized market leader in retail technology solutions
- Cloud and Infrastructure managed services support for a leading vision care company based in the US
- Application and development mandate for a large US based hi-tech global company
- Testing mandate for a leading financial services group in South Africa
- Enterprise applications mandate for Vyair Medical, US

#### Corporate Excellence Snapshot in Q2FY20:

- Challenger in Digital Masters Avasant RadarView™ 2019
- Niche in Gartner Magic Quadrant for Oracle Cloud Application Services, Worldwide' 19
- Gartner Critical Capabilities for Oracle Cloud Applications Services, Worldwide 2019
- Hfs mentions Zensar as a rising mid-tier company
- Global data covers Zensar's RoD Conclave Analyst & Advisor Day
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- Mentioned in the Blockchain Service Providers Toolkit
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- Zensar's Smart Autonomics Platforms was featured in a 451 Research report in September 2019

#### Awards and Recognitions in Q2FY20

- Zensar Recognized for **Excellence in Leveraging HR Technology and Excellence in HR Analytics** at the annual SHRM HR Excellence Awards 2019
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- Zensar is a finalist in 3 categories at the ISG Paragon Awards™

#### Q2 FY 20 Revenue and profitability snapshot

Particulars	Q2 FY20		Growth					
	USD Mn	INR Cr	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	\$ 152.3	₹ 1072.3	(0.7%)	0.6%	0.3%	12.8%	13.3%	14.1%
EBITDA	\$ 21.3	₹ 150.0	(2.3%)	(1.0%)		17.2%	17.7%	
EBIT	\$ 15.8	₹ 111.5	(3.1%)	(1.8%)		5.7%	6.2%	
PAT	\$ 11.3	₹ 79.9	0.2%	1.5%		(16.4%)	(16.1%)	

**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:**

<b>PR Contacts (Global Headquarters - India):</b>
<b>Aradhana Prabhu</b> Public Relations Zensar Technologies +91 9765999749 <a href="mailto:aradhana.prabhu@zensar.com">aradhana.prabhu@zensar.com</a>

**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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#### Q2 FY 20 Revenue and profitability snapshot

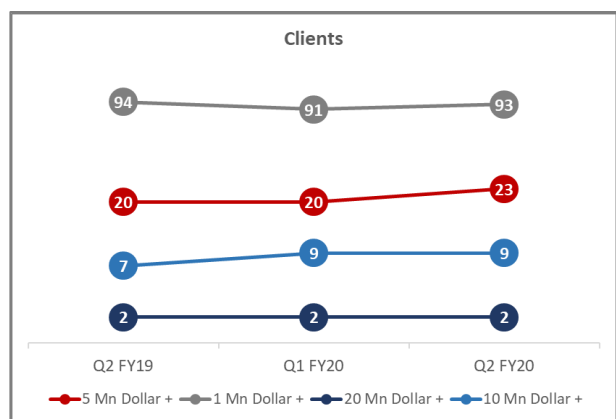
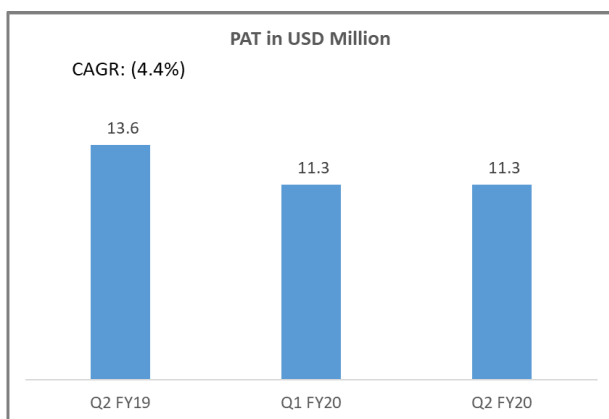
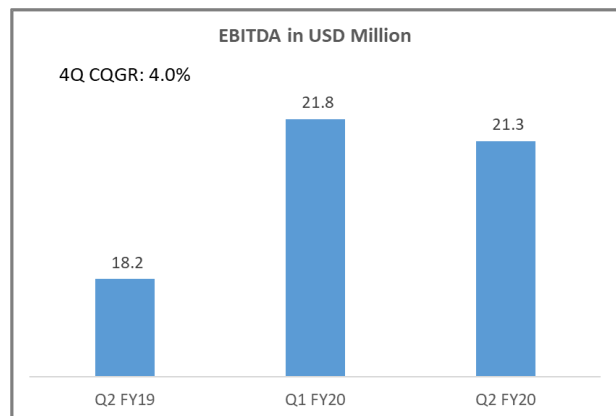
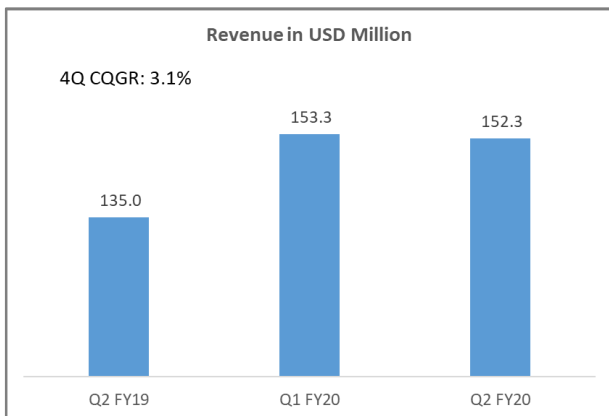
Particulars	Q2 FY20		Growth					
	USD Mn	INR Cr	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	\$ 152.3	₹ 1072.3	(0.7%)	0.6%	0.3%	12.8%	13.3%	14.1%
EBITDA	\$ 21.3	₹ 150.0	(2.3%)	(1.0%)		17.2%	17.7%	
EBIT	\$ 15.8	₹ 111.5	(3.1%)	(1.8%)		5.7%	6.2%	
PAT	\$ 11.3	₹ 79.9	0.2%	1.5%		(16.4%)	(16.1%)	

#### Q2 FY 20 Revenue Growth in Constant Currency

Particulars	Segments	Q2 FY20
		QoQ
<b>Consolidated</b>	For the Company	0.3%
<b>Geography</b>	US	(3.3%)
	Europe	5.1%
	Africa	23.4%
<b>Services</b>	Digital and Application Services, DAS	3.6%
	Digital Services	7.0%
	Core Application Services	0.1%
	Cloud and Infrastructure Services, CIS	(15.8%)
	Cloud, Digital Led next gen CIS	(17.0%)
	Core Infrastructure Services	(27.8%)
	Third Party Maintenance	5.2%
	Total Digital Services	3.5%

Industry	Hitech and Manufacturing	0.6%
	Hitech	1.1%
	Mfg.	(0.9%)
	Retail and Consumer Services	(7.7%)
	Financial Services	15.2%
	Insurance	17.1%
	Banking	9.4%
	Emerging	(45.5%)

### Performance Highlights



### Income Statement (USD Mn)

Income Statement (USD Mn)	Q2 FY 19	FY 19	Q1 FY 20	Q2 FY 20
<b>Operating revenue</b>	<b>135.0</b>	<b>557.2</b>	<b>153.3</b>	<b>152.3</b>
<i>Sequential Growth</i>	2.4%		3.1%	-0.7%
<i>Year-Over-Year Growth</i>	18.4%	19.5%	16.4%	12.8%
Cost of revenue	95.3	394.6	108.2	107.9
<b>Gross profit</b>	<b>39.6</b>	<b>162.6</b>	<b>45.1</b>	<b>44.3</b>
<i>Gross profit % of revenue</i>	29.4%	29.2%	29.4%	29.1%
<i>Sequential Growth</i>	-3.2%		5.0%	-1.7%
<i>Year-Over-Year Growth</i>	19.8%	18.6%	10.2%	11.9%
Sales and marketing expenses	8.8	37.7	10.1	9.8
General and administration expenses	12.9	54.5	13.3	13.2
Operating expenses	21.8	92.2	23.4	23.0
<i>% of revenue</i>	16.1%	16.5%	15.2%	15.1%
Other operating income	0.3	2.3	0.0	-
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>18.2</b>	<b>72.7</b>	<b>21.8</b>	<b>21.3</b>
<i>EBITDA % of revenue</i>	13.5%	13.0%	14.2%	14.0%
<i>Sequential Growth</i>	-2.8%		11.2%	-2.3%
<i>Year-Over-Year Growth</i>	40.1%	30.8%	16.6%	17.2%
Depreciation and amortisation	3.2	12.8	5.5	5.5
<b>Earnings before interest and tax (EBIT)</b>	<b>15.0</b>	<b>59.9</b>	<b>16.3</b>	<b>15.8</b>
<i>EBIT % of revenue</i>	11.1%	10.8%	10.7%	10.4%
<i>Sequential Growth</i>	-6.3%		1.9%	-3.1%
<i>Year-Over-Year Growth</i>	45.3%	31.8%	2.3%	5.7%
Interest	1.4	5.3	2.4	2.0
Exchange Gain/(Loss)	5.0	4.3	1.6	2.4
Other income	0.5	7.1	0.5	0.1
<b>Profit before tax</b>	<b>19.2</b>	<b>66.0</b>	<b>16.0</b>	<b>16.4</b>
<i>% of revenue</i>	14.2%	11.9%	10.5%	10.8%
<i>Sequential Growth</i>	8.9%		-9.3%	2.3%
<i>Year-Over-Year Growth</i>	42.0%	26.3%	-9.0%	-14.5%
Provision for taxation	5.4	18.8	4.6	4.7
<b>Profit after tax (before minority interest)</b>	<b>13.8</b>	<b>47.2</b>	<b>11.5</b>	<b>11.7</b>
<i>% of revenue</i>	10.2%	8.5%	7.5%	7.7%
Minority interest	0.2	0.7	0.2	0.4
<b>Profit after tax</b>	<b>13.6</b>	<b>46.5</b>	<b>11.3</b>	<b>11.3</b>
<i>Profit after tax % of revenue</i>	10.1%	8.3%	7.4%	7.4%
<i>Sequential Growth</i>	8.8%		-8.3%	0.2%
<i>Year-Over-Year Growth</i>	39.3%	30.0%	-9.3%	-16.4%

