

**Date:** April 29, 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

**Subject:** Outcome of the Board Meeting held on April 29, 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 8:52 PM (IST), *inter-alia*, unanimously approved/consented/took on record the following:

**Financial Results:**

1. Standalone and Consolidated financial results of the Company for the quarter ended March 31, 2021, subjected to Limited Review.
2. Audited Standalone and Consolidated financial results of the Company for the financial year ended March 31, 2021.

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

The Auditor's Report with respect to the Audited Financial Results (Standalone and Consolidated) of the Company for the financial year ended March 31, 2021, is with unmodified opinion.

**Final Dividend:**

Recommendation of final dividend at INR 2.40 (120%) per equity share of INR 2.00 each, for FY 2020-21, subject to approval of the same by Members at the ensuing Annual General Meeting.

The dividend, if approved, shall be paid/dispatched to the shareholders within 30 days of its approval by the shareholders, at the AGM.

**Press Release:**

The Press Release and Analyst Presentation on financial results of the Company for the period ended March 31, 2021, as enclosed.



This is for your information and dissemination purpose.

**For Zensar Technologies Limited**



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

**Encl. As above**

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

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

**Opinion and Conclusion**

We have (a) audited the Standalone Financial Results for the year ended March 31, 2021 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2021 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2021" of **ZENSAR TECHNOLOGIES LIMITED** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2021:

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

**(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2021**

With respect to the Standalone Financial Results for the quarter ended March 31, 2021, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2021, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2021**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2021 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**Management's Responsibilities for the Statement**

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2021 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2021 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibilities**

**(a) Audit of the Standalone Financial Results for the year ended March 31, 2021**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2021 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it

# Deloitte Haskins & Sells LLP

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

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

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

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

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

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

## **(b) Review of the Standalone Financial Results for the quarter ended March 31, 2021**

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2021 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## **Other Matters**

The Statement includes the results for the Quarter ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

SAIRABEE NAINAR  
RAWTHER

Digitally signed by  
SAIRABEE NAINAR  
RAWTHER  
Date: 2021.04.29  
17:44:14 +05'30'

**Saira Nainar**

Partner

(Membership No. 040081)

(UDIN: 21040081AAAABV3900)

Place: Mumbai

Date: April 29, 2021

<b>Zensar Technologies Limited</b>						
Registered Office : Zensar Knowledge Park, Kharadi, Plot # 4 , MIDC, Off Nagar Road, Pune - 411014, India CIN: L72200PN1963PLC012621						
Statement of Standalone Results for the Quarter and Year ended March 31, 2021						
(INR Lakhs)						
Particulars	Quarter Ended			Year ended		
	31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020	
	Refer note 9		Refer note 9			
	Unaudited	Unaudited	Unaudited	Audited	Audited	
<b>1</b>	Revenue from operations	34,788	34,873	35,299	136,178	137,030
<b>2</b>	Other income (net)	3,537	1,305	2,853	7,391	9,093
<b>3</b>	<b>Total Income</b>	<b>38,325</b>	<b>36,178</b>	<b>38,152</b>	<b>143,569</b>	<b>146,123</b>
<b>4</b>	<b>Expenses</b>					
	a. Purchase of traded goods	4	596	156	705	877
	b. Employee benefits expense	20,096	19,502	19,925	77,681	80,913
	c. Subcontracting costs	601	349	1,245	2,474	4,361
	d. Finance costs	513	533	798	2,180	2,330
	e. Depreciation, amortisation and impairment expense	2,312	2,146	2,180	8,945	8,138
	f. Other expenses	5,020	2,789	4,357	14,266	19,094
	<b>Total expenses</b>	<b>28,546</b>	<b>25,915</b>	<b>28,661</b>	<b>106,251</b>	<b>115,713</b>
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>9,779</b>	<b>10,263</b>	<b>9,491</b>	<b>37,318</b>	<b>30,410</b>
<b>6</b>	<b>Tax expense</b>					
	a. Current tax	1,553	2,014	1,724	8,251	6,262
	b. Deferred tax	126	274	711	103	1,044
<b>7</b>	<b>Net Profit for the period (5-6)</b>	<b>8,100</b>	<b>7,974</b>	<b>7,056</b>	<b>28,964</b>	<b>23,104</b>
<b>8</b>	<b>Other comprehensive income/(loss), net of income tax</b>					
	A. Items that will not be reclassified to profit or loss	504	(8)	(571)	1,134	(894)
	B. Items that will be reclassified to profit or loss	326	(389)	1	305	(693)
	<b>Total other comprehensive income/(loss), net of income tax</b>	<b>830</b>	<b>(397)</b>	<b>(570)</b>	<b>1,439</b>	<b>(1,587)</b>
<b>9</b>	<b>Total comprehensive income for the period (7+8)</b>	<b>8,930</b>	<b>7,577</b>	<b>6,486</b>	<b>30,403</b>	<b>21,517</b>
<b>10</b>	Paid-up equity share capital (Face value INR. 2 each)	4,512	4,509	4,508	4,512	4,508
<b>11</b>	<b>Other equity excluding Revaluation Reserves as per balance sheet</b>				179,058	152,859
<b>12</b>	<b>Earnings Per Share (Face value INR. 2 each) (not annualised):</b>					
	a) Basic	3.59	3.54	3.13	12.85	10.26
	b) Diluted	3.56	3.49	3.09	12.73	10.12

#### Statement of Assets & Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Assets</b>		
<b>Non-Current Assets</b>		
(a) Property, Plant and Equipment	9,408	10,487
(b) Right of use assets	19,682	23,122
(c) Capital work-in-progress	6	5
(d) Goodwill	8,402	8,402
(e) Other Intangible assets	3,912	3,662
(f) Intangible assets under development	-	762
(g) Financial Assets		
i) Investments	28,149	1,660
ii) Other financial assets	1,217	2,759
(h) Income tax assets (net)	2,329	2,434
(i) Deferred tax assets (net)	2,507	2,773
(j) Other non-current assets	608	882
<b>Total - Non-current assets</b>	<b>76,220</b>	<b>56,948</b>
<b>Current Assets</b>		
(a) Financial Assets		
i) Investments	36,328	26,704
ii) Trade receivables	65,664	105,569
iii) Cash and cash equivalents	8,442	3,299
iv) Bank balances other than in (iii) above	34,236	2,703
v) Other financial assets	3,983	6,330
(b) Other current assets	4,846	6,273
<b>Total - Current assets</b>	<b>153,499</b>	<b>150,878</b>
<b>Total - Assets</b>	<b>229,719</b>	<b>207,826</b>



Particulars	As at March 31, 2021	As at March 31, 2020
<b>Equity And Liabilities</b>		
<b>Equity</b>		
(a) Equity Share Capital	4,512	4,508
(b) Other Equity		
i. Reserves and surplus	179,046	153,358
ii. Other components of equity	12	(499)
<b>Total - Equity</b>	<b>183,570</b>	<b>157,367</b>
<b>Non-Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	-	-
ii) Lease liabilities	17,172	19,369
(b) Provisions	317	263
(c) Employee benefit obligations	1,656	1,544
<b>Total - Non-Current Liabilities</b>	<b>19,145</b>	<b>21,176</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	-	-
ii) Trade payables	9,170	8,053
iii) Lease Liabilities	4,775	5,066
iv) Other financial liabilities	7,689	9,643
(b) Employee benefit obligations	1,807	3,122
(c) Other current liabilities	1,593	1,877
(d) Income tax liabilities (net)	1,970	1,522
<b>Total - Current Liabilities</b>	<b>27,004</b>	<b>29,283</b>
<b>Total - Equity And Liabilities</b>	<b>229,719</b>	<b>207,826</b>

