

**Date:** January 21, 2021

**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

Dear Sir/Madam,

**Subject: Outcome of the Board Meeting held on January 21, 2021**

This is to inform you that the Board of Directors of the Company at its meeting held today, which commenced at 4:30 PM IST and concluded at 7:40 PM IST, *inter-alia*, unanimously approved/took on record the following:

**1. Financial Results**

Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2020, and Limited Review Report thereon. Copy of the same is enclosed herewith.

**2. Interim Dividend**

- Declaration of interim dividend of INR 1.20 per equity share of INR 2 each (i.e. 60%);
- Record date for the aforesaid interim dividend and related matters, fixed as February 1, 2021.

The interim dividend shall be paid on or after February 15, 2021.

Shareholders who have not yet submitted the requisite tax documents, as applicable, should submit the same by January 29, 2021 on <https://ris.kfintech.com/form15> and also email the same to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Applicable tax rate would be accordingly applied subject to successful scrutiny of the documents. For further details, please refer shareholders communication available on the website of the Company:

<https://www.zensar.com/sites/default/files/investor/stock-exchange-filings/Email-communication-sent-to-shareholders-regarding-amendment-in-taxation-provisions.pdf>



### **3. Press Release & Analyst Presentation**

Press Release and Analyst Presentation on Financial Results of the Company, for the quarter and nine months ended December 31, 2020, are enclosed herewith.

### **4. Code of Fair Disclosure, Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and Legitimate Purpose Policy ('Code')**

Adoption of Revised Code of Fair Disclosure, Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and Legitimate Purpose Policy ('Code').

Copy of the same will accordingly be available under Investor Section on website of the Company viz. [https://www.zensar.com/investor/corporate-governance?type=2&field\\_annual\\_year\\_target\\_id=All&field\\_annual\\_quarter\\_target\\_id=All](https://www.zensar.com/investor/corporate-governance?type=2&field_annual_year_target_id=All&field_annual_quarter_target_id=All)

### **5. Postal Ballot**

Notice of Postal Ballot for seeking Shareholders' approval for the following items:

- Appointment of Mr. Ajay Singh Bhutoria as the Chief Executive Officer and Managing Director of the Company, effective January 12, 2021 and underlying remuneration; and
- Payment of remuneration to Mr. Sandeep Kishore, former Managing Director and Chief Executive Officer

The said notice along with explanatory statement(s) annexed thereto and other relevant details, shall be circulated separately.

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, 2020 ("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,

**Deloitte  
Haskins & Sells LLP**

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)

**SAIRABEE** Digitally signed by  
**NAINAR** SAIRABEE NAINAR  
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**Saira Nainar**

Partner

(Membership No. 040081)

UDIN: 21040081AAAAAC3018

Place: Mumbai

Date: January 21, 2021

<b>Zensar Technologies Limited</b>							
Registered Office : Zensar Knowledge Park, Kharadi, Plot # 4 , MIDC, Off Nagar Road, Pune - 411014, India CIN: L72200PN1963PLC012621							
<b>Statement of Unaudited Standalone Results for the Quarter and Nine months ended December 31, 2020</b>							
(INR Lakhs)							
Particulars	Quarter Ended			Nine Months Ended		Year Ended	
	31-Dec-2020	30-Sep-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019	31-Mar-2020	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
<b>1</b>	Revenue from operations	34,873	33,676	32,914	101,389	101,731	137,030
<b>2</b>	Other income (net)	1,305	554	1,631	3,854	6,240	9,093
<b>3</b>	<b>Total Income</b>	<b>36,178</b>	<b>34,230</b>	<b>34,545</b>	<b>105,243</b>	<b>107,971</b>	<b>146,123</b>
<b>4</b>	<b>Expenses</b>						
	a. Purchase of traded goods	596	50	267	700	721	877
	b. Employee benefits expense	19,502	19,086	19,895	57,585	60,988	80,913
	c. Subcontracting costs	349	431	1,048	1,873	3,116	4,361
	d. Finance costs	533	523	661	1,667	1,532	2,330
	e. Depreciation, amortisation and impairment expense	2,146	2,179	2,155	6,633	5,958	8,138
	f. Other expenses	2,789	3,610	3,932	9,246	14,736	19,094
	<b>Total expenses</b>	<b>25,915</b>	<b>25,879</b>	<b>27,957</b>	<b>77,704</b>	<b>87,051</b>	<b>115,713</b>
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>10,263</b>	<b>8,351</b>	<b>6,588</b>	<b>27,539</b>	<b>20,920</b>	<b>30,410</b>
<b>6</b>	<b>Tax expense</b>						
	a. Current tax	2,014	2,374	1,626	6,697	4,538	6,262
	b. Deferred tax	274	(377)	100	(22)	333	1,044
<b>7</b>	<b>Net Profit for the period (5-6)</b>	<b>7,974</b>	<b>6,354</b>	<b>4,861</b>	<b>20,864</b>	<b>16,049</b>	<b>23,104</b>
<b>8</b>	<b>Other comprehensive income/(loss), net of income tax</b>						
	<i>A. Items that will not be reclassified to profit or loss</i>	(8)	354	90	630	(323)	(894)
	<i>B. Items that will be reclassified to profit or loss</i>	(389)	174	(255)	(21)	(694)	(693)
	<b>Total other comprehensive income/(loss), net of income tax</b>	<b>(397)</b>	<b>528</b>	<b>(165)</b>	<b>609</b>	<b>(1,017)</b>	<b>(1,587)</b>
<b>9</b>	<b>Total comprehensive income for the period (7+8)</b>	<b>7,577</b>	<b>6,882</b>	<b>4,696</b>	<b>21,473</b>	<b>15,032</b>	<b>21,517</b>
<b>10</b>	Paid-up equity share capital (Face value INR. 2 each)	4,509	4,509	4,507	4,509	4,507	4,508
<b>11</b>	<b>Other equity excluding Revaluation Reserves as per balance sheet</b>						152,859
<b>12</b>	<b>Earnings Per Share (Face value INR. 2 each) (not annualised):</b>						
	a) Basic	3.54	2.82	2.16	9.25	7.13	10.26
	b) Diluted	3.49	2.78	2.12	9.13	7.01	10.12

**Notes :**

- These unaudited results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as amended from time to time. The above financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on January 21, 2021.
- 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.
- The term of the erstwhile Managing Director and the CEO of the Company ended on January 11, 2021. Accordingly, he no longer functions as the Managing Director and the CEO of the Company effective January 12, 2021, however his employment at Zensar Technologies Inc. US has been extended by a period of one month, viz. February 12, 2021 to facilitate a smooth transition. The amount payable to the erstwhile Managing Director and the CEO which is subject to the shareholders' approval has been adequately recorded in the books of account. The Company will account for adjustments thereto, if any subsequent to the closure of all events as applicable in the quarter ending March 31, 2021.
- The Company continues to actively manage its business during COVID-19 pandemic and has not yet experienced significant changes on the business impact than estimated earlier. In assessing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, nothing has come to the attention of the Company through internal and external sources, which warrants a reassessment of carrying amounts of financial and non-financial assets on the expected future performance of the Company.
- The Company, on 19 October 2020, signed an agreement (subject to certain closing conditions which included approval of shareholders) for sale of Third Party Maintenance ("TPM") business housed in its subsidiaries, PSI Holding Group Inc, Zensar Technologies IM Inc and Zensar Technologies IM B.V. (collectively referred to as "PSI Group" or "disposal group") for a consideration of USD 10 million receivable upfront (subject to working capital adjustment) and USD 5 million performance based deferred earnouts. Closing conditions were completed during the quarter and as PSI Group are step down subsidiaries of the company, the necessary accounting treatment is reflected in the Consolidated results of the Zensar Group. Refer Note 6 of the Consolidated results of the Zensar Group.
- The Board of Directors in its meeting on January 21, 2021 declared an interim dividend of INR 1.20 per equity share.
- The Board of Directors of Zensar Technologies Limited at its meeting held on October 29, 2020 approved the scheme of amalgamation (the "Scheme") which provides for the amalgamation of Cynosure Interface Services Private Limited (Cynosure) (a wholly owned subsidiary of the Company) with the Company under sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Appointed date of the Scheme is April 1, 2021. All the equity shares held by the company in Cynosure shall stand cancelled and extinguished as on the Appointed Date. Accordingly, there will be no issue and allotment of equity shares to the shareholders of the Cynosure upon the Scheme being effective.

Upon the Scheme becoming effective, with effect from the Appointed Date, Company shall account for the amalgamation of Cynosure in its books of account in accordance with the 'Pooling of Interest Method' laid down by Appendix C of Indian Accounting Standard 103 'Business Combinations' ('Ind AS 103') specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, and any amendments issued thereunder and in accordance with generally accepted accounting principles. Further, on the Scheme becoming effective, the financial statements of the Company (including comparative period presented in the financial results/statements of the Company) shall be restated for the accounting impact of amalgamation as if the amalgamation had occurred from the beginning of the said comparative period.

As the amalgamation has not consummated yet, the scheme has not been given effect to in these financial results.