### Income Statement (INR Mn)

Income Statement (INR Mn)	Q2 FY 19	FY 19	Q1 FY 20	Q2 FY 20
<b>Operating revenue</b>	<b>9,465</b>	<b>38,988</b>	<b>10,661</b>	<b>10,723</b>
<i>Sequential Growth</i>	7.2%		1.8%	0.6%
<i>Year-Over-Year Growth</i>	29.2%	29.7%	20.8%	13.3%
Cost of revenue	6,686	27,626	7,524	7,600
<b>Gross profit</b>	<b>2,779</b>	<b>11,362</b>	<b>3,137</b>	<b>3,123</b>
<i>Gross profit % of revenue</i>	29.4%	29.1%	29.4%	29.1%
<i>Sequential Growth</i>	1.3%		3.6%	-0.5%
<i>Year-Over-Year Growth</i>	30.7%	28.6%	14.3%	12.4%
Sales and marketing expenses	619	2,639	701	690
General and administration expenses	907	3,806	923	933
Operating expenses	<b>1,526</b>	<b>6,445</b>	<b>1,624</b>	<b>1,623</b>
<i>% of revenue</i>	16.1%	16.5%	15.2%	15.1%
Other operating income	21	162	2	-
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>1,275</b>	<b>5,079</b>	<b>1,515</b>	<b>1,500</b>
<i>EBITDA % of revenue</i>	13.5%	13.0%	14.2%	14.0%
<i>Sequential Growth</i>	1.8%		9.8%	-1.0%
<i>Year-Over-Year Growth</i>	52.8%	41.8%	21.0%	17.7%
Depreciation and amortisation	224	894	379	385
<b>Earnings before interest and tax (EBIT)</b>	<b>1,050</b>	<b>4,184</b>	<b>1,136</b>	<b>1,115</b>
<i>EBIT % of revenue</i>	11.1%	10.7%	10.7%	10.4%
<i>Sequential Growth</i>	-1.9%		0.6%	-1.8%
<i>Year-Over-Year Growth</i>	58.4%	42.7%	6.1%	6.2%
Interest	95	373	166	139
Exchange Gain/(Loss)	353	291	108	172
Other income	38	502	38	9
<b>Profit before tax</b>	<b>1,347</b>	<b>4,604</b>	<b>1,116</b>	<b>1,156</b>
<i>% of revenue</i>	14.2%	11.8%	10.5%	10.8%
<i>Sequential Growth</i>	14.0%		-10.5%	3.7%
<i>Year-Over-Year Growth</i>	67.9%	36.6%	-5.5%	-14.1%
Provision for taxation	379	1,310	316	329
<b>Profit after tax (before minority interest)</b>	<b>968</b>	<b>3,294</b>	<b>799</b>	<b>827</b>
<i>% of revenue</i>	10.2%	8.4%	7.5%	7.7%
Minority interest	16	51	12	28
<b>Profit after tax</b>	<b>952</b>	<b>3,243</b>	<b>787</b>	<b>799</b>
<i>Profit after tax % of revenue</i>	10.1%	8.3%	7.4%	7.4%
<i>Sequential Growth</i>	13.9%		-9.5%	1.5%
<i>Year-Over-Year Growth</i>	60.9%	40.6%	-5.8%	-16.1%

Other Metrics	Q2 FY 19	FY 19	Q1 FY 20	Q2 FY 20
<b>Revenue by Service Offering</b>				
<b>Digital &amp; Application Services (DAS)</b>	<b>84.9%</b>	<b>84.4%</b>	<b>82.8%</b>	<b>85.6%</b>
<i>Digital Services</i>	40.1%	40.3%	41.4%	44.2%
<i>Core Application Services</i>	44.8%	44.1%	41.4%	41.3%
<b>Cloud and Infrastructure Services (CIS)</b>	<b>15.1%</b>	<b>15.6%</b>	<b>17.2%</b>	<b>14.4%</b>
<i>Cloud, Digital Led next gen CIS</i>	5.0%	5.1%	7.1%	5.9%
<i>Core Infrastructure Services</i>	4.6%	5.6%	6.2%	4.4%
<i>Third Party Maintenance</i>	5.4%	4.9%	3.9%	4.1%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total Digital Services</b>	<b>45.2%</b>	<b>45.4%</b>	<b>48.5%</b>	<b>50.1%</b>
<b>Revenue By Industry</b>				
<b>Manufacturing</b>	<b>52.1%</b>	<b>50.9%</b>	<b>52.3%</b>	<b>52.7%</b>
<i>Hi-Tech</i>	39.6%	38.6%	39.0%	39.7%
<i>Mfg</i>	12.5%	12.3%	13.2%	13.0%
<b>Retail and Consumer Services</b>	<b>21.6%</b>	<b>22.1%</b>	<b>18.7%</b>	<b>17.2%</b>
<b>Financial Services</b>	<b>23.5%</b>	<b>23.7%</b>	<b>23.9%</b>	<b>27.3%</b>
<i>Insurance</i>	18.8%	18.8%	17.9%	20.8%
<i>Banking</i>	4.7%	4.9%	6.0%	6.4%
<b>Emerging</b>	<b>2.8%</b>	<b>3.3%</b>	<b>5.1%</b>	<b>2.8%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Revenue by Geographical Segment</b>				
US	76.0%	76.5%	76.3%	74.0%
Europe	14.6%	14.6%	15.0%	15.3%
Africa	9.4%	8.9%	8.7%	10.6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Revenue by Project Type</b>				
Fixed Price	53.2%	53.3%	57.0%	57.4%
Time & Materials	46.8%	46.7%	43.0%	42.6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Other Metrics	Q2 FY19	FY 19	Q1 FY 20	Q2 FY 20
<b><u>Constant Currency</u></b>				
<b>Operating revenue (Constant Currency mn)</b>	<b>137.3</b>	<b>561.1</b>	<b>154.0</b>	<b>153.7</b>
Sequential Growth	4.2%	20.3%	3.6%	0.3%
Year-Over-Year Growth	19.3%	20.3%	18.8%	14.1%
<b>Constant Currency Growth By Service Offering (QoQ %)</b>				
<b>Digital &amp; Application Services (DAS)</b>	<b>4.5%</b>	<b>22.4%</b>	<b>1.1%</b>	<b>3.6%</b>
<i>Digital Services</i>	7.0%	35.2%	3.4%	7.0%
<i>Core Application Services</i>	2.3%	12.7%	-1.1%	0.1%
<b>Cloud and Infrastructure Services (CIS)</b>	<b>2.6%</b>	<b>10.2%</b>	<b>17.3%</b>	<b>-15.8%</b>
<i>Cloud, Digital Led next gen CIS</i>	6.6%	77.8%	36.5%	-17.0%
<i>Core Infrastructure Services</i>	-1.8%	-6.9%	15.3%	-27.8%
<i>Third Party Maintenance</i>	3.1%	-7.3%	-4.5%	5.2%
<b>Total Digital Services</b>	7.0%	38.9%	7.2%	3.5%
<b><u>Constant Currency Growth by Industry (QoQ %)</u></b>				
<b>Manufacturing</b>	<b>8.6%</b>	<b>19.3%</b>	<b>5.8%</b>	<b>0.6%</b>
<i>Hi-Tech</i>	10.1%	26.3%	2.8%	1.1%
<i>Mfg</i>	4.1%	1.5%	15.6%	-0.9%
<b>Retail and Consumer Services</b>	<b>-9.0%</b>	<b>-2.0%</b>	<b>-10.2%</b>	<b>-7.7%</b>
<b>Financial Services</b>	<b>5.2%</b>	<b>39.1%</b>	<b>8.2%</b>	<b>15.2%</b>
<i>Insurance</i>	1.6%	47.9%	4.2%	17.1%
<i>Banking</i>	22.1%	13.3%	21.9%	9.4%
<b>Emerging</b>	<b>56.0%</b>	<b>254.7%</b>	<b>20.8%</b>	<b>-45.5%</b>
<b><u>Constant Currency Growth by Geography (QoQ %)</u></b>				
US	2.5%	21.5%	2.3%	-3.3%
Europe	11.4%	22.4%	4.0%	5.1%
Africa	6.4%	9.5%	14.7%	23.4%