**Notes :**

- The above financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on April 29, 2021.
- Standalone Statement of Cash flows is attached as Annexure I.
- Where financial results are declared for both consolidated and standalone entity, segment information may be presented only in the case of consolidated financial results. Accordingly, segment information has been provided only in the consolidated financial results.
- The term of the erstwhile Managing Director and the CEO of the Company ended on January 11, 2021, however his employment at Zensar Technologies Inc. US (100% subsidiary of Zensar Technologies Limited) was extended till February 12, 2021 to facilitate a smooth transition. The Company, post obtaining the necessary approvals (including shareholder's approval), has paid and accounted for the one time additional payment of USD 2.40 million to the erstwhile Managing Director and CEO during the quarter and year ended 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, through its 100% subsidiary Zensar Technologies Inc, 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 previous 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 7 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.  
In addition, the Board of Directors in their meeting held on April 29, 2021 have recommended a final dividend of INR 2.40 per equity share, subject to the approval of shareholders.
- 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.

- Figures for the quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the third quarter of the respective financial year.

For and on behalf of the Board



*Ajay Singh Bhutoria*  
Ajay Singh Bhutoria  
CEO and Managing Director  
DIN:09013862

Mumbai  
Date: April 29, 2021

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

Particulars	Year Ended	Year Ended
	31-Mar-2021	31-Mar-2020
	Audited	Audited
<b>Cash flow from operating activities</b>		
Profit before taxation	37,318	30,410
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment expense	8,945	8,138
Employee share based payment expense	(110)	119
Profit on sale of investments (mutual funds)	(589)	(1,409)
Changes in fair value of financial assets/liabilities measured at fair value through profit and loss	(1,268)	283
(Profit)/Loss on disposal of business/subsidiary	-	51
Dividend income	(2,626)	(2,757)
Interest income	(1,069)	(262)
Interest expense	2,147	2,282
(Profit) / loss on sale of property, plant and equipment and intangible assets (net)	(7)	(8)
Provision for doubtful debts and advances (net)	(2,198)	1,047
Adjustment on account of contingent consideration	-	(173)
Bad debts written off	3,133	-
Provisions no longer required and credit balances written back	(103)	(10)
Unrealised exchange (gain) / loss (net)	1,654	(588)
	7,909	6,713
<b>Operating profit before working capital changes</b>	<b>45,227</b>	<b>37,123</b>
<b>Change in assets and liabilities</b>		
(Increase)/ decrease in trade receivables and Unbilled revenues	36,221	3,708
(Increase)/ decrease in other assets	3,584	(120)
Increase/ (decrease) in trade payables, other liabilities and provisions	1,200	(1,798)
Increase/ (decrease) in employee benefit obligations	1,487	430
<b>Cash generated from operations</b>	<b>87,720</b>	<b>39,343</b>
Income taxes paid (net of refunds)	(8,306)	(5,726)
<b>Net cash inflow from operating activities</b>	<b>79,414</b>	<b>33,617</b>
<b>Cash flow from investing activities</b>		
Purchases of Property, plant and equipment and intangible assets	(3,748)	(6,767)
Earnout to Subsidiaries	-	(4,988)
Investment in subsidiaries	(11,093)	-
Sale of Business/subsidiaries	-	902
Sale of Property, plant and equipment and intangible assets	17	8
Fixed Deposits placed	(34,835)	(2,434)
Fixed Deposits redeemed	3,266	354
Purchase of investments (Mutual Funds)	(173,731)	(121,530)
Sale of investments (Mutual Funds)	153,011	105,147
Investment in NCD	(2,451)	-
Interest income received	447	272
Dividend income received	2,626	2,757
<b>Net cash used in investing activities</b>	<b>(66,491)</b>	<b>(26,279)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares	145	152
Dividend on equity shares and tax thereon	(2,706)	(11,932)
Interest paid	(71)	(57)
Payment of lease liabilities	(5,125)	(4,313)
Proceeds from short-term borrowings	7,567	1,376
Repayment of short-term borrowings	(7,590)	(1,418)
<b>Net cash used in financing activities</b>	<b>(7,780)</b>	<b>(16,192)</b>
Effect of exchange differences on translation of cash and cash equivalents	-	1
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5,143</b>	<b>(8,853)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3,299</b>	<b>12,152</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>8,442</b>	<b>3,299</b>



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

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

**Opinion and Conclusion**

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2021 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2021 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2021" of **ZENSAR TECHNOLOGIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Results for the year ended March 31, 2021:

- i. includes the results of the subsidiaries mentioned in the Annexure to this report;
- ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2021.

**(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2021**

With respect to the Consolidated Financial Results for the quarter ended March 31, 2021, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2021, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2021**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in paragraph (a) of Auditor’s Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“the ICAI”) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2021 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**Management’s Responsibilities for the Statement**

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent’s Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2021, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2021 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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

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

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

# Deloitte Haskins & Sells LLP

## Auditor's Responsibilities

### (a) Audit of the Consolidated Financial Results for the year ended March 31, 2021

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2021 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

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

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

# Deloitte Haskins & Sells LLP

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

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

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

## **(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2021**

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2021 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities listed in the Annexure to this report.

## **Other Matters**

The Statement includes the results for the Quarter ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.

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

**SAIRABEE** Digitally signed by  
**NAINAR** SAIRABEE NAINAR  
**RAWTHER** RAWTHER  
Date: 2021.04.29  
17:45:09 +05'30'