For and on behalf of the Board



*Ajay Singh Bhutoria*

Ajay Singh Bhutoria  
CEO and Managing Director  
DIN:09013862

**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, 2020 ("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 the Annexure to this report.
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)

**Deloitte  
Haskins & Sells LLP**

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)

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**Saira Nainar**

Partner

(Membership No. 040081)

UDIN: 21040081AAAAAD2341

Place: Mumbai

Date: January 21, 2021

**Annexure to Auditor's Review Report**

**List of Entities:**

1. Zensar Technologies Inc.
2. Zensar Technologies (UK) Limited
3. PSI Holding Group Inc. (Ceased to be subsidiary w.e.f. December 2, 2020)
4. Zensar Technologies IM Inc. (Ceased to be subsidiary w.e.f. December 2, 2020)
5. Zensar Technologies IM B.V. (Ceased to be subsidiary w.e.f. December 2, 2020)
6. Zensar (Africa) Holdings Pty Limited
7. Zensar (South Africa) Pty Limited
8. Professional Access Limited
9. Zensar Technologies (Singapore) Pte. Limited
10. Foolproof Limited
11. Knit Limited (Liquidated w.e.f. September 22, 2020)
12. Foolproof (SG) Pte Limited
13. Zensar Technologies (Shanghai) Company Limited (Liquidated w.e.f. December 23, 2020)
14. Keystone Logic Inc.
15. Zensar Info Technologies (Singapore) Pte Limited (Liquidated w.e.f. May 04, 2020)
16. Zensar IT Services Limited (Liquidated w.e.f. June 22, 2020)
17. Cynosure Inc.
18. Cynosure Interface Services Private Limited
19. Keystone Logic Mexico, S. DE R.L. DE C.V
20. Keystone Technologies Mexico, S. DE R.L. DE C.V
21. Indigo Slate Inc.
22. Zensar Technologies GmbH
23. Zensar Technologies (Canada) Inc.
24. Zensar Information Technologies B.V. (Incorporated w.e.f. May 06, 2020)



**Zensar Technologies Limited**  
Registered Office : Zensar Knowledge Park, Kharadi, Plot # 4 , MIDC, Off Nagar Road, Pune - 411014, India CIN: L72200PN1963PLC012621  
**Statement of Unaudited Consolidated Results for the Quarter and Nine months ended December 31, 2020**

(INR Lakhs)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-2020	30-Sep-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019	31-Mar-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Revenue from operations</b>	93,441	97,945	102,059	290,510	316,389	418,168
<b>2 Other income (net)</b>	480	(392)	3,959	1,884	7,230	8,842
<b>3 Total Income</b>	<b>93,921</b>	<b>97,553</b>	<b>106,018</b>	<b>292,394</b>	<b>323,619</b>	<b>427,010</b>
<b>4 Expenses</b>						
a. Purchase of traded goods	3,626	2,187	5,576	9,305	12,803	15,250
b. Consumption and changes in inventories	628	962	686	2,696	1,572	3,089
c. Employee benefits expense	52,894	56,027	59,635	166,182	178,220	234,743
d. Subcontracting costs	11,575	13,874	16,644	40,943	50,380	65,881
e. Finance costs	1,301	1,317	1,274	4,135	4,333	6,051
f. Depreciation, amortisation and impairment expense	4,261	4,321	4,119	13,020	11,764	15,918
g. Other expenses	6,177	6,478	12,557	20,123	36,870	48,499
<b>Total expenses</b>	<b>80,462</b>	<b>85,166</b>	<b>100,491</b>	<b>256,404</b>	<b>295,942</b>	<b>389,431</b>
<b>5 Profit before exceptional item and tax</b>	<b>13,459</b>	<b>12,387</b>	<b>5,527</b>	<b>35,990</b>	<b>27,677</b>	<b>37,579</b>
<b>6 Exceptional Item (refer note 6)</b>	4,023	(8,873)	-	(4,850)	-	-
<b>7 Profit before tax (5-6)</b>	<b>17,482</b>	<b>3,514</b>	<b>5,527</b>	<b>31,140</b>	<b>27,677</b>	<b>37,579</b>
<b>8 Tax expense</b>						
a. Current tax	3,951	3,934	1,665	11,148	8,150	10,131
b. Deferred tax	(386)	(649)	(256)	(1,643)	(432)	288
<b>9 Net Profit/(Loss) for the period (7-8)</b>	<b>13,917</b>	<b>229</b>	<b>4,118</b>	<b>21,635</b>	<b>19,959</b>	<b>27,160</b>
<b>10 Net Profit/(Loss) attributable to:</b>						
- Owners	13,789	50	3,953	21,169	19,390	26,342
- Non-controlling interests	128	180	165	466	569	818
<b>11 Other comprehensive income/(loss), net of income tax</b>						
A. Items that will not be reclassified to profit or loss	(8)	354	90	630	(326)	(2,206)
B. Items that will be reclassified to profit or loss	(2,518)	136	1,977	(2,431)	750	2,382
<b>Total other comprehensive income/(loss), net of income tax</b>	<b>(2,526)</b>	<b>490</b>	<b>2,067</b>	<b>(1,801)</b>	<b>424</b>	<b>176</b>
<b>12 Total comprehensive income for the period (9+11)</b>	<b>11,391</b>	<b>719</b>	<b>6,185</b>	<b>19,834</b>	<b>20,383</b>	<b>27,336</b>
<b>13 Total comprehensive income attributable to:</b>						
- Owners	11,038	542	5,905	19,104	19,724	26,668
- Non-controlling interests	353	177	280	730	659	668
<b>14 Paid-up equity share capital (Face value INR 2 each)</b>	4,509	4,509	4,507	4,509	4,507	4,508
<b>15 Other equity excluding Revaluation Reserves as per balance sheet</b>						204,491
<b>16 Earnings Per Share (Face value INR. 2 each) (not annualised):</b>						
Before exceptional item						
a) Basic	4.33	3.96	1.75	11.54	8.61	11.69
b) Diluted	4.27	3.90	1.73	11.39	8.47	11.53
After exceptional item						
a) Basic	6.12	0.02	1.75	9.39	8.61	11.69
b) Diluted	6.03	0.02	1.73	9.27	8.47	11.53

**Consolidated Segment wise Revenue & Results for the Quarter and Nine months ended December 31, 2020**

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-2020	30-Sep-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019	31-Mar-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Segment Revenue</b>						
Digital and Application Services <sup>#</sup>	76,981	79,711	85,740	237,218	266,287	351,518
Digital Foundation Services <sup>#</sup>	16,460	18,234	16,319	53,292	50,102	66,650
<b>Revenue From Operations</b>	<b>93,441</b>	<b>97,945</b>	<b>102,059</b>	<b>290,510</b>	<b>316,389</b>	<b>418,168</b>
<b>2 Segment Results</b>						
Digital and Application Services	17,102	15,480	6,201	44,459	34,294	46,983
Digital Foundation Services	2,321	2,904	2,820	7,750	5,957	8,036
<b>Segment Results</b>	<b>19,423</b>	<b>18,384</b>	<b>9,021</b>	<b>52,210</b>	<b>40,251</b>	<b>55,019</b>
Less: Finance costs	1,301	1,317	1,274	4,135	4,333	6,051
Less: Unallocable expenditure net of unallocable income	4,663	4,680	2,220	12,084	8,241	11,389
<b>Profit before exceptional item and tax</b>	<b>13,459</b>	<b>12,387</b>	<b>5,527</b>	<b>35,990</b>	<b>27,677</b>	<b>37,579</b>



Statement of Segment Assets & Liabilities		31-Dec-2020	30-Sep-2020	31-Dec-2019	31-Mar-2020
		Unaudited	Unaudited	Unaudited	Audited
1	<b>Segment Assets</b>				
	<b>Trade Receivables</b>				
	Digital and Application Services	47,767	48,000	65,935	55,212
	Digital Foundation Services	9,969	11,039	14,061	11,352
	<b>Total Trade Receivables</b>	<b>57,736</b>	<b>59,039</b>	<b>79,996</b>	<b>66,564</b>
	<b>Inventories</b>				
	Digital and Application Services	-	-	-	-
	Digital Foundation Services	-	-	9,524	9,412
	<b>Total Inventories</b>	<b>-</b>	<b>-</b>	<b>9,524</b>	<b>9,412</b>
	<b>Unbilled Revenue</b>				
	Digital and Application Services	21,028	21,559	34,723	34,325
	Digital Foundation Services	2,434	3,389	5,401	4,578
	<b>Total Unbilled Revenue</b>	<b>23,462</b>	<b>24,948</b>	<b>40,124</b>	<b>38,903</b>
	<b>Goodwill</b>				
	Digital and Application Services	43,859	43,722	42,818	44,326
	Digital Foundation Services	13,747	13,879	19,182	20,332
	<b>Total Goodwill</b>	<b>57,606</b>	<b>57,601</b>	<b>62,000</b>	<b>64,658</b>
	<b>Unallocable Assets</b>	<b>208,789</b>	<b>202,187</b>	<b>166,594</b>	<b>180,018</b>
	<b>TOTAL ASSETS</b>	<b>347,593</b>	<b>343,775</b>	<b>358,238</b>	<b>359,555</b>
2	<b>Segment Liabilities</b>				
	<b>Unearned Revenue</b>				
	Digital and Application Services	2,662	1,897	9,182	2,041
	Digital Foundation Services	859	589	2,047	2,440
	<b>Total Unearned Revenue</b>	<b>3,521</b>	<b>2,486</b>	<b>11,229</b>	<b>4,481</b>
	<b>Unallocable Liabilities</b>	<b>111,838</b>	<b>121,031</b>	<b>134,517</b>	<b>143,705</b>
	<b>Total Liabilities</b>	<b>115,359</b>	<b>123,517</b>	<b>145,746</b>	<b>148,186</b>

# During the quarter ended June 30, 2020, nomenclatures of segments have been aligned to reflect their offerings. Consequently, we have renamed "Application Management Services" and "Infrastructure Management Services" to "Digital and Application Services" and "Digital Foundation Services" respectively. There are no other changes which impacts the segment reporting.

**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 21, 2021.

2 Results of Zensar Technologies Limited on a stand alone basis are hosted on the Company's website www.zensar.com.

Stand-Alone Financial Information							(INR Lakhs)
Particulars	Quarter Ended			Nine Months Ended		Year Ended	
	31-Dec-2020	30-Sep-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019	31-Mar-2020	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
Revenue from operations	34,873	33,676	32,914	101,389	101,731	137,030	
Profit before tax	10,263	8,351	6,588	27,539	20,920	30,410	
Net profit for the period	7,974	6,354	4,861	20,864	16,049	23,104	

3 During the year ended March 31, 2020, Company reversed contingent consideration payable on business combinations consummated in previous year amounting to INR 2,568 lakhs [USD 3.6 million] based on company's assessment, being no longer payable. This reversal is accounted under other income.

4 The term of the erstwhile Managing Director and the CEO of the Company ended on January 11, 2021. Accordingly, he no longer functions as the Managing Director and the CEO of the Company effective January 12, 2021, however his employment at Zensar Technologies Inc. US has been extended by a period of one month, viz. February 12, 2021 to facilitate a smooth transition. The amount payable to the erstwhile Managing Director and the CEO which is subject to the shareholders' approval has been adequately recorded in the books of account. The Company will account for adjustments thereto, if any subsequent to the closure of all events as applicable in the quarter ending March 31, 2021.