Other Metrics	Q2 FY 19	FY 19	Q1 FY 20	Q2 FY 20
<b>Client Data</b>				
<b>Number of million-dollar Clients (LTM Revenue)</b>				
1 Million dollar +	94	90	91	93
5 Million dollar +	20	19	20	23
10 Million dollar +	7	9	9	9
20 Million dollar +	2	2	2	2
<b>Revenue from top clients</b>				
Revenue- top 5 clients	36.8%	36.5%	38.0%	37.6%
Revenue- top 10 clients	45.4%	45.6%	49.2%	48.0%
Revenue- top 20 clients	56.6%	56.3%	61.3%	62.6%
<b>Repeat business %</b>	<b>85.8%</b>	<b>83.3%</b>	<b>84.7%</b>	<b>86.3%</b>
<b>Number of active clients</b>	<b>280</b>	<b>285</b>	<b>308</b>	<b>309</b>
<b>Onsite: Offshore</b>				
<b>Revenue mix</b>				
Onsite	66.4%	66.5%	68.1%	66.7%
Offshore	33.6%	33.5%	31.9%	33.3%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Utilization</b>				
Utilization (excluding Trainees)	82.6%	83.4%	82.4%	84.1%
<b>Employee data</b>				
<b>Headcount</b>				
Technical - Onsite	2,258	2,412	2,579	2,537
Technical - Offshore	5,723	6,188	6,213	6,353
Technical - BPO / Others	283	275	213	205
Marketing	80	76	80	85
Support (including trainees)	794	797	1,081	1,039
<b>Total</b>	<b>9,138</b>	<b>9,748</b>	<b>10,166</b>	<b>10,219</b>
<b>Gross employees added during the period</b>	906	3,689	1,279	977
<b>% of women employees</b>	<b>27.4%</b>	<b>28.5%</b>	<b>29.8%</b>	<b>30.6%</b>
<b>Attrition</b>				
Attrition	16.9%	16.3%	16.7%	17.0%

<b>Other Metrics</b>	<b>Q2 FY 19</b>	<b>FY 19</b>	<b>Q1 FY 20</b>	<b>Q2 FY 20</b>
<b><u>Exchange Rates</u></b>				
<b>Rupee Dollar Rate</b>				
Period Closing Rate	72.5	69.2	69.0	70.9
Period Average Rate	70.1	69.9	69.5	70.4
<b>Rupee Euro Rate</b>				
Period Closing Rate	84.0	77.7	78.2	77.3
Period Average Rate	81.6	80.9	78.5	78.3
<b>Rupee GBP Rate</b>				
Period Closing Rate	94.6	90.5	89.4	87.3
Period Average Rate	91.4	91.8	87.6	86.9
<b>Rupee ZAR Rate</b>				
Period Closing Rate	5.1	4.8	4.8	4.7
Period Average Rate	5.0	5.1	4.9	4.8
<b><u>Revenue by Currency</u></b>				
Dollar	74.1%	73.8%	70.7%	68.8%
Euro	1.1%	5.3%	1.5%	1.2%
GBP	15.0%	13.0%	17.1%	17.0%
ZAR	9.1%	7.1%	8.3%	10.3%
Others	0.7%	0.9%	2.4%	2.7%
<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>28.1%</b>	<b>28.5%</b>	<b>28.4%</b>	<b>28.5%</b>
<b><u>Accounts receivables (in days)</u></b>				
Billed	65	69	68	57
Unbilled	41	33	36	45
<b>Total</b>	<b>106</b>	<b>102</b>	<b>104</b>	<b>102</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	42.7	42.6	45.5	43.0
Deposit with original maturity of less than three months	0.0	4.2	2.0	4.4
<i>Other Bank Balances:</i>				
Unpaid dividend accounts	0.3	0.3	0.3	0.3
<b>Total</b>	<b>43.0</b>	<b>47.1</b>	<b>47.8</b>	<b>47.8</b>
<b>Investment in Mutual Funds</b>				
	<b>14.4</b>	<b>13.3</b>	<b>25.1</b>	<b>12.8</b>



Other Metrics	Q2 FY 19	FY 19	Q1 FY 20	Q2 FY 20
<b><u>Summary of Debt</u></b>				
<b>Debt (USD mn)</b>				
Short-term debt	31.2	23.0	26.0	19.3
Long-term debt	20.0	20.0	20.0	21.9
<b>Total</b>	<b>51.2</b>	<b>43.0</b>	<b>46.0</b>	<b>41.2</b>
<b><u>Outstanding Hedges</u></b>				
<b>USD</b>				
Value	88.7	115.2	108.9	126.0
Avg. Rate/ INR	70.4	72.0	71.6	71.8
<b>GBP</b>				
Value	12.4	15.8	13.3	19.0
Avg. Rate/ INR	94.7	94.2	92.2	89.6
<b>ZAR</b>				
Value	124.6	100.8	195.8	272.2
Avg. Rate/ INR	5.1	5.1	4.8	4.8
<b><u>Summary of Capex</u></b>				
<b>Capex (USD Mn)</b>	<b>0.9</b>	<b>6.9</b>	<b>5.0</b>	<b>1.5</b>
<b><u>Earnings Per Share (INR/share) (Including ROW Business)</u></b>				
Basic	4.2	13.9	3.3	3.6
Diluted	4.1	13.7	3.2	3.5
<b><u>Shareholding</u></b>				
Public Shareholding	51.1%	51.1%	51.1%	51.1%
Promoter Shareholding	48.9%	48.9%	48.9%	48.9%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

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**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, Q2 FY20**

**Quarter Ending Sept 30, 2019**

This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.

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Zensar Technologies records  
\$152.3 Mn in Q2FY20  
(\$596.1 Mn LTM)

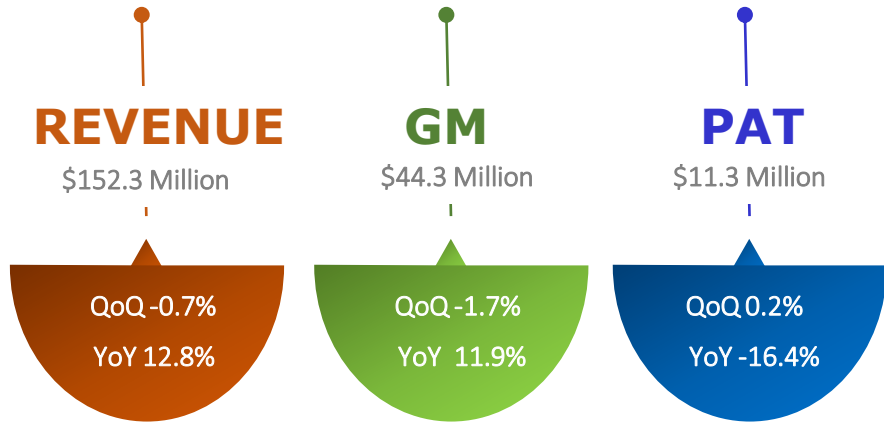
- Part of \$3 B RPG Group
- Portfolio Company of the \$40 B APAX Group
- Among 5 global tech companies to be listed on a major global stock exchange (BSE) for 55+ years
- 50.1% Digital Revenue, (25.2% YoY Growth)

# Zensar Business Update

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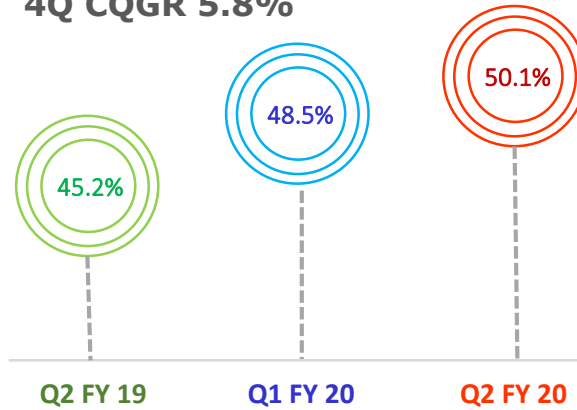


# Q2 FY20 : Brief Snapshot



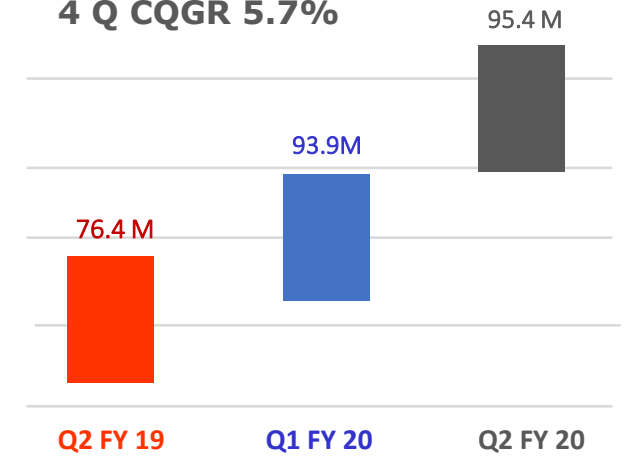
## DIGITAL REVENUE

QoQ 2.6% | YoY 25.2%  
4Q CQGR 5.8%

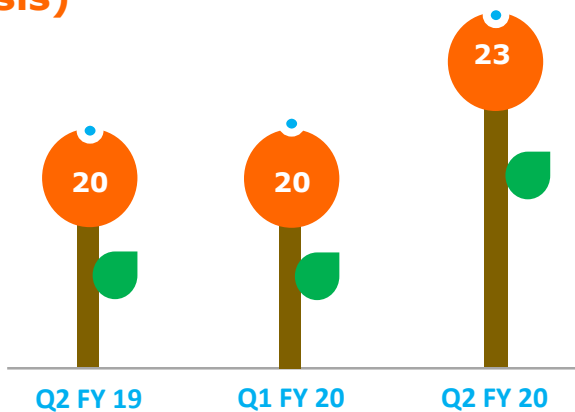


## TOP 20 CLIENTS

4 Q CQGR 5.7%



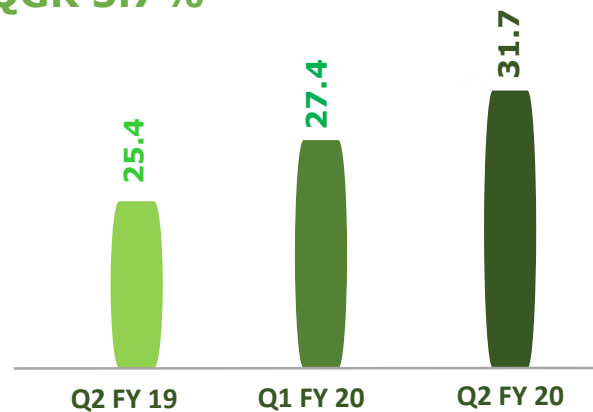
## 5 M PER ANNUM CLIENTS (LTM basis)