**Saira Nainar**  
Partner  
(Membership No. 040081)  
(UDIN: 21040081AAAABW5453)

Place: Mumbai  
Date: April 29, 2021

# **Deloitte Haskins & Sells LLP**

## **Annexure to Auditor's 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)

<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 Consolidated Results for the Quarter and Year ended March 31, 2021</b>						
(INR Lakhs)						
Particulars	Quarter Ended			Year Ended		
	31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020	
	Refer note 10		Refer note 10			
	Unaudited	Unaudited	Unaudited	Audited	Audited	
<b>1</b> Revenue from operations	87,629	93,441	101,779	378,139	418,168	
<b>2</b> Other income (net)	661	480	1,611	2,545	8,842	
<b>3 Total Income</b>	<b>88,290</b>	<b>93,921</b>	<b>103,390</b>	<b>380,684</b>	<b>427,010</b>	
<b>4 Expenses</b>						
a. Purchase of traded goods	2,039	3,626	2,447	11,344	15,250	
b. Consumption and changes in inventories	-	628	1,517	2,695	3,089	
c. Employee benefits expense	49,075	52,894	56,523	215,256	234,743	
d. Subcontracting costs	11,388	11,575	15,501	52,332	65,881	
e. Finance costs	1,218	1,301	1,718	5,353	6,051	
f. Depreciation, amortisation and impairment expense	4,451	4,261	4,154	17,471	15,918	
g. Other expenses	7,905	6,177	11,629	28,029	48,499	
<b>Total expenses</b>	<b>76,076</b>	<b>80,462</b>	<b>93,489</b>	<b>332,480</b>	<b>389,431</b>	
<b>5 Profit before exceptional item and tax</b>	<b>12,214</b>	<b>13,459</b>	<b>9,901</b>	<b>48,204</b>	<b>37,579</b>	
<b>6</b> Exceptional Item (refer note 7)	(60)	4,023	-	(4,910)	-	
<b>7 Profit before tax (5-6)</b>	<b>12,154</b>	<b>17,482</b>	<b>9,901</b>	<b>43,294</b>	<b>37,579</b>	
<b>8 Tax expense</b>						
a. Current tax	(459)	3,951	1,981	10,689	10,131	
b. Deferred tax [net of reversal of Rs. 2,179 lakhs liability reclassified to exceptional item in year ended 31 March 2021 (refer note 7)]	3,550	(386)	720	1,907	288	
<b>9 Net Profit/(Loss) for the period (7-8)</b>	<b>9,063</b>	<b>13,917</b>	<b>7,200</b>	<b>30,698</b>	<b>27,160</b>	
<b>10 Net Profit/(Loss) attributable to:</b>						
- Owners	8,834	13,789	6,951	30,003	26,342	
- Non-controlling interests	229	128	249	695	818	
<b>11 Other comprehensive income/(loss), net of income tax</b>						
A. Items that will not be reclassified to profit or loss	249	(8)	(1,880)	879	(2,206)	
B. Items that will be reclassified to profit or loss	1,190	(2,518)	1,632	(1,241)	2,382	
<b>Total other comprehensive income/(loss), net of income tax</b>	<b>1,439</b>	<b>(2,526)</b>	<b>(248)</b>	<b>(362)</b>	<b>176</b>	
<b>12 Total comprehensive income for the period (9+11)</b>	<b>10,502</b>	<b>11,391</b>	<b>6,952</b>	<b>30,336</b>	<b>27,336</b>	
<b>13 Total comprehensive income attributable to:</b>						
- Owners	10,290	11,038	6,943	29,394	26,668	
- Non-controlling interests	212	353	9	942	668	
<b>14</b> Paid-up equity share capital (Face value INR 2 each)	4,512	4,509	4,508	4,512	4,508	
<b>15 Other equity excluding Revaluation Reserves as per balance sheet</b>				229,720	204,491	
<b>16 Earnings Per Share (Face value INR. 2 each) (not annualised):</b>						
Before exceptional item						
a) Basic	3.94	4.33	3.08	15.49	11.69	
b) Diluted	3.91	4.27	3.04	15.34	11.53	
After exceptional item						
a) Basic	3.92	6.12	3.08	13.31	11.69	
b) Diluted	3.88	6.03	3.04	13.18	11.53	

**Statement of Assets & Liabilities**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Assets</b>		
<b>Non-Current Assets</b>		
(a) Property, Plant and Equipment	11,339	12,940
(b) Right of use assets	27,503	32,649
(c) Capital work-in-progress	6	180
(d) Goodwill	57,702	64,658
(e) Other Intangible assets	16,754	22,020
(f) Intangible assets under development	-	957
(g) Financial Assets		
i) Investments	15,397	1,142
ii) Other financial assets	3,060	6,798
(h) Income tax assets (net)	6,416	6,064
(i) Deferred tax assets (net)	4,916	4,966
(j) Other non-current assets	968	1,419
<b>Total - Non-current assets</b>	<b>144,061</b>	<b>153,793</b>
<b>Current Assets</b>		
(a) Inventories	-	9,412
(b) Financial Assets		
i) Investments	36,328	26,704
ii) Trade receivables	58,875	66,564
iii) Cash and cash equivalents	34,921	48,834
iv) Bank balances other than in (iii) above	34,941	2,823
v) Other financial assets	18,951	29,762
(c) Other current assets	15,260	21,663
<b>Total - Current assets</b>	<b>199,276</b>	<b>205,762</b>
<b>Total - Assets</b>	<b>343,337</b>	<b>359,555</b>



<b>Equity And Liabilities</b>		
<b>Equity</b>		
(a) Equity Share Capital	4,512	4,508
(b) Other Equity		
i. Reserves and surplus	227,859	201,118
ii. Other components of equity	1,861	3,373
Equity Attributable to Owners of the Company	234,232	208,999
Non controlling interests	2,874	2,370
<b>Total - Equity</b>	<b>237,106</b>	<b>211,369</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	-	6,537
ii) Lease liabilities	25,388	31,293
iii) Other financial liabilities	97	4,599
(b) Provisions	317	263
(c) Employee benefit obligations	5,125	1,554
(d) Other non-current liabilities	1,460	-
<b>Total - Non-Current Liabilities</b>	<b>32,387</b>	<b>44,246</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
i) Borrowings	-	22,321
ii) Trade payables	22,013	26,497
iii) Lease liabilities	9,567	10,577
iv) Other financial liabilities	24,720	22,825
(b) Employee benefit obligations	3,620	8,325
(c) Other current liabilities	11,426	8,485
(d) Income tax liabilities (net)	2,498	4,910
<b>Total - Current Liabilities</b>	<b>73,844</b>	<b>103,940</b>
<b>Total - Equity And Liabilities</b>	<b>343,337</b>	<b>359,555</b>

**Consolidated Segment wise Revenue & Results for the Quarter and year ended March 31, 2021**

Particulars	Quarter Ended			Year Ended	
	31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1 Segment Revenue</b>					
Digital and Application Services <sup>#</sup>	74,451	76,981	85,231	311,669	351,518
Digital Foundation Services <sup>#</sup>	13,178	16,460	16,548	66,470	66,650
<b>Revenue From Operations</b>	<b>87,629</b>	<b>93,441</b>	<b>101,779</b>	<b>378,139</b>	<b>418,168</b>
<b>2 Segment Results</b>					
Digital and Application Services	16,035	17,102	12,710	60,494	46,983
Digital Foundation Services	2,051	2,321	2,081	9,801	8,036
<b>Segment Results</b>	<b>18,086</b>	<b>19,423</b>	<b>14,791</b>	<b>70,295</b>	<b>55,019</b>
Less: Finance costs	1,218	1,301	1,718	5,353	6,051
Less: Unallocable expenditure net of unallocable income	4,654	4,663	3,172	16,738	11,389
<b>Profit before exceptional item and tax</b>	<b>12,214</b>	<b>13,459</b>	<b>9,901</b>	<b>48,204</b>	<b>37,579</b>



Statement of Segment Assets & Liabilities		31-Mar-2021	31-Dec-2020	31-Mar-2020
		Audited	Unaudited	Audited
1	<b>Segment Assets</b>			
	<b>Trade Receivables</b>			
	Digital and Application Services	50,277	47,767	55,212
	Digital Foundation Services	8,598	9,969	11,352
	<b>Total Trade Receivables</b>	<b>58,875</b>	<b>57,736</b>	<b>66,564</b>
	<b>Inventories</b>			
	Digital and Application Services	-	-	-
	Digital Foundation Services	-	-	9,412
	<b>Total Inventories</b>	<b>-</b>	<b>-</b>	<b>9,412</b>
	<b>Unbilled Revenue</b>			
	Digital and Application Services	21,048	21,028	34,325
	Digital Foundation Services	3,150	2,434	4,578
	<b>Total Unbilled Revenue</b>	<b>24,199</b>	<b>23,462</b>	<b>38,903</b>
	<b>Goodwill</b>			
	Digital and Application Services	43,947	43,859	44,326
	Digital Foundation Services	13,755	13,747	20,332
	<b>Total Goodwill</b>	<b>57,702</b>	<b>57,606</b>	<b>64,658</b>
	<b>Unallocable Assets</b>	<b>202,561</b>	<b>208,789</b>	<b>180,018</b>
	<b>TOTAL ASSETS</b>	<b>343,337</b>	<b>347,593</b>	<b>359,555</b>
2	<b>Segment Liabilities</b>			
	<b>Unearned Revenue</b>			
	Digital and Application Services	2,586	2,662	2,041
	Digital Foundation Services	659	859	2,440
	<b>Total Unearned Revenue</b>	<b>3,245</b>	<b>3,521</b>	<b>4,481</b>
	<b>Unallocable Liabilities</b>	<b>102,986</b>	<b>111,838</b>	<b>143,705</b>
	<b>TOTAL LIABILITIES</b>	<b>106,231</b>	<b>115,359</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 :**

- 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 April 29, 2021.
- Consolidated Statement of Cash flows is attached as Annexure I.
- Results of Zensar Technologies Limited on a stand alone basis are hosted on the Company's website [www.zensar.com](http://www.zensar.com).