5 The Company continues to actively manage its business during COVID-19 pandemic and has not yet experienced significant changes on the business impact than estimated earlier. In assessing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, nothing has come to the attention of the Company through internal and external sources, which warrants a reassessment of carrying amounts of financial and non-financial assets on the expected future performance of the Company.

6 During the previous quarter ended 30th September 2020, Zensar Group classified its Third Party Maintenance ("TPM") business housed in its subsidiaries, PSI Holding Group Inc, Zensar Technologies IM Inc and Zensar Technologies IM B.V. (collectively referred to as "PSI Group" or "disposal group") as "Held for Sale" and impact pertaining to adjustment to the carrying amount and fair value less transaction cost associated to sell was disclosed as exceptional item.

On 19th October 2020, the Company signed an agreement (subject to certain closing conditions which included approval of shareholders) for sale of PSI Group for a consideration of USD 10 million receivable upfront (subject to working capital adjustment) and USD 5 million performance based deferred earnouts. On completion of the closing conditions on 2nd December 2020, the differential impact has been disclosed as exceptional item, including the reclassification of balance in Foreign currency translation reserve to the Consolidated Statement of Profit and Loss amounting to gain of Rs. 3744 lakhs. Further, adjustment to consideration is due to be finalized 75 days after the closing date and adjustment if any would be accounted then.

The disposal group does not constitute a separate major component of the Zensar Group and therefore has not been classified as discontinued operations in the Consolidated Statement of Profit and Loss.

7 The Board of Directors in its meeting on January 21, 2021 declared an interim dividend of INR 1.20 per equity share.

8 Zensar Technologies Inc. invested in Aquila Technology Corp (Aquila) as part of the group acquisition of PSI Holding Group Inc (PSI) in 2010. A service agreement between Aquila and a customer of Aquila required independence, separation of its operations and lack of interdependence of Aquila on its related affiliates/parent. Accordingly, this led to loss of control over Aquila for the Zensar Group, consequently Aquila is not considered as a subsidiary of the Zensar group within the definition prescribed under Ind AS 110 and hence not consolidated by the Zensar Group. For its equity investments in Aquila, Zensar Group accounts the changes in fair value through other comprehensive income.

During the quarter ended 31 December 2020, Company had advanced its process of divesting its investment in Aquila Technology Corp (Aquila) and accordingly, this investment is reclassified as "Held for Sale". Management believes on eventual disposal, company would be able to realize the full carrying value as accounted in the books of account.



For and on behalf of the Board

*Ajay Singh Bhutoria*

Ajay Singh Bhutoria  
CEO and Managing Director  
DIN:09013862

**Zensar reports PAT at 10.9% in Q3FY21**  
**An increase of 13.3% QoQ in USD terms**

**Pune, India, January 21, 2021:** 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, 2020 of the fiscal year 2020-2021.

**Financial Highlights:**

- The company reported revenue at \$122.8 Mn, a decline of 2.4% QoQ in USD terms
- In Q3FY21, the PAT was at 10.9% of the revenue, an increase of 13.3% QoQ and 148.8% growth YoY in USD terms
- EBITDA increased from 19.4% in Q2 FY21 to 20.6% in Q3 FY21. In absolute USD terms, EBITDA reported a growth of 3.3% QoQ and 167.3% YoY
- Digital accounted for 65% of the total revenues in Q3 FY21
- Zensar is now a zero-debt company with highest ever net cash position of \$160.2 M as a result of exceptional cash management
- Africa and Europe regions reported a growth of 11.6% QoQ and 6.3% QoQ respectively
- Global Consumer Services is back on recovery path with QoQ growth of 7.7%
- The Digital Foundation Services business grew by 6.0% YoY with new logos added to overall portfolio

*\*The reported numbers are for core business (excluding TPM business divested in Q2FY21)*

**Ajay S. Bhutoria, Chief Executive Officer and Managing Director, Zensar Technologies said,** “Our PAT has increased by 13.3% QoQ in USD terms underscoring our focus on world-class execution and operational excellence. Some of the softness in our US Hi-tech and Insurance business has been offset by healthy growth in EU and South Africa as well as our Consumer Services business. While we remain alert of current and future headwinds, we are excited with performance of our Digital business.

**Adding further he stated,** Digital Foundation Services, our visionary service line helping customers build robust and secure cloud-first infrastructure to power their digital transformation initiatives, has benefited from our consistent investment and has grown by 6.0% on YoY basis. At Zensar, we have always treasured our long-standing customer relationships, and are very encouraged by our mutual commitment to work together during times of uncertainty bolstered by our ability to deliver exceptional customer value.”

**Navneet Khandelwal, Chief Financial Officer, Zensar Technologies said,** “Our strategic focus on improving our cash management position has shown significant results in this quarter as we are now in a strong cash position, our highest ever. Additionally, we have become a zero-debt company, which enables us to pivot our initiatives on sustainable business growth. Our PAT has increased, both on QoQ and YoY basis and our DSO for Q3 is 73 days which is an improvement of 20 days on a YoY basis.”

**Significant Wins Q3FY21:**

- Application and Development mandate for a leading American hi-tech company
- Digital Experience services for a large US based hi-tech company
- Strategic tech and digital services partner for UK based mutual insurance composite
- Guidewire implementation mandate for a US based insurance company
- Application and development work for a leading US based risk management products company

- Oracle implementation for a US based manufacturer of lighting products
- Digital experience solutions and services for a leading retailer based in South Africa

**Corporate Excellence Snapshot in Q3FY21:**

- Everest Group Aware (Intelligent) IT Infrastructure Services Automation PEAK Matrix® Assessment 2021
- Zensar has been mentioned in Everest Group BFS IT Services – Application and Digital Services in Capital Markets PEAK Matrix® Assessment 2021
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- Zensar’s Covid-19 response outreach campaigns is awarded the, ‘Global Marketing Excellence award’

**Q3 FY 21 Revenue and Profitability snapshot:**

Particulars	Q3 FY21		Growth					
	USD Mn	INR Mn	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	\$ 122.8	₹ 9065	(2.4%)	(3.2%)	(3.7%)	(10.9%)	(7.7%)	(10.6%)
EBITDA	\$ 25.2	₹ 1863	3.3%	2.5%		167.3%	177.1%	
EBIT	\$ 19.5	₹ 1442	4.5%	3.7%		422.1%	441.1%	
PAT	\$ 13.4	₹ 987	13.3%	12.3%		148.8%	157.9%	

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

Zensar is a leading digital solutions and technology services company that specialises in partnering with global organisations across industries on their Digital Transformation journey. A technology partner of choice, backed by strong track-record of innovation; credible investment in Digital solutions; 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 US\$ 4 Billion. The group has diverse business interests in the areas of Infrastructure, Tyres, Pharma, IT and Specialty as well as in emerging innovation led technology businesses.

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

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

**Safe Harbor**

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

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

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

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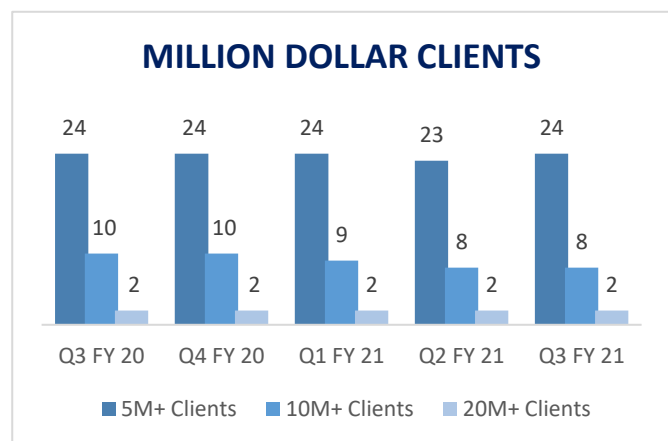
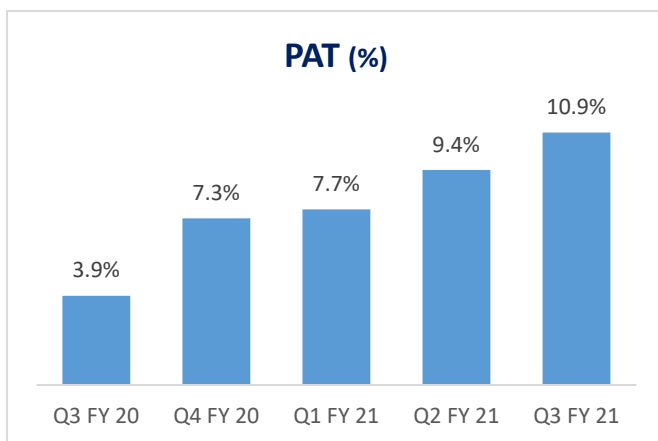
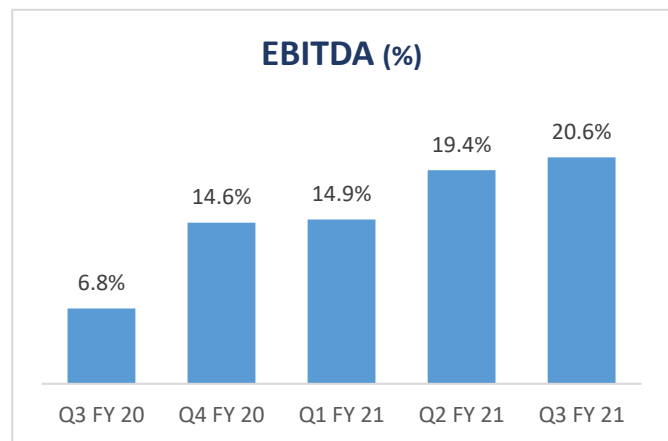
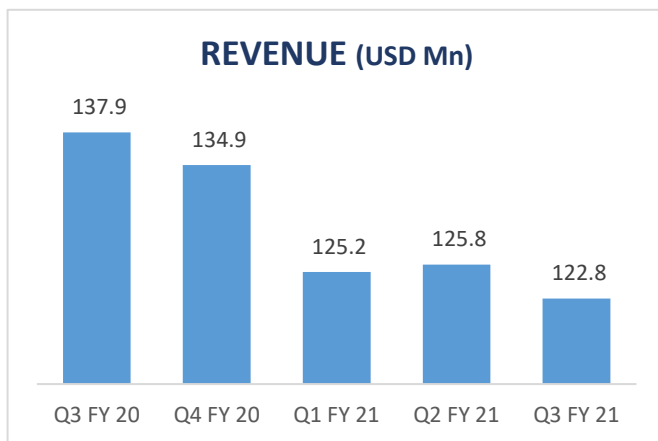
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Revenue	\$ 122.8	₹ 9065	(2.4%)	(3.2%)	(3.7%)	(10.9%)	(7.7%)	(10.6%)
EBITDA	\$ 25.2	₹ 1863	3.3%	2.5%		167.3%	177.1%	
EBIT	\$ 19.5	₹ 1442	4.5%	3.7%		422.1%	441.1%	
PAT	\$ 13.4	₹ 987	13.3%	12.3%		148.8%	157.9%	