## INSURANCE GROWTH

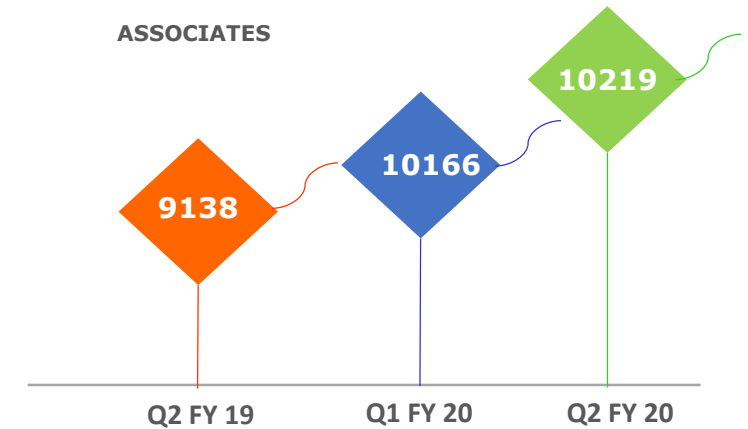
QoQ 15.7%  
YoY 24.7%

CQGR 5.7%



## HEADCOUNT

30.6% WOMEN ASSOCIATES



# Q2 FY20 : Key Achievements

## Continued New Win Momentum



Multiple deal wins at our largest client boosting Hitech Growth



Key deal win in a leading vision care company based in the US



Major win in a key healthcare player based in US boosting Application and Digital Services.

## Digital Updates



Continued growth in digital revenues – 50.1% (growth of 2.6% QoQ led by Digital Services (DAS)



59 unique patents filed till now. Cumulative patents granted till date is at 11 (+1 QoQ)

## Strengthening of brand 'Zensar'



Zensar recognised as a Major Contender in Digital Interactive Services PEAK Matrix™ Assessment



Recognized in Gartner Magic Quadrant for Data Centre Outsourcing and Hybrid Infrastructure Managed Services



Was in "Innovators" category in Applied AI & Advanced Analytics Services Radarview™