Stand-Alone Financial Information					
Particulars	Quarter Ended			Year Ended	
	31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020
	Unaudited	Unaudited	Unaudited	Audited	Audited
Revenue from operations	34,788	34,873	35,299	136,178	137,030
Profit before tax	9,779	10,263	9,491	37,318	30,410
Net profit for the period	8,100	7,974	7,056	28,964	23,104

- During the year ended March 31, 2020, Company reversed contingent consideration payable on business combinations consummated in previous years amounting to INR 2,568 lakhs [USD 3.6 million] based on company's assessment, being no longer payable. This reversal was accounted under other income. During the quarter ended March 31, 2021, Group reversed contingent consideration payable on business combinations consummated in previous years amounting to INR 405 lakhs [USD 6 lakhs] based on company's assessment, being no longer payable.
- The term of the erstwhile Managing Director and the CEO of the Company ended on January 11, 2021, however his employment at Zensar Technologies Inc. US (100% subsidiary of Zensar Technologies Limited) was extended till February 12, 2021 to facilitate a smooth transition. The Company, post obtaining the necessary approvals (including shareholder's approval), has paid and accounted for the one time additional payment of USD 2.40 million to the erstwhile Managing Director and CEO during the quarter and year ended 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.
- During the 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 INR 11,052 lakhs and the reversal of deferred tax liability of INR 2,179 lakhs on account of this sale are 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 2 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 INR 3744 lakhs. Adjustment to consideration due to be finalized 75 days after the closing date have been adjusted in current quarter ended 31 March 2021. Further process of settlement to final amount between buyer and seller is in progress as per the SPA terms, any change thereon would be accounted once concluded. The disposal group does not constitute a separate major component of the Zensar Group and therefore has not been classified as discontinued operations in the Consolidated Statement of Profit and Loss.
- The Board of Directors in its meeting on January 21, 2021 declared an interim dividend of INR 1.20 per equity share. In addition, the Board of Directors in their meeting held on April 29, 2021 have recommended a final dividend of INR 2.40 per equity share, subject to the approval of shareholders.
- Aquila Technology Corporation (Aquila) was acquired by Zensar Technologies Inc. as part of the group acquisition of PSI Holding Group Inc (PSI) in 2010. A service agreement between Aquila and a customer of Aquila required independence, separation of its operations and lack of interdependence of Aquila on its related affiliates/parent. Accordingly, this led to loss of control over Aquila for the Group as the Group has no ability to direct the relevant activities of and exercise control over Aquila. Therefore, Aquila is not considered as a subsidiary of the group within the definition prescribed under Ind AS 110 and hence not consolidated by the Group. For its investments in Aquila, Group accounts for the changes in fair value through other comprehensive income. On 25 February 2021, Company signed an agreement for sale of its investment in Aquila for a consideration of USD 1.31 million receivable upfront (subject to working capital adjustment and novation of customer contracts) and an amount upto USD 0.60 million for performance based deferred earnouts. On completion of the closing conditions on 26 February 2021, the differential impact between estimated total consideration less cost to sell and carrying value of investment amounting to USD 0.38 million has been accounted under other comprehensive income. Further, adjustment to consideration is due to be finalized within 60 days after the closing date and adjustment if any would be accounted then.
- Figures for the quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the third quarter of the respective financial year.

For and on behalf of the Board



*Ajay Singh Bhutoria*  
Ajay Singh Bhutoria  
CEO and Managing Director  
DIN:09013862

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

Particulars	Year Ended	Year Ended
	31-Mar-2021	31-Mar-2020
	Audited	Audited
<b>Cash flow from operating activities</b>		
<b>Profit before taxation</b>	43,294	37,579
Exceptional Item	(4,910)	-
<b>Profit before exceptional item and tax</b>	48,204	37,579
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment expense	17,471	15,918
Employee share based payment expense	(1,848)	645
Profit on sale of investments (mutual funds)	(589)	(1,409)
Changes in fair value of financial assets/liabilities measured at fair value through profit and loss	(450)	683
(Profit)/Loss on disposal of business/subsidiary	-	-
Interest income	(1,386)	(512)
Interest expense	4,248	5,167
(Profit) / loss on sale of property, plant and equipment and intangible assets (net)	27	(5)
Provision for doubtful debts and advances (net)	(5,336)	(1,749)
Bad debts written off	6,240	4,357
Provision no longer required and credit balances written back	(609)	(2,581)
Unrealised exchange (gain) / loss (net)	2,346	(1,544)
	20,114	18,970
<b>Operating profit before working capital changes</b>	<b>68,318</b>	<b>56,549</b>
<b>Change in assets and liabilities</b>		
(Increase)/ decrease in inventories	-	434
(Increase)/decrease in trade receivables and Unbilled revenues	16,207	22,765
(Increase)/ decrease in other assets	7,460	9,771
Increase/ (decrease) in trade payables, other liabilities and provisions	7,690	(10,786)
Increase/ (decrease) in employee benefit obligations	127	1,356
<b>Cash generated from operations</b>	<b>99,802</b>	<b>80,089</b>
Income taxes paid (net of refunds)	(14,001)	(11,467)
<b>Net cash inflow from operating activities</b>	<b>85,801</b>	<b>68,622</b>
<b>Cash flow from investing activities</b>		
Purchases of Property, plant and equipment and intangible assets	(3,949)	(7,818)
Earnout to Subsidiaries	(707)	(5,970)
Sale of Business/subsidiaries	5,050	-
Disposal of investments	737	-
Sale of Property, plant and equipment and intangible assets	18	9
Fixed Deposits placed	(34,835)	(2,554)
Fixed Deposits redeemed	3,266	667
Purchase of investments (Mutual Funds)	(173,731)	(121,530)
Purchase of investments (Non Convertible Debentures)	(2,451)	-
Sale of investments (Mutual Funds)	153,011	105,147
Interest income received	764	522
<b>Net cash used in investing activities</b>	<b>(52,827)</b>	<b>(31,527)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares	146	152
Dividend on equity shares and tax thereon	(2,706)	(11,974)
Interest paid	(368)	(1,184)
Payment of lease liabilities	(10,822)	(7,817)
Proceeds from long-term borrowings	-	-
Repayment of long-term borrowings	(10,590)	(4,173)
Proceeds from short-term borrowings	7,567	28,237
Repayment of short-term borrowings	(29,918)	(22,920)
<b>Net cash used in financing activities</b>	<b>(46,691)</b>	<b>(19,679)</b>
Effect of exchange differences on translation of cash and cash equivalents	(196)	39
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(13,913)</b>	<b>17,455</b>
<b>Cash and cash equivalents at the beginning of the year</b>	48,834	31,379
<b>Cash and cash equivalents at the end of the year</b>	34,921	48,834



## Zensar reports 27.4% YoY growth in PAT for FY21

**Pune, India, April 29, 2021:** Zensar Technologies, a leading digital solutions and technology services company that partners with global organizations on their digital transformation journey, announced its consolidated financial results for its fourth quarter ending March 31, 2021 of the fiscal year 2020-2021.