*\*Numbers presented above are adjusted to exclude TPM business performance and adjusted for exceptional items unless otherwise mentioned*

**Performance Highlights:**



*\*Numbers presented above are adjusted to exclude TPM business performance and adjusted for exceptional items unless otherwise mentioned*

### Income Statement (USD Mn)

Income Statement (USD Mn)	Q3 FY 20	FY 20	Q2 FY 21	Q3 FY 21
<b>Operating revenue</b>	<b>137.9</b>	<b>566.0</b>	<b>125.8</b>	<b>122.8</b>
<i>Sequential Growth</i>	-5.5%		0.5%	-2.4%
<i>Year-Over-Year Growth</i>	1.9%	6.8%	-13.8%	-10.9%
Cost of revenue	104.9	405.9	82.1	80.3
<b>Gross profit</b>	<b>33.0</b>	<b>160.1</b>	<b>43.8</b>	<b>42.5</b>
<i>Gross profit % of revenue</i>	23.9%	28.3%	34.8%	34.6%
<i>Sequential Growth</i>	-22.9%		18.2%	-2.9%
<i>Year-Over-Year Growth</i>	-12.8%	1.0%	2.3%	28.9%
Sales and marketing expenses	9.1	36.3	8.0	7.7
General and administration expenses	14.4	52.7	11.4	9.6
Operating expenses	23.6	89.1	19.4	17.3
<i>% of revenue</i>	17.1%	15.7%	15.4%	14.1%
Other operating income	-	0.0	-	-
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>9.4</b>	<b>71.0</b>	<b>24.4</b>	<b>25.2</b>
<i>EBITDA % of revenue</i>	6.8%	12.5%	19.4%	20.6%
<i>Sequential Growth</i>	-53.7%		30.6%	3.3%
<i>Year-Over-Year Growth</i>	-45.0%	-5.4%	19.9%	167.3%
Depreciation and amortisation	5.7	22.1	5.7	5.7
<b>Earnings before interest and tax (EBIT)</b>	<b>3.7</b>	<b>48.9</b>	<b>18.7</b>	<b>19.5</b>
<i>EBIT % of revenue</i>	2.7%	8.6%	14.8%	15.9%
<i>Sequential Growth</i>	-75.1%		44.7%	4.5%
<i>Year-Over-Year Growth</i>	-73.4%	-22.0%	24.6%	422.1%
Interest	1.8	8.5	1.8	1.8
Exchange Gain/(Loss)	1.4	6.4	-1.4	-0.8
Other income	4.1	6.1	0.8	1.5
<b>Profit before tax</b>	<b>7.5</b>	<b>52.8</b>	<b>16.4</b>	<b>18.4</b>
<i>% of revenue</i>	5.5%	9.3%	13.0%	15.0%
<i>Sequential Growth</i>	-51.8%		23.4%	12.4%
<i>Year-Over-Year Growth</i>	-40.3%	-23.2%	5.2%	145.0%
Provision for taxation	1.9	14.7	4.3	4.9
<b>Profit after tax (before minority interest)</b>	<b>5.6</b>	<b>38.2</b>	<b>12.0</b>	<b>13.5</b>
<i>% of revenue</i>	4.1%	6.7%	9.6%	11.0%
Minority interest	0.2	1.2	0.2	0.2
<b>Profit after tax</b>	<b>5.4</b>	<b>37.0</b>	<b>11.8</b>	<b>13.4</b>
<i>Profit after tax % of revenue</i>	3.9%	6.5%	9.4%	10.9%
<i>Sequential Growth</i>	-50.0%		23.0%	13.3%
<i>Year-Over-Year Growth</i>	-39.8%	-23.7%	9.9%	148.8%

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### Income Statement (INR Mn)

Income Statement (INR Mn)	Q3 FY 20	FY 20	Q2 FY 21	Q3 FY 21
<b>Operating revenue</b>	<b>9,819</b>	<b>40,102</b>	<b>9,364</b>	<b>9,065</b>
<i>Sequential Growth</i>	-4.5%		-1.3%	-3.2%
<i>Year-Over-Year Growth</i>	0.7%	8.1%	-8.9%	-7.7%
Cost of revenue	7,469	28,756	6,106	5,925
<b>Gross profit</b>	<b>2,350</b>	<b>11,347</b>	<b>3,258</b>	<b>3,140</b>
<i>Gross profit % of revenue</i>	23.9%	28.3%	34.8%	34.6%
<i>Sequential Growth</i>	-22.1%		16.1%	-3.6%
<i>Year-Over-Year Growth</i>	-13.8%	2.4%	8.0%	33.6%
Sales and marketing expenses	651	2,573	596	569
General and administration expenses	1,027	3,739	845	708
<b>Operating expenses</b>	<b>1,678</b>	<b>6,312</b>	<b>1,441</b>	<b>1,277</b>
<i>% of revenue</i>	17.1%	15.7%	15.4%	14.1%
Other operating income	-	2	-	-
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>672</b>	<b>5,037</b>	<b>1,818</b>	<b>1,863</b>
<i>EBITDA % of revenue</i>	6.8%	12.6%	19.4%	20.6%
<i>Sequential Growth</i>	-53.1%		28.2%	2.5%
<i>Year-Over-Year Growth</i>	-45.6%	-4.0%	26.6%	177.1%
Depreciation and amortisation	406	1,567	427	421
<b>Earnings before interest and tax (EBIT)</b>	<b>266</b>	<b>3,470</b>	<b>1,390</b>	<b>1,442</b>
<i>EBIT % of revenue</i>	2.7%	8.7%	14.8%	15.9%
<i>Sequential Growth</i>	-74.8%		42.1%	3.7%
<i>Year-Over-Year Growth</i>	-73.7%	-20.8%	31.6%	441.1%
Interest	127	605	132	130
Exchange Gain/(Loss)	102	449	-102	-59
Other income	295	435	63	107
<b>Profit before tax</b>	<b>535</b>	<b>3,749</b>	<b>1,220</b>	<b>1,360</b>
<i>% of revenue</i>	5.5%	9.3%	13.0%	15.0%
<i>Sequential Growth</i>	-51.2%		21.1%	11.5%
<i>Year-Over-Year Growth</i>	-41.0%	-21.9%	11.1%	154.0%
Provision for taxation	136	1,038	323	360
<b>Profit after tax (before minority interest)</b>	<b>399</b>	<b>2,711</b>	<b>896</b>	<b>999</b>
<i>% of revenue</i>	4.1%	6.8%	9.6%	11.0%
Minority interest	16	82	18	13
<b>Profit after tax</b>	<b>383</b>	<b>2,629</b>	<b>878</b>	<b>987</b>
<i>Profit after tax % of revenue</i>	3.9%	6.6%	9.4%	10.9%
<i>Sequential Growth</i>	-49.4%		20.7%	12.3%
<i>Year-Over-Year Growth</i>	-40.5%	-22.4%	16.1%	157.9%

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Other Metrics	Q3 FY 20	FY 20	Q2 FY 21	Q3 FY 21
<b>Revenue by Service Offering (as % of Revenue)</b>				
<b>Digital &amp; Application Services (DAS)</b>	<b>87.3%</b>	<b>87.5%</b>	<b>85.1%</b>	<b>84.9%</b>
<i>Digital Services</i>	49.4%	47.6%	54.3%	55.0%
<i>Core Application Services</i>	37.9%	39.9%	30.8%	29.9%
<b>Digital Foundation Services (DFS)</b>	<b>12.7%</b>	<b>12.5%</b>	<b>14.9%</b>	<b>15.1%</b>
<i>Cloud, Digital Led next gen CIS</i>	6.9%	6.9%	9.5%	10.0%
<i>Core Infrastructure Services</i>	5.8%	5.6%	5.4%	5.1%
<b>Total Digital Services</b>	<b>56.2%</b>	<b>54.5%</b>	<b>63.8%</b>	<b>65.0%</b>
<b>Revenue by Industry (as % of Revenue)</b>				
Hi-Tech	41.1%	40.3%	43.1%	39.6%
Mfg	13.1%	12.5%	11.9%	12.3%
Consumer Services	13.8%	15.9%	13.9%	15.3%
Insurance	20.8%	20.2%	20.2%	19.3%
Banking	8.5%	8.0%	8.9%	9.6%
Emerging	2.7%	3.2%	2.1%	3.9%
<b>Revenue by Geographical Segment (as % of Revenue)</b>				
US	73.1%	73.6%	73.3%	70.3%
Europe	16.3%	15.9%	16.0%	17.4%
Africa	10.6%	10.5%	10.8%	12.3%
<b>Revenue by Project Type (as % of Revenue)</b>				
Fixed Price	56.6%	56.8%	60.5%	61.4%
Time & Materials	43.4%	43.2%	39.5%	38.6%
<b>Constant Currency</b>				
<b>Operating revenue (Constant Currency mn)</b>	<b>137.1</b>	<b>573.3</b>	<b>124.2</b>	<b>121.2</b>
Sequential Growth	-6.1%	8.2%	-0.7%	-3.7%
Year-Over-Year Growth	1.6%	8.2%	-12.9%	-10.6%
<b>Constant Currency Growth by Industry (QoQ %)</b>				
Hi-Tech	-2.4%	10.8%	-5.3%	-10.6%
Mfg	-2.0%	12.6%	-3.6%	0.0%
Consumer Services	-21.6%	-19.1%	11.1%	6.2%
Insurance	-8.3%	10.7%	2.5%	-8.7%
Banking	4.8%	46.7%	7.0%	1.3%
Emerging	3.8%	25.0%	-11.1%	78.9%