## Steady Revenue & Headcount Growth



**\$152.3M** Revenue in Q2 FY20  
(YoY 12.8% growth in \$ terms)



**Headcount- 10,219**  
(YoY net and gross addition of 1081 and 4315 respectively)

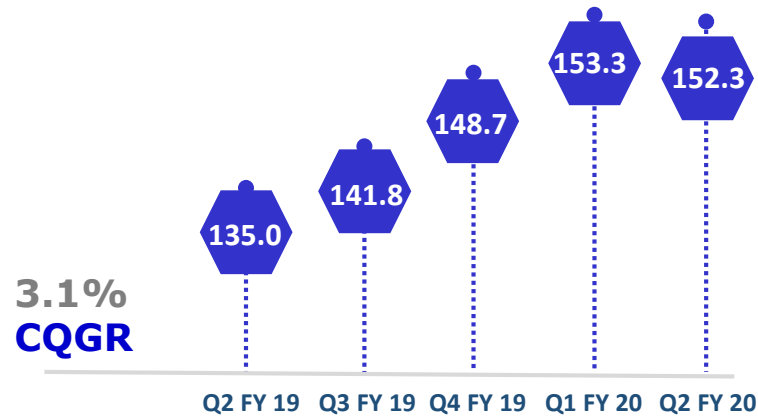


**23 accounts** of \$5m+ Annual Revenue (QoQ increase of 3)

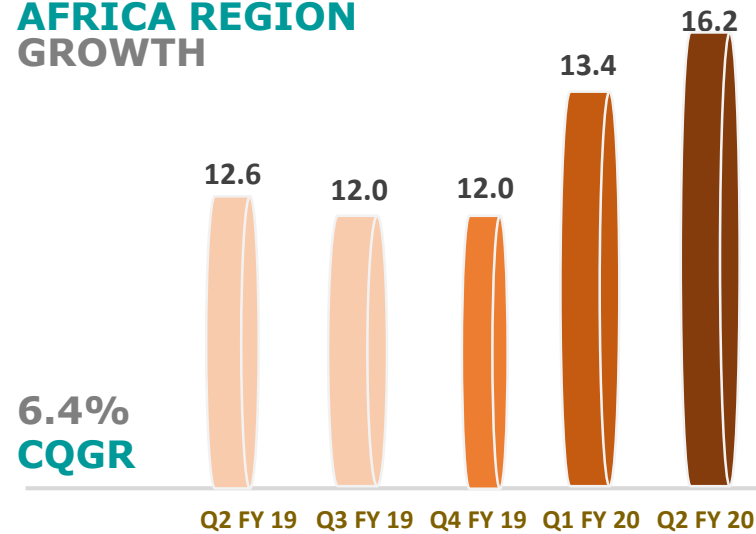


# Trending in Key Financial Updates (US \$)

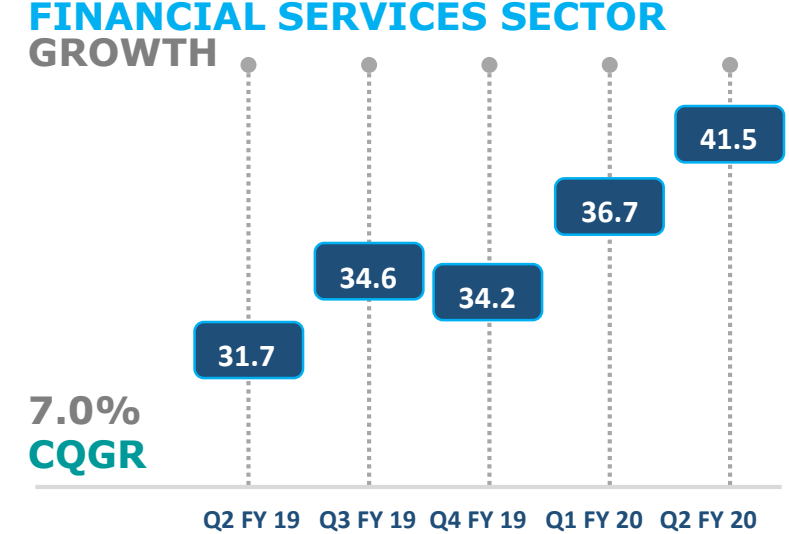
## REVENUE MOVEMENT



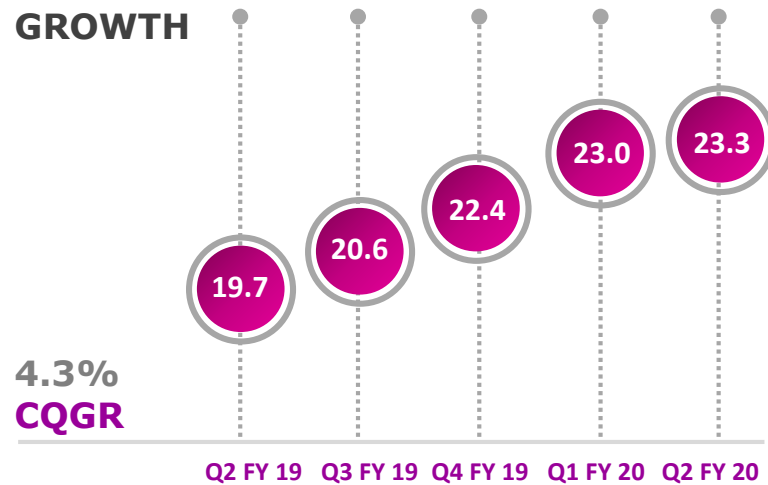
## AFRICA REGION GROWTH



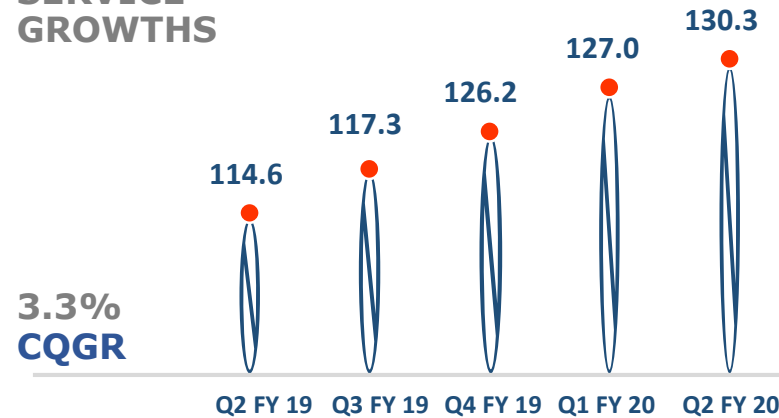
## FINANCIAL SERVICES SECTOR GROWTH



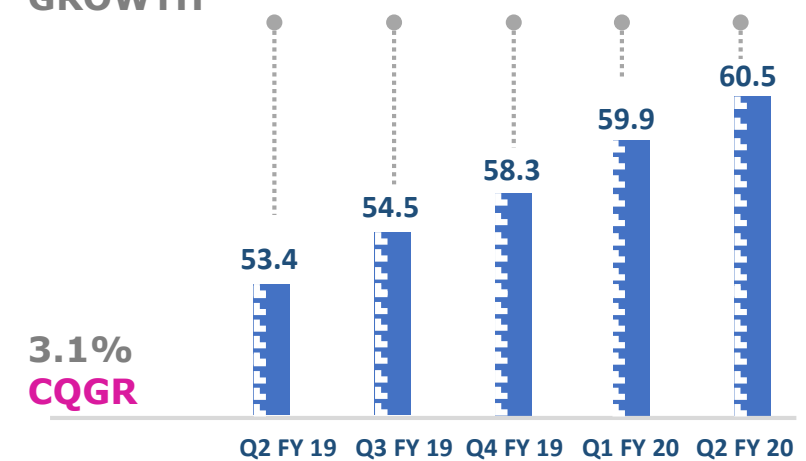
## EUROPE REGION GROWTH



## DIGITAL & APPLICATION SERVICE GROWTHS



## HI TECH SECTOR GROWTH



# Q2 FY20 Financials

Particulars	Q2 FY20		Growth					
	USD Mn	INR Cr	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
<b>Revenue</b>	\$ 152.3	₹ 1072.3	(0.7%)	0.6%	0.3%	12.8%	13.3%	14.1%
<b>EBITDA</b>	\$ 21.3	₹ 150.0	(2.3%)	(1.0%)		17.2%	17.7%	
<b>EBIT</b>	\$ 15.8	₹ 111.5	(3.1%)	(1.8%)		5.7%	6.2%	
<b>PAT</b>	\$ 11.3	₹ 79.9	0.2%	1.5%		(16.4%)	(16.1%)	
	INR/Share		Q-o-Q			Y-o-Y		
<b>EPS (Diluted)</b>	<b>3.5</b>		8.5%			(13.6%)		

# @ Scale winning momentum

**\$120**

**Mn+**

**TCV wins in  
Q2 FY 20**



**Key deal win in a major luxury retail company in UK**



**Oracle Application for leading US-based medical device company**



**Application Support for an investment services firm**



**Application & development for Hi-tech global company**



**Multi million dollar deal in a leading vision care company based in the US**



**Testing mandate for a leading financial services group in South Africa**

# Q2 FY20: Key Business Highlights

## ❑ Pipeline quality and Large Deals

- Healthy pipeline of more than 1Bn bolstered by a few multi million dollar deals
- 25% of the deals being fought are in the later stages of engagement
- Large Deals ratio - 52% deals being fought with a TCV over \$5m across Zensar

## ❑ Core Business

- Digital & Application Services grew 13.7% YoY largely due to growth of 24.4% in Digital Services in US \$ terms
- Cloud and infrastructure Services business declined by 16.5% QoQ but showed a growth of 8.1% on YoY basis. Next Gen Cloud grew at 31.9% YoY (all in US \$ terms)
- South Africa region grew sequentially at 20.9% and on YoY basis at 28.3% in US\$ terms backed by key deal wins in the region in the insurance space
- Financial services grew 13.3% QoQ led by Insurance which showed 15.7% growth sequentially and 24.7% YoY
- Hitech vertical witnessed a moderate growth of 1% QoQ and 13.2% YoY

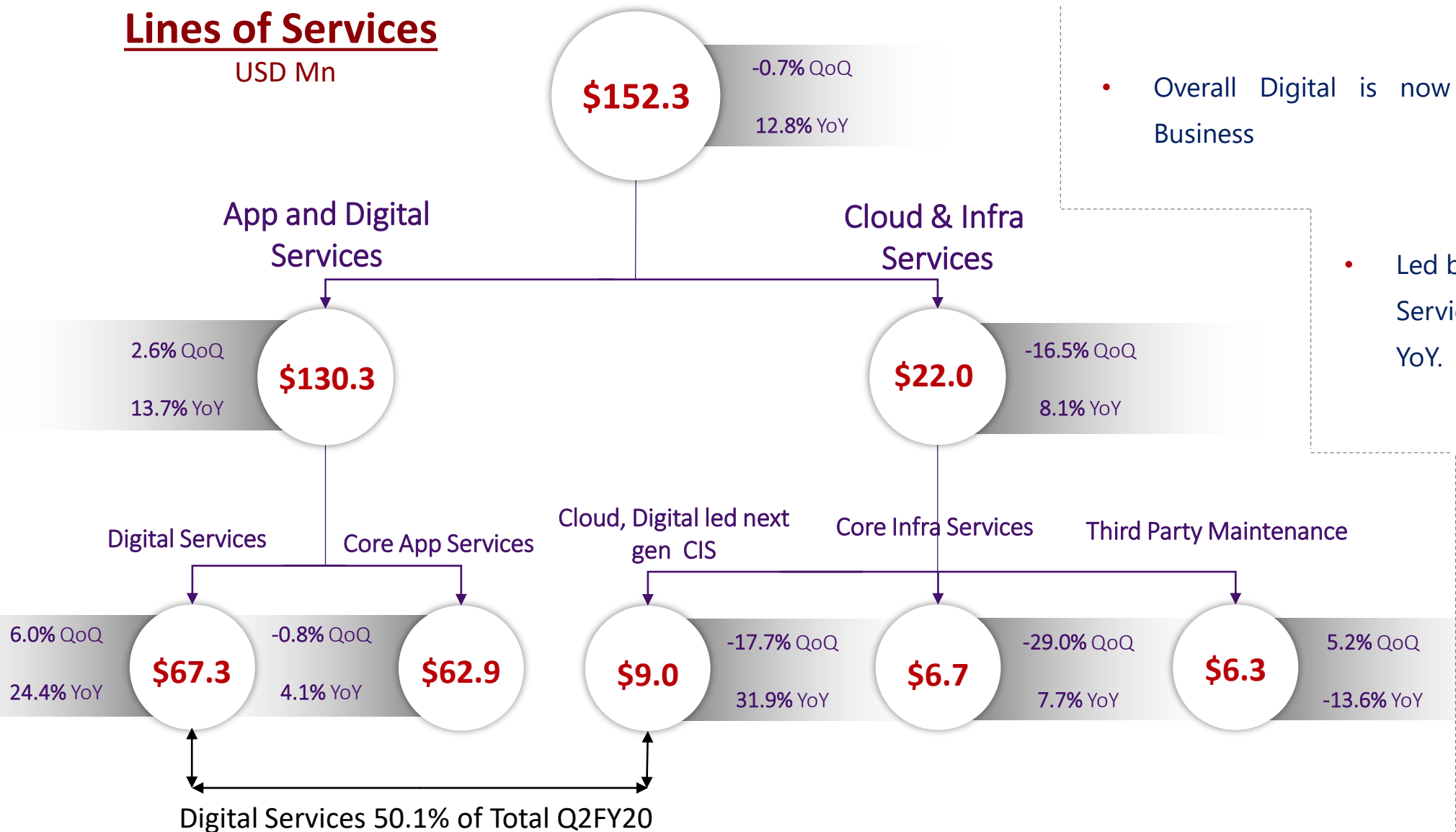
## ❑ Other Highlights

- Revenue from top 20 clients increased by 24.8% YoY in US \$ terms.
- Digital business crossed 50% mark, growing 25.2% YoY and 2.6% QoQ
- Number of 5Mn+ clients increased from 20 to 23 in the last one quarter

# Q2 FY20 : Overall Digital Growth 2.6% QoQ, 25.2% YoY **ZenSar**

## Lines of Services

USD Mn



- Overall Digital is now 50.1% of the Total Business

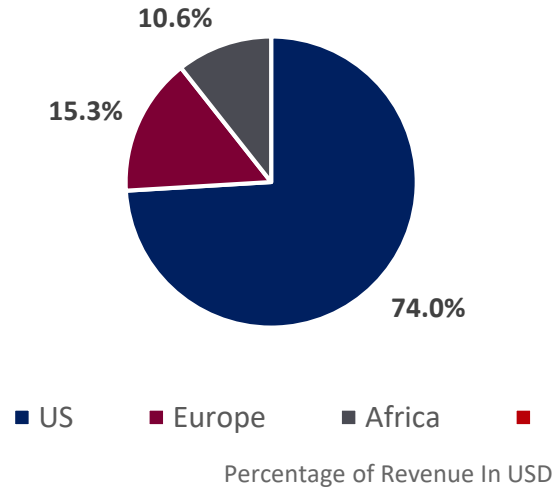
- Led by 24.4% YoY growth in Digital Services, ADS Services grew 13.7% YoY.