### **Financial Highlights:**

- In Q4FY21, the company reported revenue of \$120.2 Mn. For the year FY21, revenue was \$494.0 Mn, a decline of 12.7% YoY
- In Q4FY21, the company reported a PAT of \$12.4 Mn. For FY21, the PAT increased by 27.4% to \$47.2 Mn
- Digital was 65.9% of the revenue in Q4FY21 and 64.2% for FY21
- EBITDA declined sequentially by 5.3% but grew YoY by 21.0% in Q4FY21
- The company reported net cash of \$166.3 Mn in FY21, 178.4% YoY growth from \$59.7 Mn in FY20
- The Digital Foundation Services business grew by 6.0% YoY in Q4FY21
- Europe region reported sequential growth of 4.7% QoQ and 6.7% YoY in Q4FY21
- Emerging services reported a YoY growth of 6.2% in Q4FY21
- BFSI business has reported QoQ growth of 2.0% in Banking and 2.2% in Insurance in Q4FY21

**Ajay S. Bhutoria, Chief Executive Officer and Managing Director, Zensar Technologies, said,** “FY21 was a year of new learnings and a focused client-centric strategy as we continued to support our customers navigating through a period of uncertainty. Our PAT for FY21 at 9.5% of the revenues has seen a healthy increase in YoY terms as we continue to focus on improving operational metrics across the board. Our clients are looking for digital transformation solutions and this has resulted in our Digital Foundation Services growing by 6.0% YoY in Q4FY21. I am pleased to see our UK/Europe regions posting a healthy growth, growing by 6.7% YoY in Q4FY21 with numerous new logos added in the last fiscal.”

**Adding further, he stated,** “The well-being of our global teams remains at the center of all our initiatives along with a sharp focus on what our clients need from us to deliver value to their customers.”

**Navneet Khandelwal, Chief Financial Officer, Zensar Technologies said,** “We have ended this fiscal with a strong cash position at \$166.3 Mn. Our DSO stood at 77 days, which underscores our initiatives to maintain sound operational metrics. The EBITDA has posted a YoY increase of 21.0% in Q4FY21 which again is in line with our focus on keeping operational parameters sound and in line with running efficient financial processes.”

*\*The reported numbers are for core business (excluding TPM business divested in Q3FY21) and adjusted to exclude exceptional item.*

### **Significant Wins in Q4FY21:**

- Digital commerce, testing mandate for a leading American retail store chain
- Application maintenance services for a US-based conglomerate having diversified businesses
- Application and development maintenance mandate for a US-based hi-tech company
- Digital infrastructure services for an American sports manufacturing company
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- Application and development mandate for a leading UK-based retail chain

- CX-led digital services mandate for an American multinational financial services company
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**Corporate Excellence Snapshot in Q4FY21:**

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**Awards and Recognitions in Q4FY21:**

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**Q4 FY 21 Revenue and profitability snapshot**

Particulars	Q4 FY21		Growth					
	USD Mn	INR Mn	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	\$ 120.2	₹ 8767	(2.1%)	(3.3%)	(3.4%)	(10.9%)	(10.2%)	(12.2%)
EBITDA	\$ 23.9	₹ 1743	(5.3%)	(6.4%)		21.0%	21.9%	
EBIT	\$ 17.8	₹ 1298	(8.9%)	(10.0%)		26.2%	27.2%	
PAT	\$ 12.4	₹ 905	(7.2%)	(8.3%)		26.6%	27.6%	

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

Zensar is a digital solutions and technology services company that partners with global organizations across industries to achieve digital transformation. With a strong track record of innovation, investment in digital solutions, and commitment to client success, Zensar’s comprehensive range of services and solutions help clients achieve new thresholds of business performance through client satisfaction, excellence in delivery, and innovation.

**Follow Zensar via:**

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

**[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, Tires, Pharma, IT and Specialty as well as in emerging innovation led technology businesses.

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

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<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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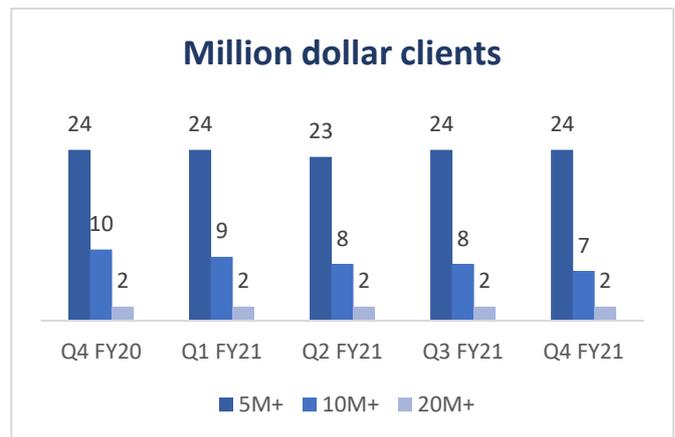
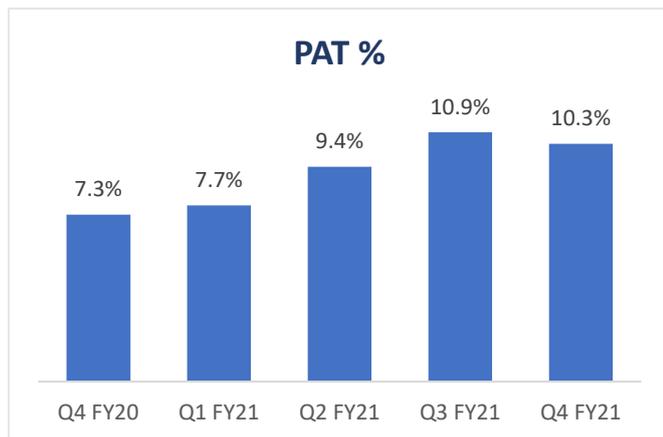
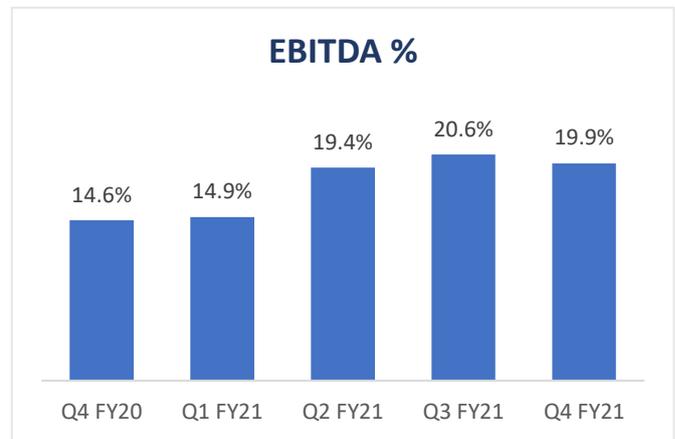
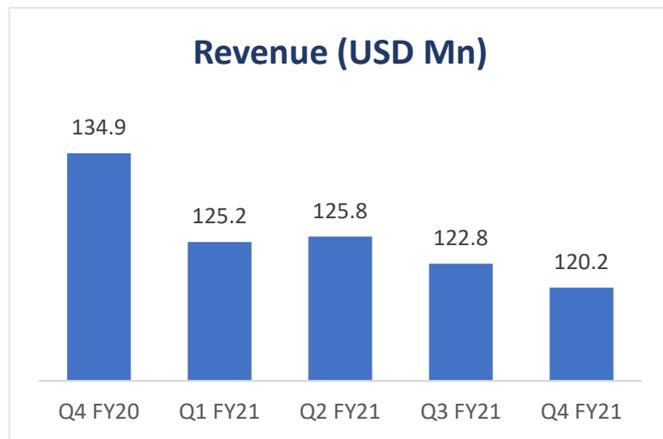
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**Q4 FY 21 Revenue and profitability snapshot**