\*Numbers presented above are adjusted to exclude TPM business performance and adjusted for exceptional items unless otherwise mentioned

Other Metrics	Q3 FY 20	FY 20	Q2 FY 21	Q3 FY 21
<b>Client Data</b>				
<b>Number of million dollar Clients (LTM Revenue)</b>				
1 Million dollar +	87	82	81	83
5 Million dollar +	24	24	23	24
10 Million dollar +	10	10	8	8
20 Million dollar +	2	2	2	2
<b>Revenue from top clients</b>				
Revenue- top 5 clients	41.2%	38.8%	39.8%	37.8%
Revenue- top 10 clients	51.2%	49.7%	51.0%	47.8%
Revenue- top 20 clients	66.1%	63.8%	65.8%	61.9%
<b>Number of active clients</b>	<b>142</b>	<b>138</b>	<b>134</b>	<b>134</b>
<b>Onsite: Offshore (as % of Revenue)</b>				
<b>Revenue mix</b>				
Onsite	66.3%	65.2%	60.2%	57.2%
Offshore	33.7%	34.8%	39.8%	42.8%
<b>Utilization</b>				
Utilization (excluding Trainees)	81.0%	83.5%	83.3%	80.1%
<b>Employee data</b>				
<b>Headcount</b>				
Technical - Onsite	2,308	2,258	1,883	1,811
Technical - Offshore	6,474	6,119	5,768	6,071
<b>Gross employees added during the period</b>	611	3,330	394	991
<b>% of women employees</b>	<b>30.6%</b>	<b>30.3%</b>	<b>30.3%</b>	<b>30.8%</b>
Attrition	16.0%	16.3%	11.7%	12.9%

*\*Numbers presented above are adjusted to exclude TPM business performance and adjusted for exceptional items unless otherwise mentioned*

Other Metrics	Q3 FY 20	FY 20	Q2 FY 21	Q3 FY 21
<b>Exchange Rates</b>				
<b>Rupee Dollar Rate</b>				
Period Closing Rate	71.4	75.7	73.8	73.1
Period Average Rate	71.2	70.9	74.4	73.8
<b>Accounts receivables (in days)</b>				
Billed	57	51	51	48
Unbilled	36	35	24	25
<b>Total</b>	<b>93</b>	<b>86</b>	<b>75</b>	<b>73</b>
<b>Cash and Cash Equivalents (USD mn)**</b>				
<i>Balances with Banks:</i>	72.4	68.3	76.0	99.1
<b>Investment in Mutual Funds**</b>				
	19.6	35.3	52.8	61.1
<b>Debt (USD mn) **</b>				
	<b>45.3</b>	<b>43.8</b>	<b>11.5</b>	<b>-</b>
<b>Total Outstanding Hedges (In USD) **</b>				
	<b>177.9</b>	<b>163.1</b>	<b>172.0</b>	<b>120.6</b>
<b>Capex (USD Mn) **</b>				
	<b>2.2</b>	<b>11.0</b>	<b>1.5</b>	<b>1.0</b>

\*\* Not adjusted for TPM

Numbers presented above are adjusted to exclude TPM business performance and adjusted for exceptional items unless otherwise mentioned

[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 US\$ 4 Billion. The group has diverse business interests in the areas of Infrastructure, Tyres, Pharma, IT and Specialty as well as in emerging innovation led technology businesses.

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

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

**Safe Harbor**

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

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



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

# Analyst Presentation – Q3FY21

## Quarter Ending December 31, 2020

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

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# Financial Update

# Q3 FY21 Snapshot



Q3 FY21

Part of USD 4 B RPG Group, portfolio company of the USD 40 B APAX Group



USD **122.8M**

Revenue, down 2.4% QoQ



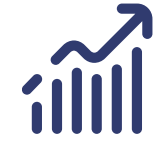
**34.6%**

Gross Margin, down 20 bps QoQ



**20.6%**

EBITDA, up 120 bps QoQ



**10.9%**

PAT, up 150 bps QoQ

Zensar is now a zero debt company with consistent growth in Operating Margin and Free Cash Flow



Strong pipeline, highest ever



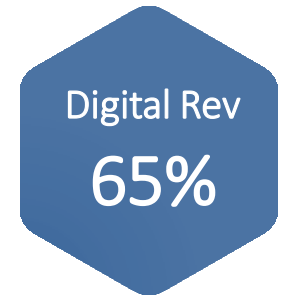
Q3FY21 Wins



Net HC growth of 267 associates



Highest ever net cash, DSO improved by 20 days YoY



Up 120 bps QoQ

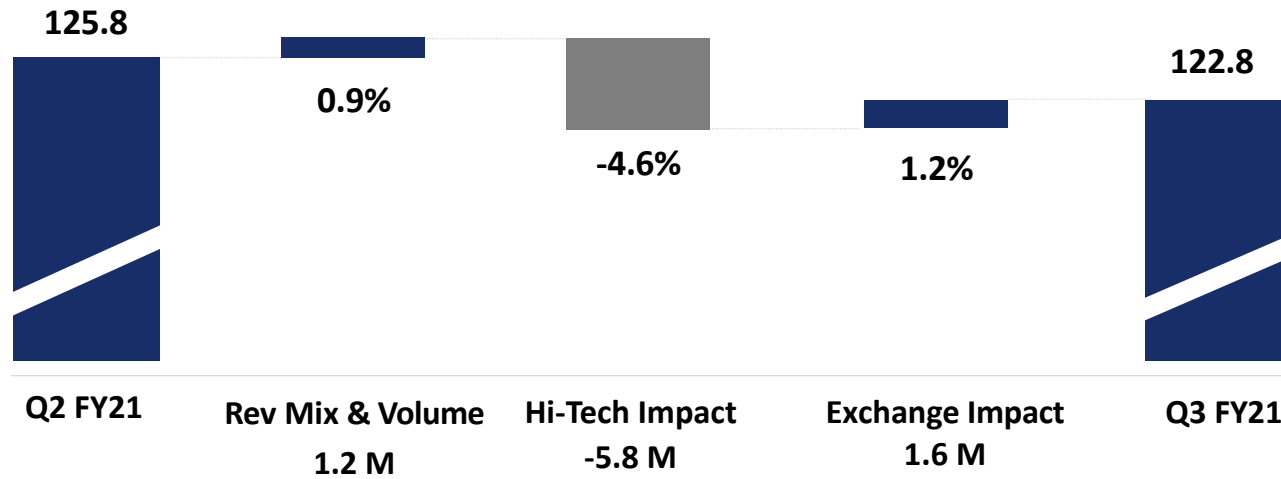
Zensar announces an Interim Dividend of Rs. 1.2/share for Q3 FY21

All reported numbers are for core business. As per strategic direction of the company, effective Q3 FY21, TPM business has been completely divested and 100% of Zensar business is now core

# Revenue & EBITDA Walk

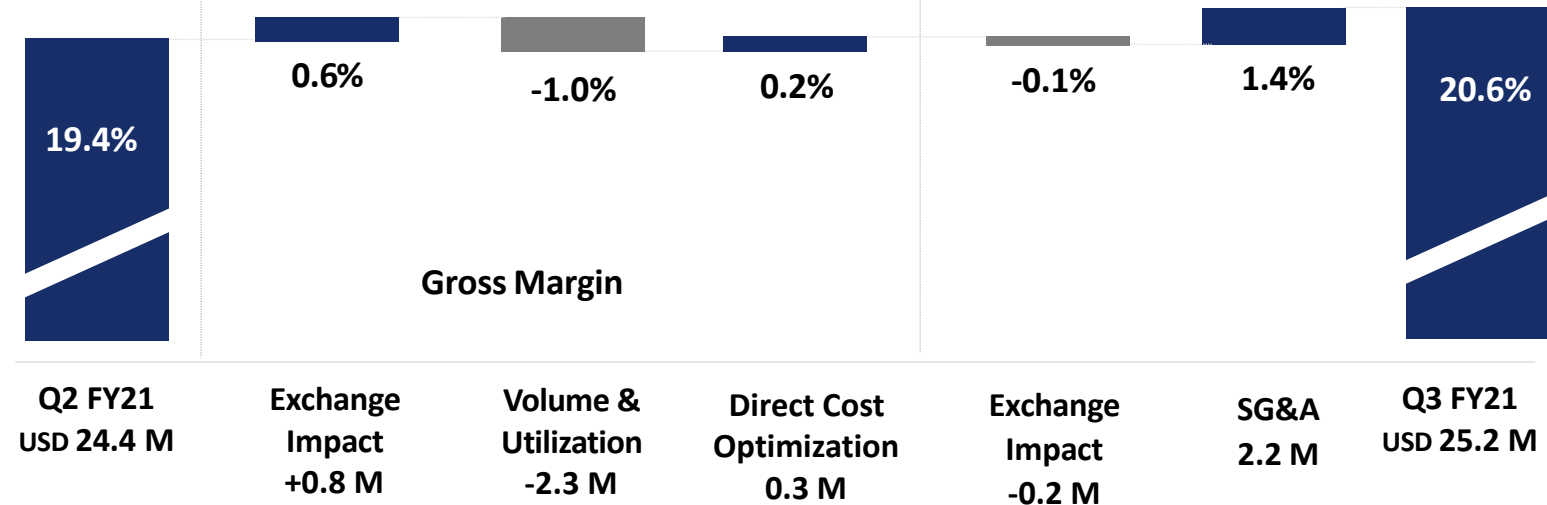


Q3 FY21



## EBITDA Walk

(In % of Rev terms)