- Cloud, Digital led Next Gen CIS witnessed a QoQ decline for the first time after 5 quarters of continuous growth. On a YoY basis, the growth was at 31.9%.

# Q2 FY20 : Region & Vertical Split

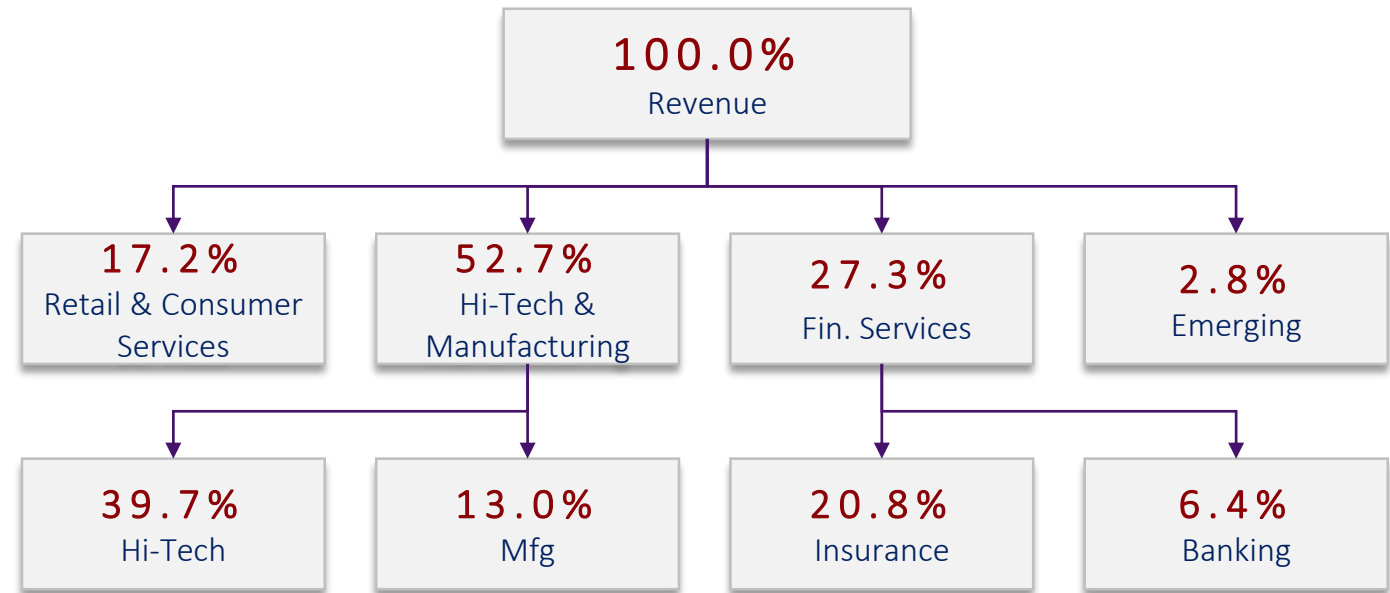
Percentage of Revenue In USD

## Region Split



Geography	QoQ (cc)	YoY (cc)
US	-3.3%	9.9%
Europe	5.1%	24.9%
Africa	23.4%	33.9%

## Vertical Split



Vertical	QoQ	QoQ (cc)	YoY	YoY (cc)
Retail & Consumer Services	-8.6%	-7.7%	-10.1%	-8.8%
Hi-Tech & Manufacturing	0.2%	0.6%	14.2%	14.9%
Fin. Services	13.3%	15.2%	31.0%	34.5%
Emerging	-45.7%	-45.5%	11.7%	12.2%

# Q2 FY20 : Top Clients Revenue

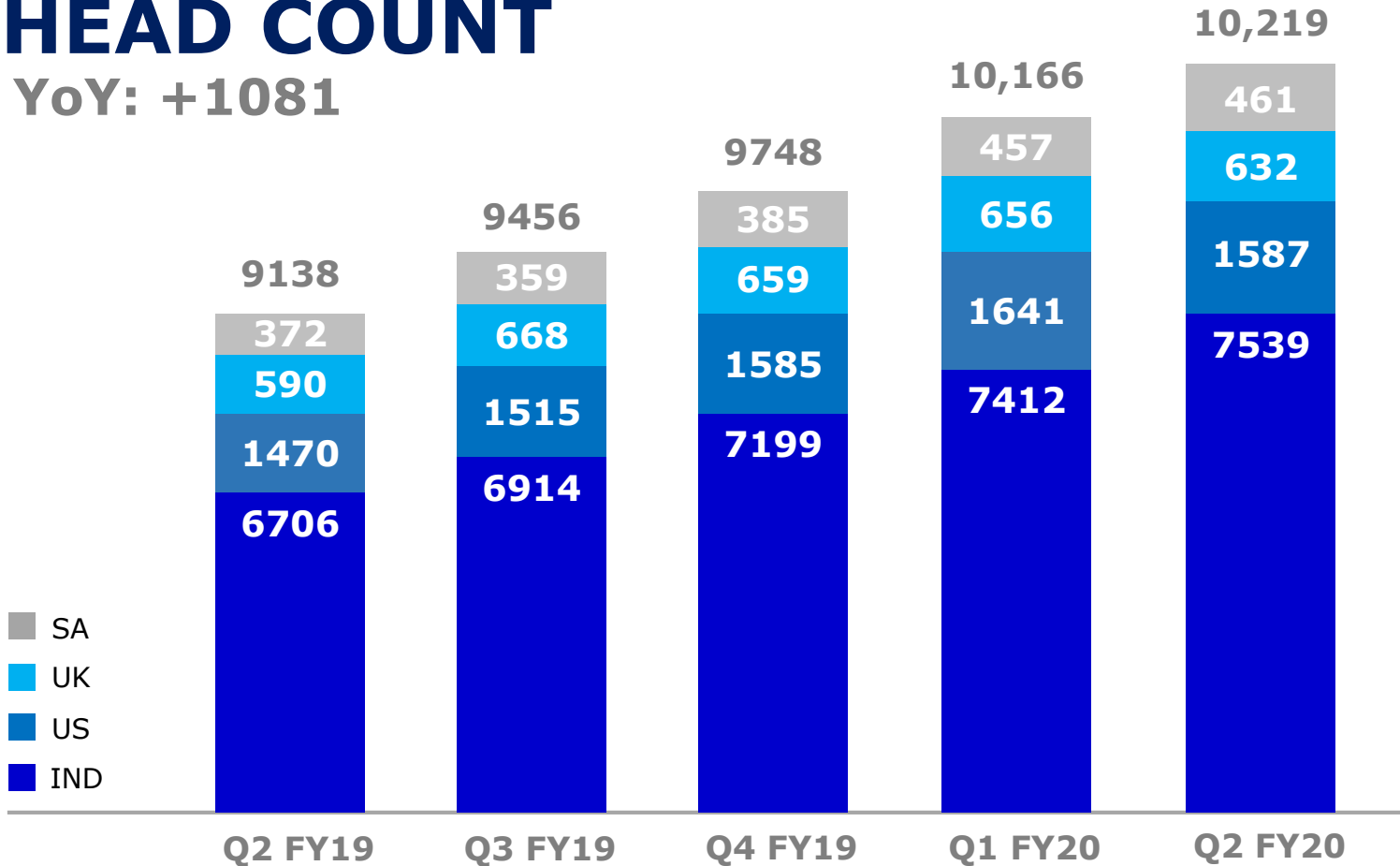
Million Dollar+ Clients			
	Q2 FY19	Q1 FY20	Q2 FY20
20 Mn Dollar+	2	2	2
10 Mn Dollar+	7	9	9
5 Mn Dollar+	20	20	23
1 Mn Dollar+	94	91	93

	Revenue Mix			QoQ & YoY Growth	
	Q2 FY19	Q1 FY20	Q2 FY20	QoQ	YoY
Top 5 Clients	36.8%	38.0%	37.6%	-1.8%	15.4%
Top 10 Clients	45.4%	49.2%	48.0%	-3.2%	19.1%
Top 20 Clients	56.6%	61.3%	62.6%	1.5%	24.8%

# Q2 FY20 : Headcount Details

## HEAD COUNT

YoY: +1081



**+1081** Net Headcount added in the last year

**30.6%** Highest Ever Women % in our workforce Zensarians

**17%** Employee Attrition Up by 30 BPS



# Analyst Coverage & Mentions



**Challenger in Digital Masters Avasant RadarView™ 2019**

**Challenger in the Avasant Blockchain RadarView™**



Zensar recognised as **Major Contender** in Digital Interactive Services PEAK Matrix™ Assessment



Zensar mentioned as **Niche** in **Gartner Magic Quadrant** for Oracle Cloud Application Services, Worldwide' 19