Particulars	Q4 FY21		Growth					
	USD Mn	INR Mn	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	\$ 120.2	₹ 8767	(2.1%)	(3.3%)	(3.4%)	(10.9%)	(10.2%)	(12.2%)
EBITDA	\$ 23.9	₹ 1743	(5.3%)	(6.4%)		21.0%	21.9%	
EBIT	\$ 17.8	₹ 1298	(8.9%)	(10.0%)		26.2%	27.2%	
PAT	\$ 12.4	₹ 905	(7.2%)	(8.3%)		26.6%	27.6%	

**Performance Highlights**



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

Income Statement (USD Mn)	Q4 FY 20	FY 20	Q3 FY 21	Q4 FY21	FY 21
<b>Operating revenue</b>	<b>134.9</b>	<b>566.0</b>	<b>122.8</b>	<b>120.2</b>	<b>494.0</b>
<i>Sequential Growth</i>	-2.2%		-2.4%	-2.1%	
<i>Year-Over-Year Growth</i>	-5.3%	6.8%	-10.9%	-10.9%	-12.7%
Cost of revenue	94.4	405.9	80.3	78.3	328.7
<b>Gross profit</b>	<b>40.5</b>	<b>160.1</b>	<b>42.5</b>	<b>41.9</b>	<b>165.3</b>
<i>Gross profit % of revenue</i>	30.0%	28.3%	34.6%	34.9%	33.5%
<i>Sequential Growth</i>	22.6%		-2.9%	-1.4%	
<i>Year-Over-Year Growth</i>	-6.0%	1.0%	28.9%	3.7%	3.3%
Sales and marketing expenses	8.5	36.3	7.7	5.9	28.2
General and administration expenses	12.2	52.7	9.6	12.1	44.9
Operating expenses	20.7	89.1	17.3	18.0	73.0
<i>% of revenue</i>	15.4%	15.7%	14.1%	15.0%	14.8%
Other operating income	-	0.0	-	-	-
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>19.7</b>	<b>71.0</b>	<b>25.2</b>	<b>23.9</b>	<b>92.3</b>
<i>EBITDA % of revenue</i>	14.6%	12.5%	20.6%	19.9%	18.7%
<i>Sequential Growth</i>	109.2%		3.3%	-5.3%	
<i>Year-Over-Year Growth</i>	-2.0%	-5.4%	167.3%	21.0%	29.9%
Depreciation and amortisation	5.6	22.1	5.7	6.1	23.3
<b>Earnings before interest and tax (EBIT)</b>	<b>14.1</b>	<b>48.9</b>	<b>19.5</b>	<b>17.8</b>	<b>68.9</b>
<i>EBIT % of revenue</i>	10.5%	8.6%	15.9%	14.8%	14.0%
<i>Sequential Growth</i>	276.9%		4.5%	-8.9%	
<i>Year-Over-Year Growth</i>	-15.5%	-22.0%	422.1%	26.2%	40.9%
Interest	2.4	8.5	1.8	1.7	7.2
Exchange Gain/(Loss)	0.9	6.4	-0.8	-0.5	-1.5
Other income	1.3	6.1	1.5	1.4	4.9
<b>Profit before tax</b>	<b>13.9</b>	<b>52.8</b>	<b>18.4</b>	<b>17.0</b>	<b>65.1</b>
<i>% of revenue</i>	10.3%	9.3%	15.0%	14.2%	13.2%
<i>Sequential Growth</i>	85.5%		12.4%	-7.5%	
<i>Year-Over-Year Growth</i>	-24.0%	-23.2%	145.0%	22.1%	23.2%
Provision for taxation	3.8	14.7	4.9	4.3	17.0
<b>Profit after tax (before minority interest)</b>	<b>10.1</b>	<b>38.2</b>	<b>13.5</b>	<b>12.7</b>	<b>48.1</b>
<i>% of revenue</i>	7.5%	6.7%	11.0%	10.6%	9.7%
Minority interest	0.3	1.2	0.2	0.3	0.9
<b>Profit after tax</b>	<b>9.8</b>	<b>37.0</b>	<b>13.4</b>	<b>12.4</b>	<b>47.2</b>
<i>Profit after tax % of revenue</i>	7.3%	6.5%	10.9%	10.3%	9.5%
<i>Sequential Growth</i>	82.4%		13.3%	-7.2%	
<i>Year-Over-Year Growth</i>	-23.4%	-23.7%	148.8%	26.6%	27.4%

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Income Statement (INR Mn)	Q4 FY 20	FY 20	Q3 FY 21	Q4 FY21	FY 21
<b>Operating revenue</b>	<b>9,763</b>	<b>40,102</b>	<b>9,065</b>	<b>8,767</b>	<b>36,682</b>
<i>Sequential Growth</i>	-0.6%		-3.2%	-3.3%	
<i>Year-Over-Year Growth</i>	-2.7%	8.1%	-7.7%	-10.2%	-8.5%
Cost of revenue	6,835	28,756	5,925	5,708	24,417
<b>Gross profit</b>	<b>2,928</b>	<b>11,347</b>	<b>3,140</b>	<b>3,059</b>	<b>12,264</b>
<i>Gross profit % of revenue</i>	30.0%	28.3%	34.6%	34.9%	33.4%
<i>Sequential Growth</i>	24.6%		-3.6%	-2.6%	
<i>Year-Over-Year Growth</i>	-3.5%	2.4%	33.6%	4.5%	8.1%
Sales and marketing expenses	613	2,573	569	431	2,090
General and administration expenses	886	3,739	708	885	3,332
<b>Operating expenses</b>	<b>1,499</b>	<b>6,312</b>	<b>1,277</b>	<b>1,316</b>	<b>5,423</b>
<i>% of revenue</i>	15.4%	15.7%	14.1%	15.0%	14.8%
Other operating income	-	2	-	-	-
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>1,429</b>	<b>5,037</b>	<b>1,863</b>	<b>1,743</b>	<b>6,841</b>
<i>EBITDA % of revenue</i>	14.6%	12.6%	20.6%	19.9%	18.7%
<i>Sequential Growth</i>	112.6%		2.5%	-6.4%	
<i>Year-Over-Year Growth</i>	0.7%	-4.0%	177.1%	21.9%	35.8%
Depreciation and amortisation	409	1,567	421	445	1,733
<b>Earnings before interest and tax (EBIT)</b>	<b>1,020</b>	<b>3,470</b>	<b>1,442</b>	<b>1,298</b>	<b>5,109</b>
<i>EBIT % of revenue</i>	10.5%	8.7%	15.9%	14.8%	13.9%
<i>Sequential Growth</i>	283.0%		3.7%	-10.0%	
<i>Year-Over-Year Growth</i>	-13.3%	-20.8%	441.1%	27.2%	47.2%
Interest	172	605	130	122	535
Exchange Gain/(Loss)	67	449	-59	-38	-112
Other income	94	435	107	104	367
<b>Profit before tax</b>	<b>1,010</b>	<b>3,749</b>	<b>1,360</b>	<b>1,242</b>	<b>4,828</b>
<i>% of revenue</i>	10.3%	9.3%	15.0%	14.2%	13.2%
<i>Sequential Growth</i>	88.6%		11.5%	-8.7%	
<i>Year-Over-Year Growth</i>	-22.0%	-21.9%	154.0%	23.0%	28.8%
Provision for taxation	275	1,038	360	314	1,262
<b>Profit after tax (before minority interest)</b>	<b>734</b>	<b>2,711</b>	<b>999</b>	<b>928</b>	<b>3,566</b>
<i>% of revenue</i>	7.5%	6.8%	11.0%	10.6%	9.7%
Minority interest	25	82	13	23	70
<b>Profit after tax</b>	<b>709</b>	<b>2,629</b>	<b>987</b>	<b>905</b>	<b>3,497</b>
<i>Profit after tax % of revenue</i>	7.3%	6.6%	10.9%	10.3%	9.5%
<i>Sequential Growth</i>	85.4%		12.3%	-8.3%	
<i>Year-Over-Year Growth</i>	-21.4%	-22.4%	157.9%	27.6%	33.0%