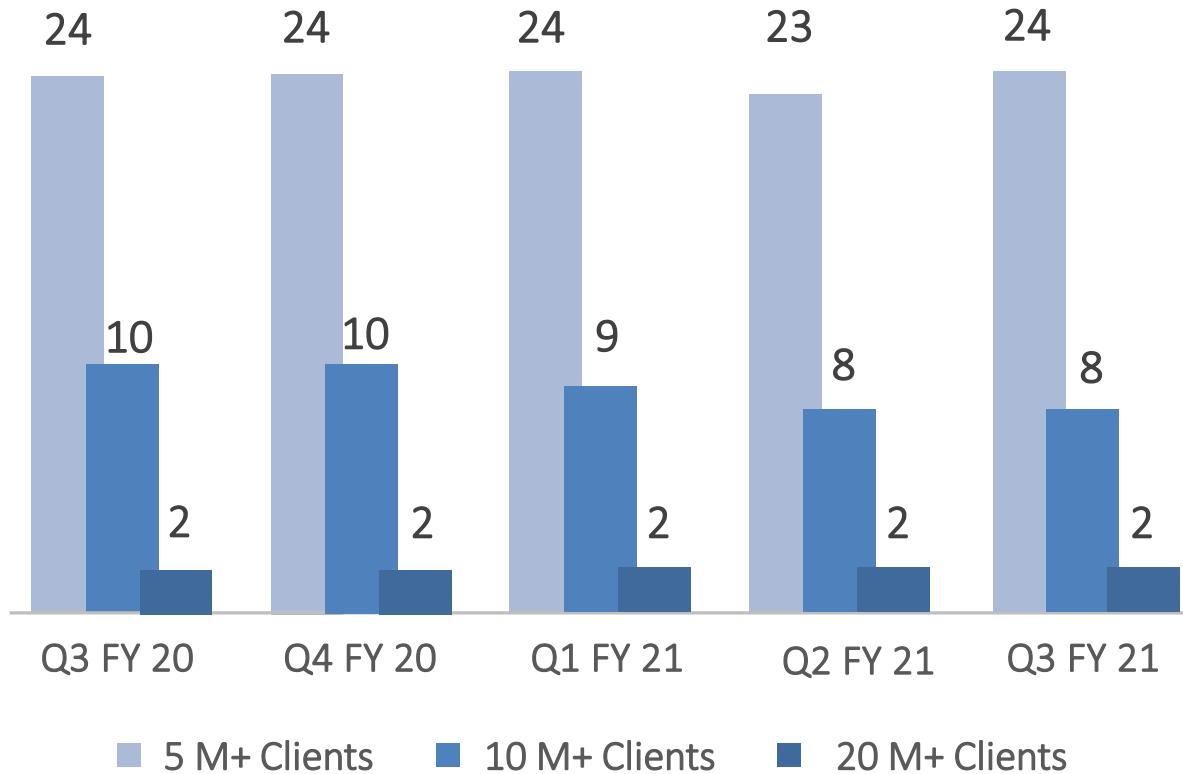


# Client Metrics

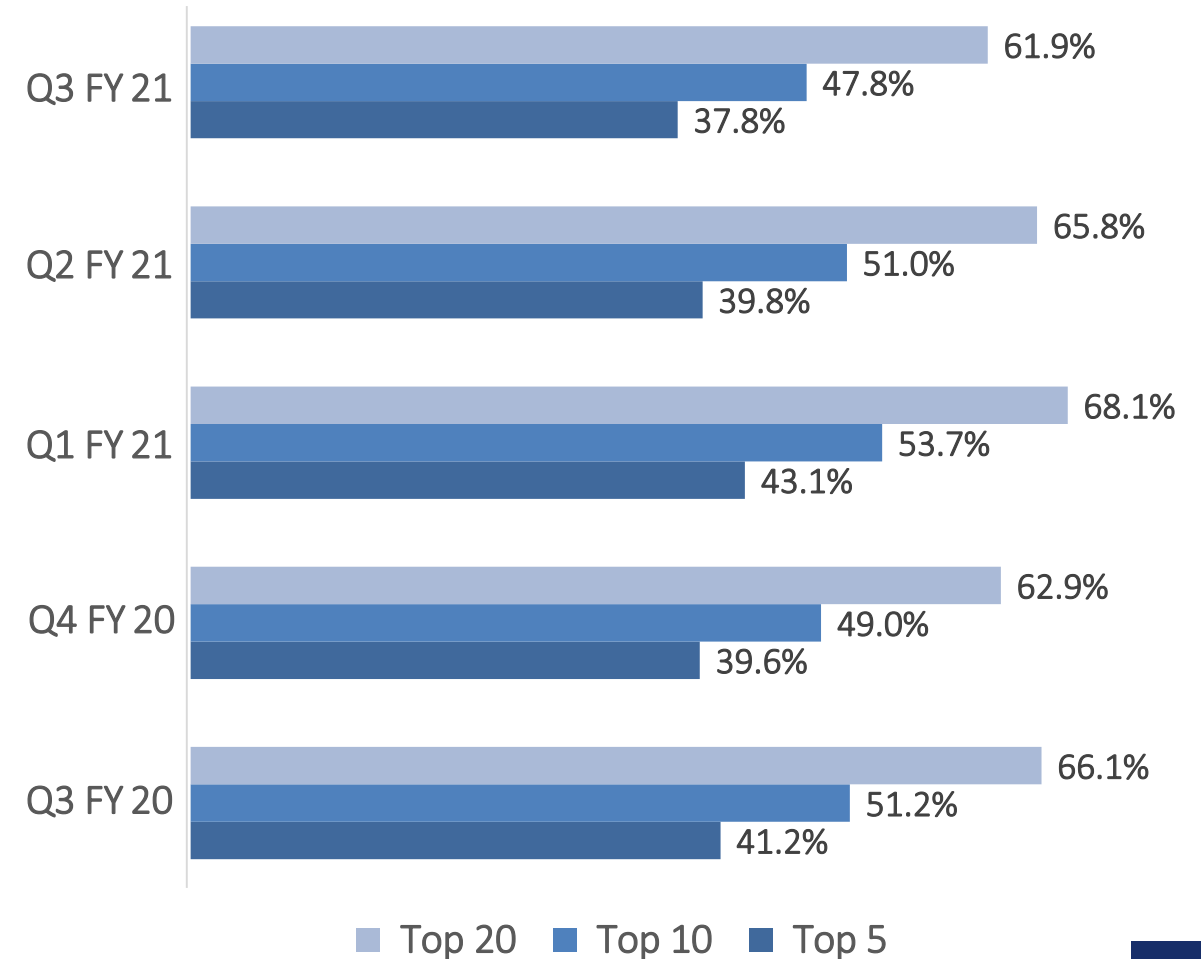


Q3 FY21

## Million Dollar Clients (LTM)



## Client Concentration (% of revenue)

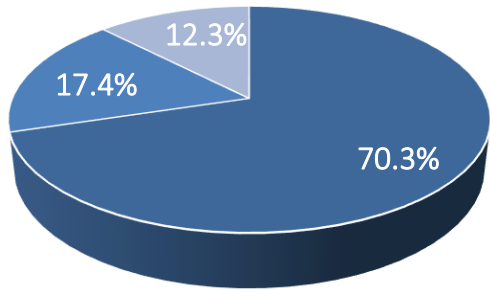


# Revenue Split



Q3 FY21

## Region Split & Growth ( \$ USD)

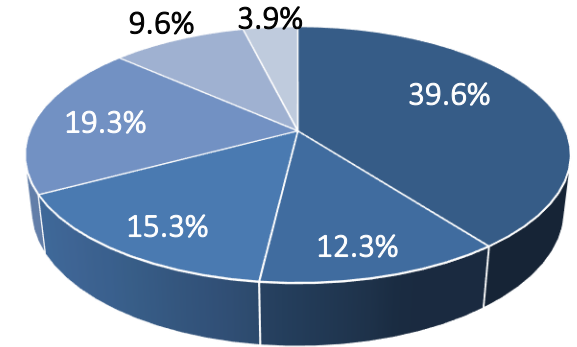


■ US ■ Europe ■ Africa

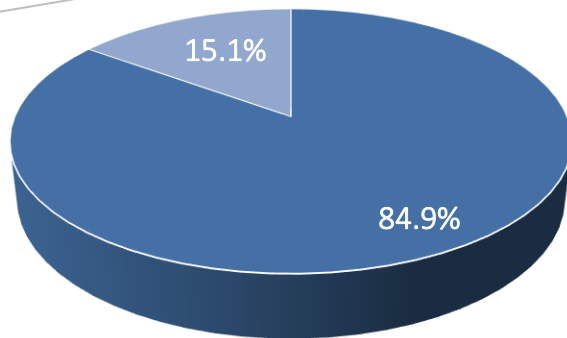
Geography	QoQ	YoY
US	(6.4%)	(14.4%)
Europe	6.3%	(4.6%)
Africa	11.6%	3.3%

## Vertical Split & Growth ( \$ USD)

Vertical	QoQ	YoY
Banking	5.5%	0.5%
Consumer Services	7.7%	(1.4%)
Hi-tech	(10.2%)	(14.1%)
Manufacturing	0.6%	(16.4%)
Insurance	(6.5%)	(17.1%)



■ Hi Tech ■ Mfg  
 ■ Consumer Services ■ Insurance  
 ■ Banking ■ Emerging



■ DAS ■ DFS

## Service Line Split & Growth ( \$ USD)

Service Line	QoQ	YoY
Digital and Application Services	(2.6%)	(13.4%)
Digital Foundation Services	(1.1%)	6.0%





# Business Update

# Keys Wins for the Quarter



Q3 FY21

\$200  
Mn+

TCV wins in Q3 FY21

Strong quarter for wins across verticals and geographies



US



Europe



South Africa



Application mgt services for a global Hi-Tech company



Claims support & bank recon. for an insurance comp.