**Gartner Critical Capabilities** for Oracle Cloud Applications Services, Worldwide 2019

Mentioned in **Gartner Market Guide for Blockchain Implementation Services**

## Awards

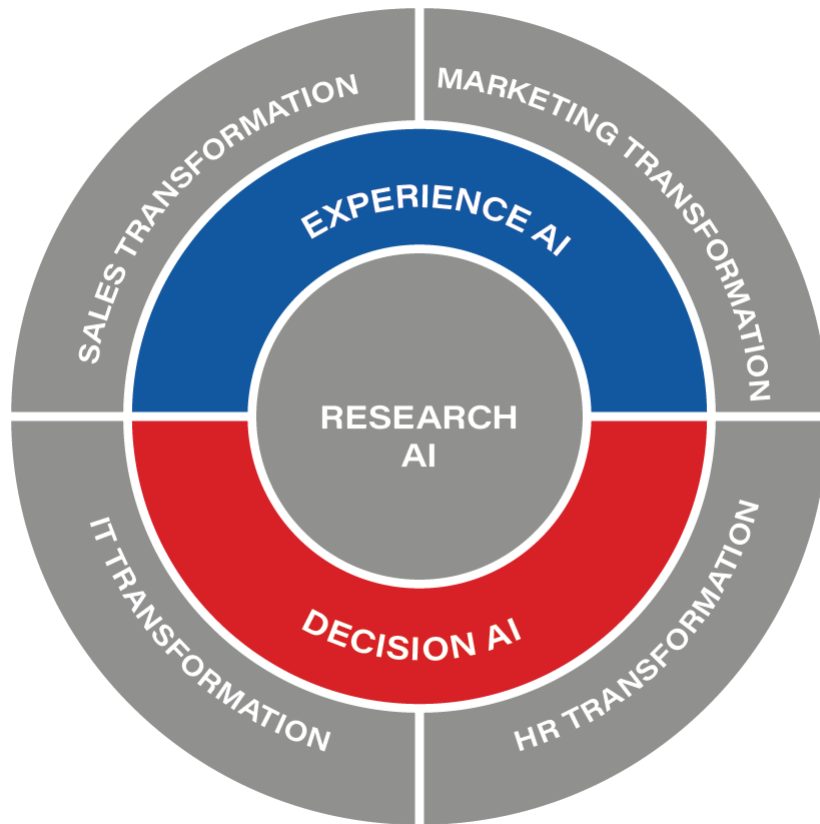
2019 Future of Learning & Development **"Best Learning Strategy of the Year"** Award

2019 **Working Mother & Avtar 100 Best Companies** for Women



Zensar is a **finalist** in **3 categories** at the ISG Paragon Awards™

## Zensar now enables Business Transformation through Artificial Intelligence



In FY 17, we announced our Return on Digital journey by **Living Digital**. Now, by FY 20, we commit to make **100%** of all Zensar's Digital platforms **AI Enabled**. We call this "Living AI"

### Recognitions for our work in AI

Economic Times

#### Zensar Tech Places its Bets on Artificial Intelligence

**STAYING RELEVANT** The firm is now shifting the focus of its go-to-market strategy from digital to the disruptive AI

Priyanka.Sangani@timesgroup.com

Pune: After establishing digital technology at the core of its go-to-market strategy two years ago, mid-size software services firm Zensar Technologies has now placed its bets on artificial intelligence (AI). CEO Sandeep Kishore said the

#### Riding AI Wave

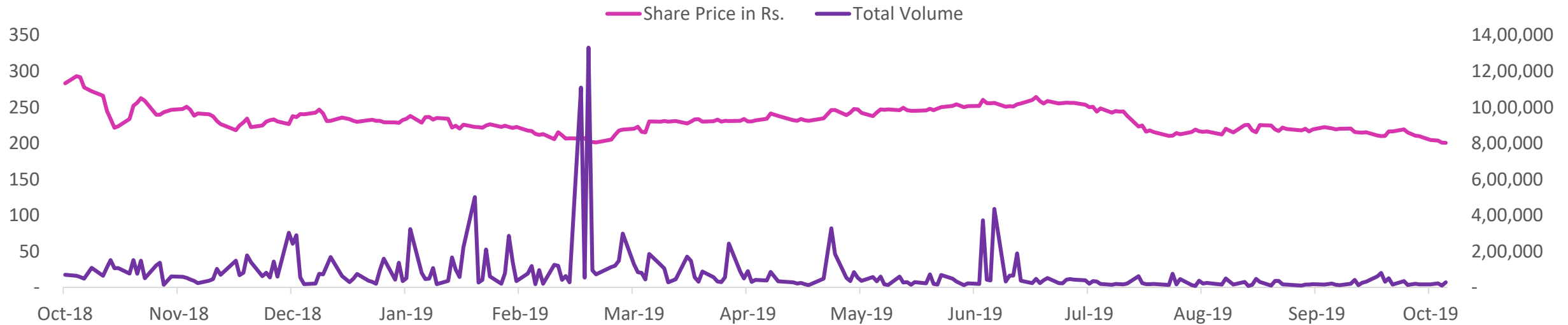
Zensar's AI strategy focuses on 3 pillars – experience, research, decision making

**Its R&D facility is now entirely focused on AI**  
The facility filed 100 patents in the last two years

Zensar launched AI-powered platforms for 7 core areas – sales, marketing, IT, talent supply chain, HR, collaboration, projects & programmes

Zensar recognized as an Innovator in Avasant's Applied Intelligence & Advanced Analytics Report for its AI powered solutions

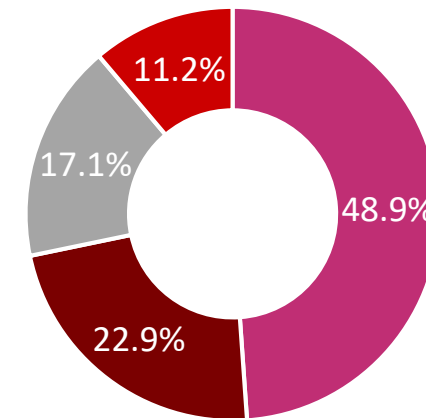
# Stock Price and Shareholding Pattern



## Equity Share Information:

- Share Price (11th Oct 2019): INR 200.25/ share
- Market Cap (11th Oct 2019): INR 4,511 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 30<sup>th</sup> September 2019):



■ Promoter
 ■ Apax Partners
 ■ FPIs
 ■ DIIs/ Others

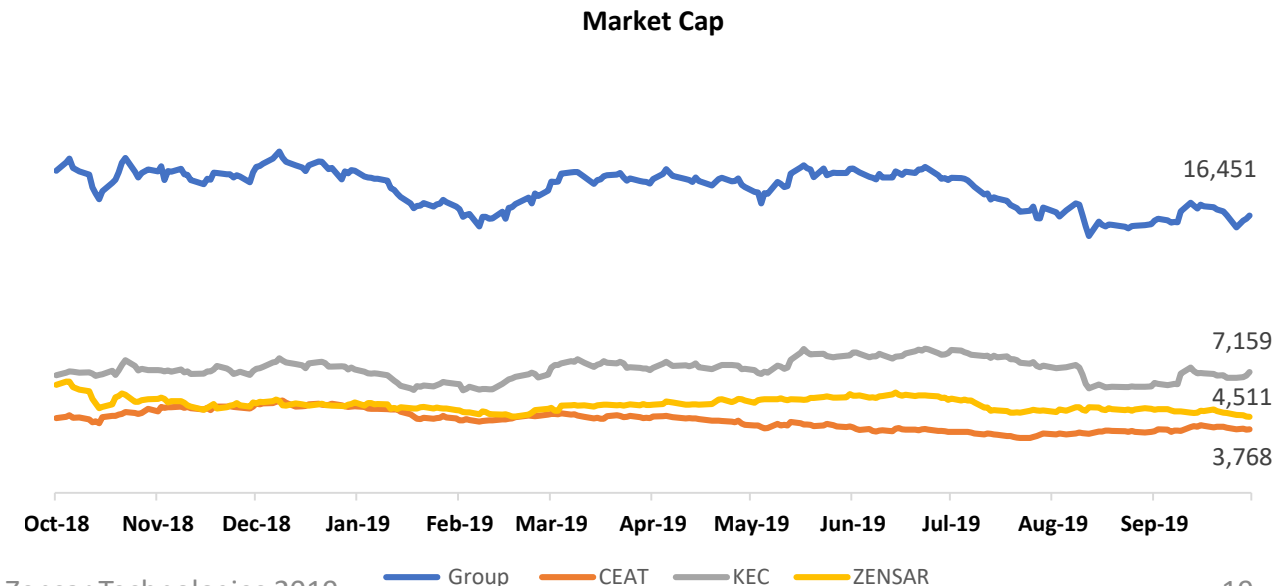
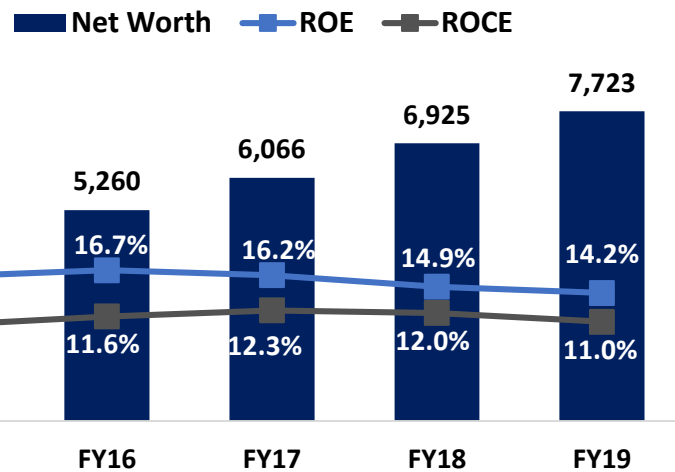
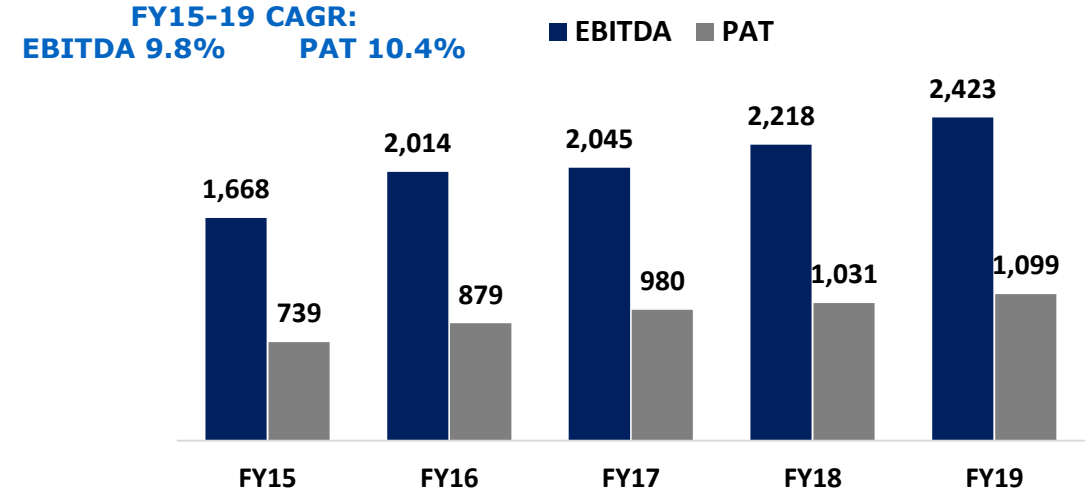
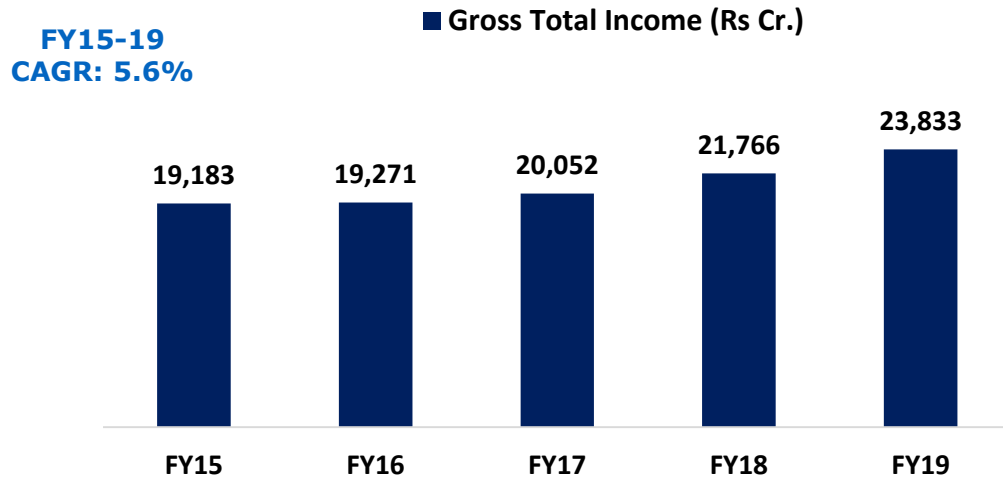
The background of the slide is a blue-tinted photograph of a business meeting. Several people are seated around a table, looking at laptops and documents. One person in the foreground is holding a blue pen. The overall atmosphere is professional and collaborative.