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Other Metrics	Q4 FY 20	FY 20	Q3 FY 21	Q4 FY21	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>84.9%</b>	<b>84.9%</b>	<b>85.0%</b>
<i>Digital Services</i>	52.3%	47.6%	55.0%	55.9%	54.5%
<i>Core Application Services</i>	35.0%	39.9%	29.9%	29.0%	30.5%
<b>Digital Foundation Services (DFS)</b>	<b>12.7%</b>	<b>12.5%</b>	<b>15.1%</b>	<b>15.1%</b>	<b>15.0%</b>
<i>Cloud, Digital Led next gen CIS</i>	7.3%	6.9%	10.0%	10.0%	9.7%
<i>Core Infrastructure Services</i>	5.4%	5.6%	5.1%	5.1%	5.3%
<b>Total Digital Services</b>	<b>59.6%</b>	<b>54.5%</b>	<b>65.0%</b>	<b>65.9%</b>	<b>64.2%</b>
<b>Revenue by Industry (as % of Revenue)</b>					
Hi-Tech	41.3%	40.3%	39.6%	39.1%	41.9%
Mfg	11.8%	12.5%	12.3%	12.4%	12.2%
Consumer Services	15.0%	15.9%	15.3%	15.3%	14.2%
Insurance	20.3%	20.2%	19.3%	20.2%	19.8%
Banking	9.1%	8.0%	9.6%	10.0%	9.1%
Emerging	2.5%	3.2%	3.9%	3.0%	2.8%
<b>Revenue by Geographical Segment (as % of Revenue)</b>					
US	73.2%	73.6%	70.3%	69.6%	72.1%
Europe	15.6%	15.9%	17.4%	18.6%	16.7%
Africa	11.3%	10.5%	12.3%	11.8%	11.3%
<b>Revenue by Project Type (as % of Revenue)</b>					
Fixed Price	58.8%	56.8%	61.4%	61.5%	60.8%
Time & Materials	41.2%	43.2%	38.6%	38.5%	39.2%
<b>Constant Currency</b>					
<b>Operating revenue (Constant Currency mn)</b>	<b>135.5</b>	<b>573.3</b>	<b>121.2</b>	<b>118.6</b>	<b>497.9</b>
Sequential Growth	-1.7%	8.2%	-3.7%	-3.4%	-12.0%
Year-Over-Year Growth	-4.0%	8.2%	-10.6%	-12.2%	-12.0%
<b>Constant Currency Growth by Industry (QoQ %)</b>					
Hi-Tech	-1.3%	10.8%	-10.6%	-3.8%	-8.9%
Mfg	-11.7%	12.6%	0.0%	-2.1%	-15.4%
Consumer Services	6.1%	-19.1%	6.2%	-3.8%	-21.6%
Insurance	-3.5%	10.7%	-8.7%	0.1%	-12.6%
Banking	5.6%	46.7%	1.3%	-2.7%	2.1%
Emerging	-8.7%	25.0%	78.9%	-23.8%	-22.2%

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

Other Metrics	Q4 FY 20	FY 20	Q3 FY 21	Q4 FY21	FY 21
<b>Client Data</b>					
<b>Number of million dollar Clients (LTM Revenue)</b>					
1 Million dollar +	82	82	83	78	78
5 Million dollar +	24	24	24	24	24
10 Million dollar +	10	10	8	7	7
20 Million dollar +	2	2	2	2	2
<b>Revenue from top clients</b>					
Revenue- top 5 clients	39.6%	38.8%	37.8%	37.0%	38.8%
Revenue- top 10 clients	49.0%	49.7%	47.8%	48.0%	50.0%
Revenue- top 20 clients	62.9%	63.8%	61.9%	63.0%	63.7%
<b>Number of active clients</b>	<b>138</b>	<b>138</b>	<b>134</b>	<b>134</b>	<b>134</b>
<b>Onsite: Offshore (as % of Revenue)</b>					
<b>Revenue mix</b>					
Onsite	62.8%	65.2%	57.2%	56.6%	59.4%
Offshore	37.2%	34.8%	42.8%	43.4%	40.6%
<b>Utilization</b>					
Utilization (excluding Trainees)	83.5%	83.5%	80.1%	81.3%	81.3%
<b>Employee data</b>					
<b>Headcount</b>					
Technical - Onsite	2,258	2,258	1,811	1,820	1,820
Technical - Offshore	6,119	6,119	6,071	6,338	6,338
<b>Gross employees added during the period</b>	<b>471</b>	<b>3,330</b>	<b>991</b>	<b>1,332</b>	<b>2,946</b>
<b>% of women employees</b>	<b>30.3%</b>	<b>30.3%</b>	<b>30.8%</b>	<b>30.1%</b>	<b>30.1%</b>
Attrition	16.3%	16.3%	12.9%	14.8%	14.8%

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

Other Metrics	Q4 FY 20	FY 20	Q3 FY21	Q4 FY21	FY 21
<b>Exchange Rates</b>					
<b>Rupee Dollar Rate</b>					
Period Closing Rate	75.7	75.7	73.1	73.1	73.1
Period Average Rate	72.4	70.9	73.8	72.9	74.2
<b>Accounts receivables (in days)</b>					
Billed	51	51	48	51	51
Unbilled	35	35	25	26	26
<b>Total</b>	<b>86</b>	<b>86</b>	<b>73</b>	<b>77</b>	<b>77</b>
<b>Cash and Cash Equivalents (USD mn) **</b>					
<i>Balances with Banks:</i>	68.3	68.3	99.1	95.6	95.6
<b>Investment in Mutual Funds **</b>					
	35.3	35.3	61.1	70.7	70.7
<b>Debt (USD mn) **</b>					
	<b>43.8</b>	<b>43.8</b>	-	-	-
<b>Total Outstanding Hedges (In USD) **</b>					
	<b>163.1</b>	<b>163.1</b>	<b>120.6</b>	<b>122.3</b>	<b>122.3</b>
<b>Capex (USD Mn) **</b>					
	<b>2.3</b>	<b>11.0</b>	<b>1.0</b>	<b>0.3</b>	<b>5.3</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 digital solutions and technology services company that partners with global organizations across industries to achieve digital transformation. With a strong track record of innovation, investment in digital solutions, and commitment to client success, Zensar’s comprehensive range of services and solutions help clients achieve new thresholds of business performance through client satisfaction, excellence in delivery, and innovation.