QA automation for risk mgt products company



Data engg. for manufacturer of lighting products



Strategic tech & digital sol. for a British federation



Development ops for a dept. store company



Integrated exp. solution for a leading retailer



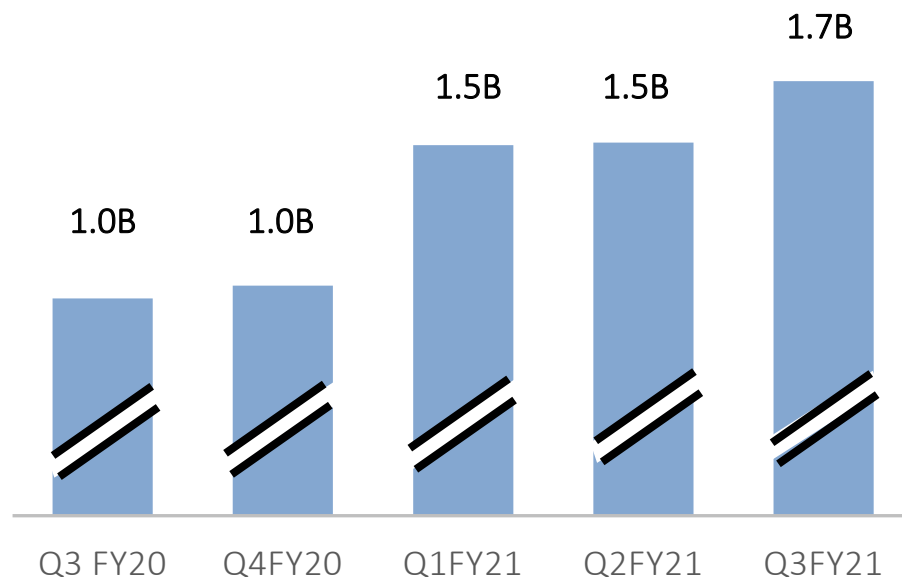
Data analytics, app dev. & consult. for global mining comp.

# Pipeline Highlights



Q3 FY21

Highest ever  
pipeline of  
**\$1.7 Bn+**  
in Q3 FY21



- 1 Continued momentum to build a strong & healthy pipeline
- 2 Strong momentum across the DFS and BFSI verticals
- 3 50% pipeline from large deals (>10M USD TCV)

## Pipeline spread across Zensar's offerings



Digital Foundation Services

Managed Services Implementation  
Digital Security  
Digital Workplace Services  
Digital Infrastructure & Operations



Digital Application Services

New-age Experience Design  
Agile Delivery & Product Management  
End to End Digital Modernization  
Intelligent Automation

# Digital Foundation Services



Q3 FY21

## Strong Business Aspirations...

- 1 Differentiate on superior experience
- 2 Transform Workplaces
- 3 Respond instantly to opportunities
- 4 Drive Efficiency
- 5 Protect Brand & Customer Loyalty

## ...result in solid wins with a robust pipeline...



A large transformative deal in the Modern Workplace space with a leading technology multinational



Digital foundation services for an American health-tech company



Digital Foundation Services for a large American airlines

## ..and wins industry wide recognition!



“Innovator” for 3<sup>rd</sup> consecutive year in Avasant RadarView™ for Hybrid Enterprise Cloud



“Major Contender” in the ISG Provider Lens™ Cyber Security - Solutions & Services Quadrant Report 2020

Named “Leader” in Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions 2020

# Domain-Led BFSI Strategy



Q3 FY21

## Market Trends In BFSI

### Insurance



Personalized products, advanced analytics and Fintech partnerships

### Banking



Mainstreaming block-chain, omni-channel digital experience, cloud computing

### Financial Services

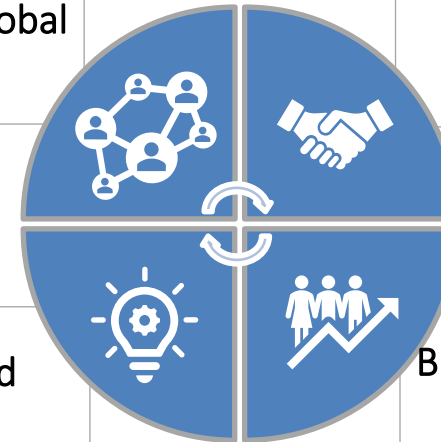


Compliance agility, data protection, big data management

## Unlocking growth in BFSI

Expanding Zensar's global footprint

Deep client engagement



Develop customized solutions

Building high performance teams

## Key Engagements

Empowering US based global insurer to scale with cloud

Enabling an UK based federation to embrace digital solutions

Building testing capability for an US based global FinTech leader

# Work from Anywhere

## Enabling Culture Alignment in a virtual enterprise



Q3 FY21

Moving into *Work From Anywhere* model by building a Virtual Workforce ecosystem & end to end hiring process

Over 550 Associates onboarded in three batches covering **15+ cities across India** (Tier 2-3-4 cities)

**1000 hours** of technical training/associate, **100 hours** of engagement, **40+** Leadership connect, **25 Mentors**

All batches have been **deployed** following an **extensive training and assessment plan**

**Positive feedback** received from all the batches for the induction program, engagement and Zensar's culture

Sustaining the program - **Incoming WFA 4.0 batch** in the upcoming months



Welcoming associates along with their family members  
Virtual Induction | Leadership Connects  
Mentorship Programmes & Alumni Connect

# Awards & Recognitions



Q3 FY21



Confederation of Indian Industry

Recognized as an **Innovative Company** at the CII Centre for Digital Transformation DX Awards 2020 for its employee engagement initiative



Zensar's COVID-19 response outreach campaigns awarded the **Global Marketing Excellence Award 2021**



**SDC AWARDS**

Won three awards at the global SDC awards for **Augmented/Virtual Reality Innovation of the Year, Open Source/DevOps Innovation of the Year** and **Digital Transformation Project of the Year**



Winner of **2021 Big Innovation Awards** for work done by Zenlabs, innovation hub



InsureArk solution recognized by India Digital Enabler Awards 2020 as the **Business App of the year**



Featured in the **100 Best Company for Women in 2020**, Working Mother & Avtar Best Companies for Women in India

# Analyst Coverage



Q3 FY21

Named as leader in **Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions 2020 ISG Provider Lens**



Named as contender in the ISG Provider Lens™ **Cyber Security - Solutions & Services Quadrant Report 2020** for both the US and UK

Recognized as major contender in **Insurance Business Model Innovation Enablement Services PEAK Matrix® Assessment 2021**



Recognized as an aspirant in **BFS IT Services - Application and Digital Services in Capital Markets, (Intelligent) IT Infrastructure Services Automation, Artificial Intelligence (AI) Services and Pega Services** in PEAK Matrix® Assessment 2021

Recognized as challenger in **Manufacturing Digital Services 2020-2021 RadarView™**



Named as an innovator for **Hybrid Enterprise Cloud** for the third consecutive year in the Avasant RadarView™



# Six tenets of Zensar's COVID-19 Response

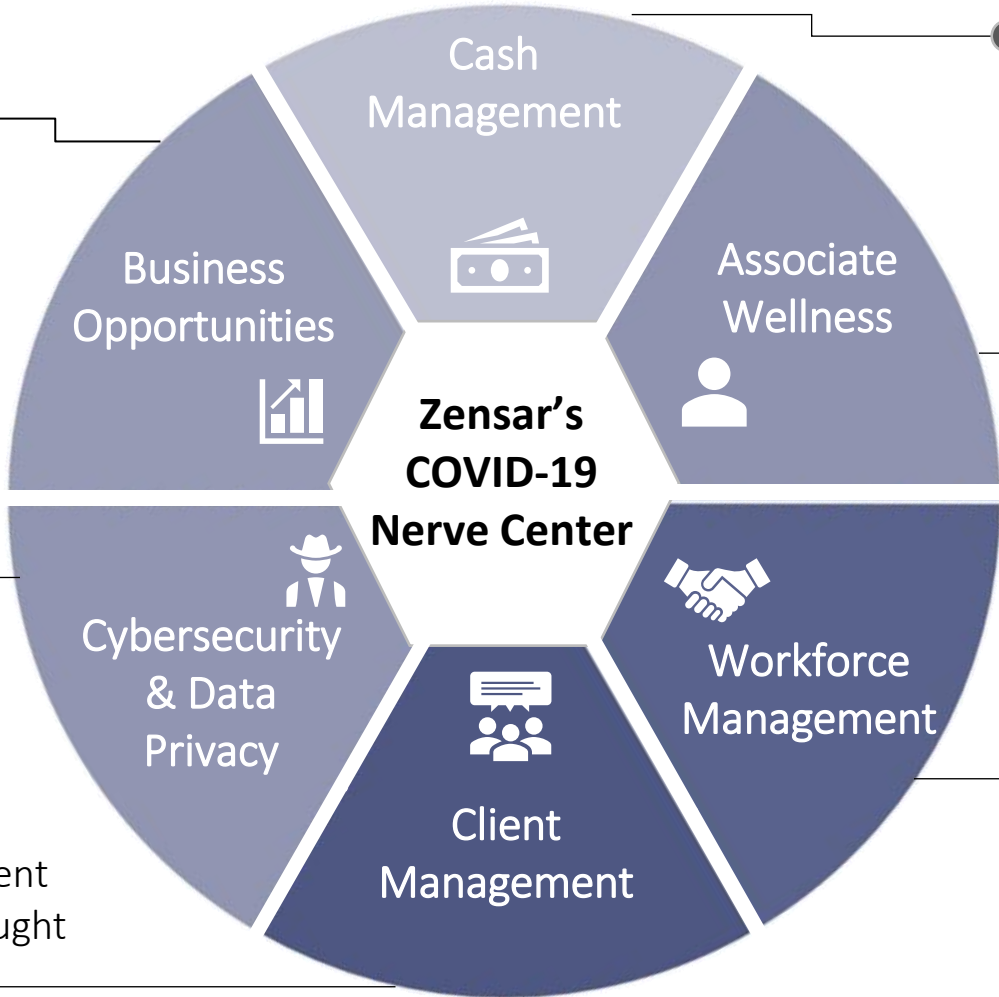


Q3 FY21

Client first initiatives paving the way for exponential growth. New propositions unveiled across industries

Zero security incidence of Cybersecurity attack in Zensar or customer-controlled network. With 810 Bitsight rating, Zensar is amongst top 1% companies monitored globally

Continued Proactive client communication and thought leadership



Zensar became a zero-debt company in Q3 FY21. Optimum Net Working Capital movement

Use of in-house digital platform to track wellness and set-up swift Emergency Response. 8500+ associates marked themselves safe. Multiple virtual sessions conducted for holistic well being

Increasingly able to create billable opportunities to neutralize the COVID impact. Headcount growth for the 1<sup>st</sup> time in four quarters

# Leadership Change at Zensar



Q3 FY21



**Ajay S. Bhutoria**  
CEO & MD

Ajay has more than 30 years of experience in the industry across US, Europe and India. Ajay was earlier the Chief Executive of L&T-NxT. Prior to that Ajay spent 17 years at Cognizant. In his last assignment in Cognizant, he led the Retail/Consumer Goods/Travel/Hospitality global vertical.