Analyst Presentation for the quarter ending  
September 30, 2019

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## RPG Group Overview

# Analyst Coverage & Mentions



**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 11<sup>th</sup> Oct 2019

Thank You



**Disclosure pursuant to Regulation 30(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This is to inform you that the Board of Directors of Zensar Technologies Limited ("the Company") at its meeting held on October 21, 2019 has taken note of business re-organisation *inter-alia* in USA within Zensar Group. The same has been approved by the Board of Directors of respective subsidiary(ies) as per the details below:

1. Transfer of identified business by Zensar Technologies IM, Inc. together with PSI Holding Group Inc. to Zensar Technologies, Inc., by way of slump sale on going concern basis
2. Distribution of the stock of Aquila Technology Corp by PSI Holding Group Inc. to Zensar Technologies, Inc.

Zensar Technologies Inc. is a wholly owned subsidiary of the Company. PSI Holding Group Inc. is a wholly owned subsidiary of Zensar Technologies Inc.

Zensar Technologies IM, Inc and Aquila Technology Corp are wholly owned subsidiary(ies) of PSI Holding Group Inc.

The details in the prescribed format under Regulation 30(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read along with the circular dated September 9, 2015, as attached form an integral part of this disclosure and have to be read in conjunction with the same.

We request you to kindly take the above information on record and acknowledge receipt of the same.

Thanking you,  
Yours faithfully,

For **Zensar Technologies Limited**



Navneet Khandelwal  
**Chief Financial Officer**

**Encl.:** As above

*All dates and time mentioned herein are as per IST.*

<b>Transfer of identified business by Zensar Technologies IM, Inc together with PSI Holding Group Inc. to Zensar Technologies Inc. by way of Slump Sale</b>												
<b>Sl. No.</b>	<b>Disclosure Requirement</b>	<b>Details</b>										
a.	the amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year;	<table border="1"> <thead> <tr> <th><b>Particulars</b></th> <th><b>FY 2018-19</b></th> </tr> </thead> <tbody> <tr> <td>Revenue contributed</td> <td>USD 23 million approx.</td> </tr> <tr> <td>Percentage of revenue contributed</td> <td>4.02% of consolidated revenues of Zensar Technologies Limited approx.</td> </tr> <tr> <td>Net worth of transferred business</td> <td>USD 2 million approx.</td> </tr> <tr> <td>Percentage of net worth</td> <td>0.77% of consolidated net worth of Zensar Technologies Limited approx.</td> </tr> </tbody> </table>	<b>Particulars</b>	<b>FY 2018-19</b>	Revenue contributed	USD 23 million approx.	Percentage of revenue contributed	4.02% of consolidated revenues of Zensar Technologies Limited approx.	Net worth of transferred business	USD 2 million approx.	Percentage of net worth	0.77% of consolidated net worth of Zensar Technologies Limited approx.
<b>Particulars</b>	<b>FY 2018-19</b>											
Revenue contributed	USD 23 million approx.											
Percentage of revenue contributed	4.02% of consolidated revenues of Zensar Technologies Limited approx.											
Net worth of transferred business	USD 2 million approx.											
Percentage of net worth	0.77% of consolidated net worth of Zensar Technologies Limited approx.											
b.	date on which the agreement for sale has been entered into;	Proposed to be entered into on or before November 30, 2019 or such other date as may be mutually agreed between the parties.										
c.	the expected date of completion of sale/disposal;	On or before March 31, 2020 or such other date as may be mutually agreed.										
d.	consideration received from such sale/disposal;	USD 21.94 million approx. subject to working capital adjustments.										
e.	brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;	Zensar Technologies Inc (Buyer) is a wholly owned subsidiary of the Company. .										
f.	whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	Yes. The transaction is at arm's length.										
g.	additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.	Refer below table.										

<b>Additional details on slump sale (if slump sale mode is used)</b>		
<b>Sl. No.</b>	<b>Disclosure Requirement</b>	<b>Details</b>
a.	Details of the acquiring entity	Zensar Technologies Inc (Acquiring entity) is a wholly owned subsidiary of the Company incorporated in USA.
b.	whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	Yes. The transaction is at arm's length





c.	area of business of the entity(ies);	IT and ITES industry
d.	Rationale	Simplify the corporate structure, align with strategic business structure, bring about a deeper client focus and drive growth & efficiency of business operations
e.	in case of cash consideration – amount or otherwise share exchange ratio	USD 21.94 million approx. subject to working capital adjustments
f.	brief details of change in shareholding pattern (if any) of listed entity.	None



Distribution of the Stock of Aquila Technology Corp by PSI Holding Group Inc to Zensar Technologies, Inc.			
Sl. No.	Disclosure Requirement	Details	
a.	the amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year;	<b>Particulars</b>	<b>FY 2018-19</b>
		Revenue contributed	A service agreement between Aquila Technology Corp (Aquila) and a customer of Aquila, requires independence, separation of its operations and lack of interdependence of Aquila on its related affiliates/parent. Accordingly, this led to loss of control over Aquila for the Zensar Group, as the Zensar Group has no ability to direct the relevant activities of and exercise control over Aquila. Therefore, Aquila is not considered as a subsidiary of PSI Holding Group Inc within the definition prescribed under Ind AS 110 and hence not consolidated by the Zensar Group in the consolidated financial statements of the Company as on March 31, 2019.  Hence, not applicable.
		Percentage of revenue contributed	
		Net worth of transferred business	
Percentage of net worth transferred			
b.	date on which the agreement for sale has been entered into;	Proposed to be entered into on or before November 30, 2019 or such other date as may be mutually agreed	
c.	the expected date of completion of sale/disposal;	On or before March 31, 2020 or such other date as may be mutually agreed	
d.	consideration received from such sale/disposal;	USD 3.15 million approx.	
e.	brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof;	Zensar Technologies Inc. is a wholly owned subsidiary of the Company.	
f.	whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	Yes. The transaction is at arm's length	
g.	additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.	Not Applicable	