Immediately prior to that, he led Banking & Financial Services in the Americas and, preceding that, managed a top-5 global account. Earlier, he was the Country Head for Cognizant Switzerland, responsible for incubating business in the Swiss Market. Ajay was also a part of the enterprise transformation program driving Cognizant's strategy, and was a member of Cognizant's Executive Leadership Team.

Before joining Cognizant, Ajay spent a decade at TCS, leading multiple assignments in the Netherlands, Switzerland, Germany and India. While he started his professional journey in technology as a consummate programmer/analyst/solution architect, Ajay is also a Chartered Accountant by qualification.

Ajay is also a member of the RPG Group Management Board and is based in Princeton, New Jersey.



# RPG Group Overview

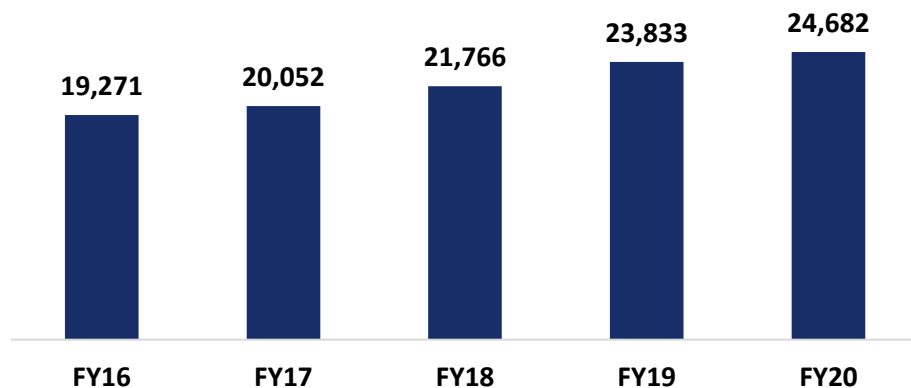
# RPG Group Key Financials



Q3 FY21

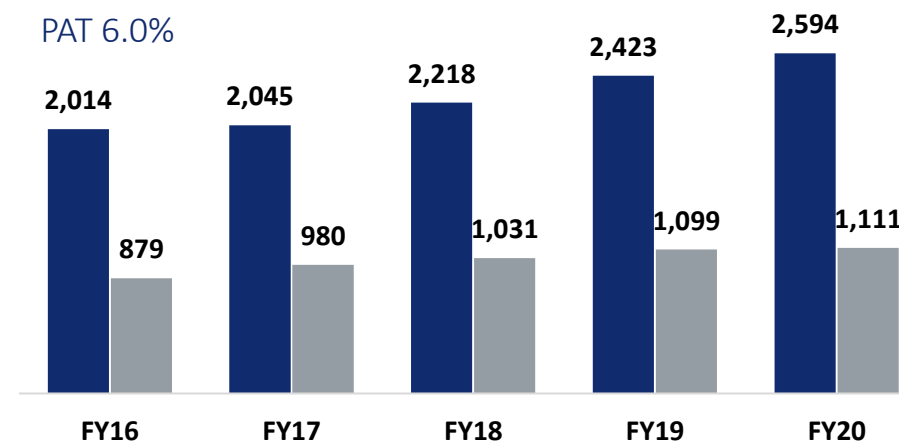
FY16-20  
CAGR: 7.6%

■ Gross Total Income (Rs Cr.)

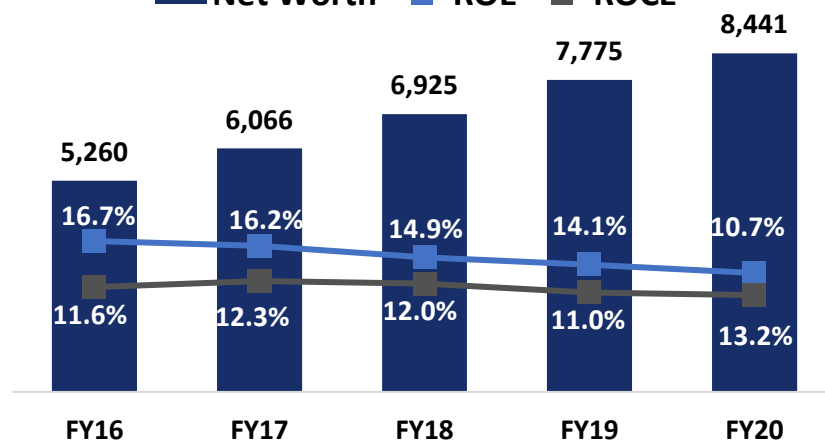


FY16-20 CAGR:  
EBITDA 6.5%  
PAT 6.0%

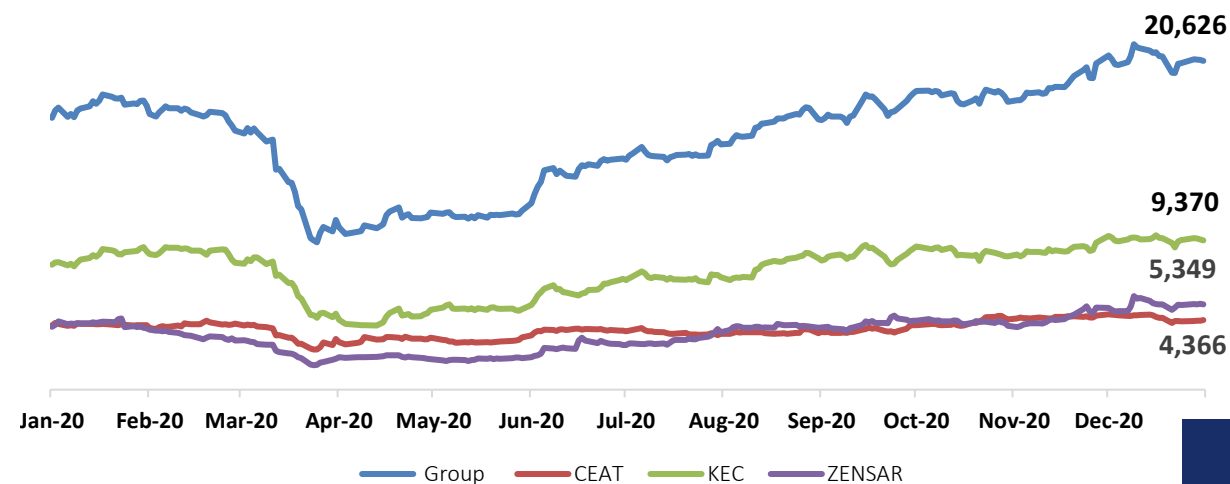
■ EBITDA ■ PAT



■ Net Worth ■ ROE ■ ROCE



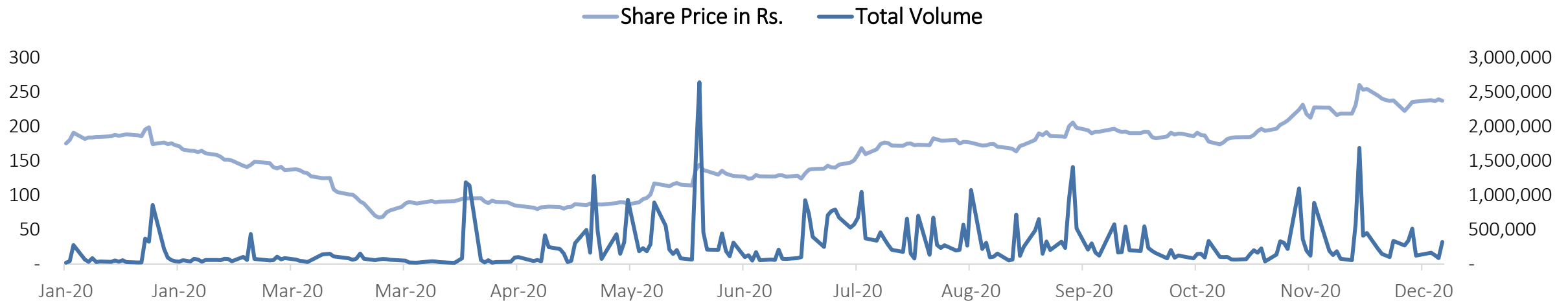
Market Cap



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 31<sup>st</sup> December 2020

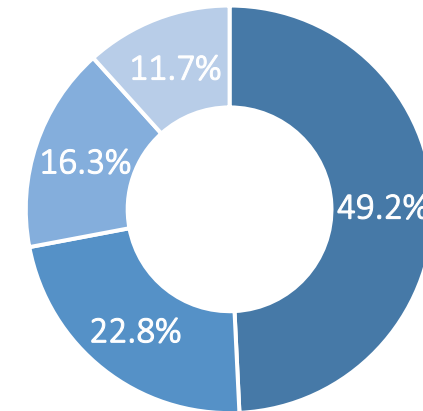
# Share Price & Share Holding Pattern Q3 FY21



## Equity Share Information:

- Share Price (31<sup>th</sup> December 2020): INR 237.25/ share
- Market Cap (31<sup>th</sup> December 2020): INR 5,349.35 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 2020):



■ Promoter ■ Apax Partners ■ FPIs ■ DIIs/ Others

**Thank You**