**Follow Zensar via:**

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

**[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.

Zensar Technologies

# Analyst Presentation

Q4 and FY21 Quarter and Year Ending March 31, 2021

**ZenSar**



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Part of **USD 4B RPG Group**  
& An APAX Partners Portfolio Company  
Listed on NSE for 58 years

**24** Global Locations  
Offices located in India, USA, UK, Europe and Africa

Serving clients across

**3 regions**

1. USA
2. UK & EU
3. Africa

**3 verticals**

1. HTM
2. BFSI
3. Consumer services

**494<sub>M</sub>**

**USD Revenue FY21**

**64.2%** Digital Revenue in FY21

**18.7%**

**EBITDA Margin**

Significant margin improvement in FY21  
**29.9% growth** from FY20  
Net Profit at 9.5% in FY21

**166.3<sub>M</sub>**

**USD Net Cash**

(as of Q4 FY21)  
DSO at 77 Days

**625<sub>M</sub>**

**TCV Deals Won FY21**

Multiple new logo wins across verticals

**9000+**

**Associates**

**302**

QoQ Net headcount growth

**30.1%**

Women Associates



Zensar has 1000+ associates in Hyderabad

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

# Financial Updates





USD **494.0M**

**Revenue**, down 12.7% YoY



**33.5%**

**Gross Margin**, up 520 bps YoY



**18.7%**

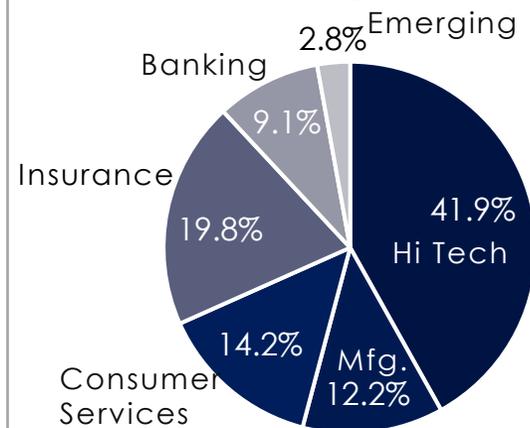
**EBITDA**, up 620 bps YoY



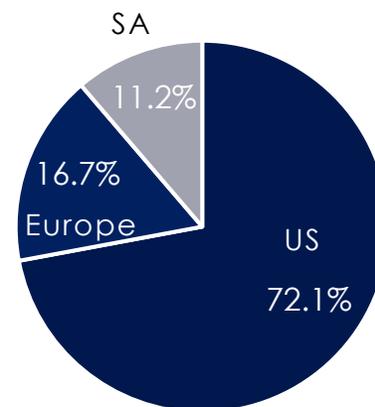
**9.5%**

**PAT**, up 300 bps YoY

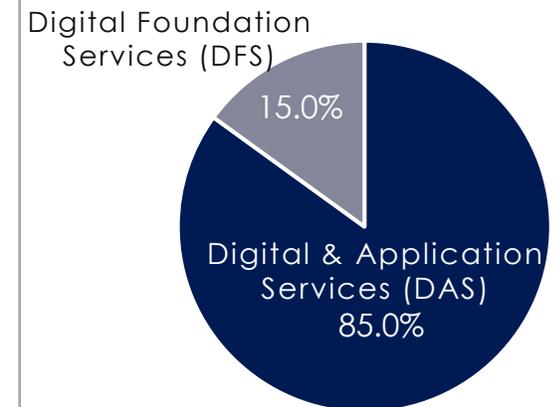
**Revenue by vertical**



**Revenue by geo**

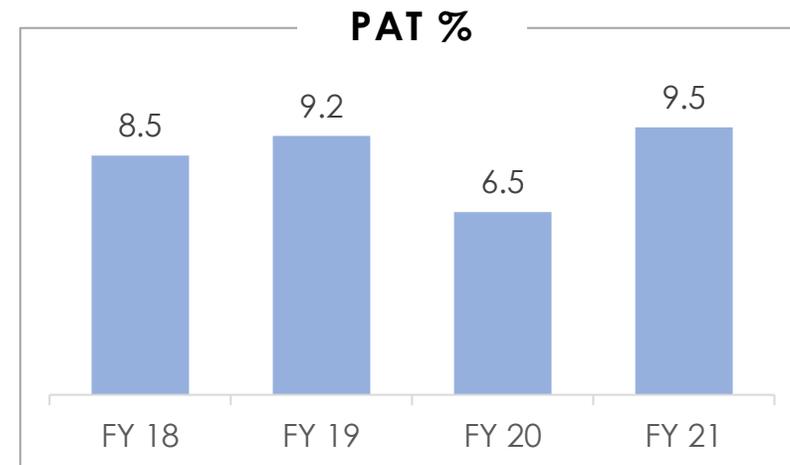
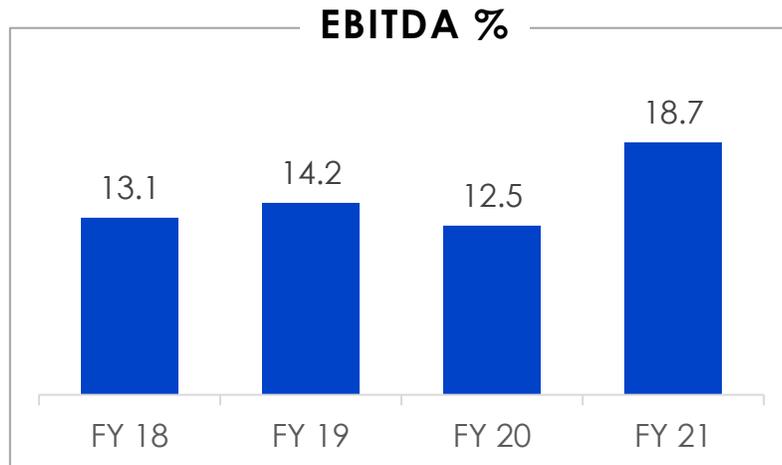
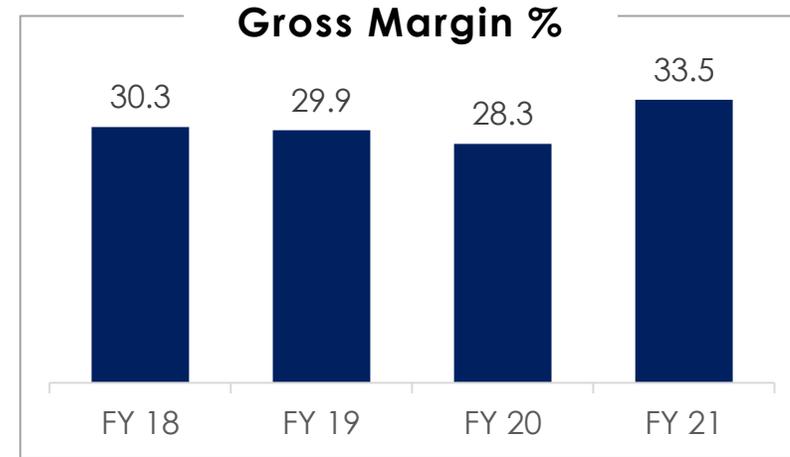
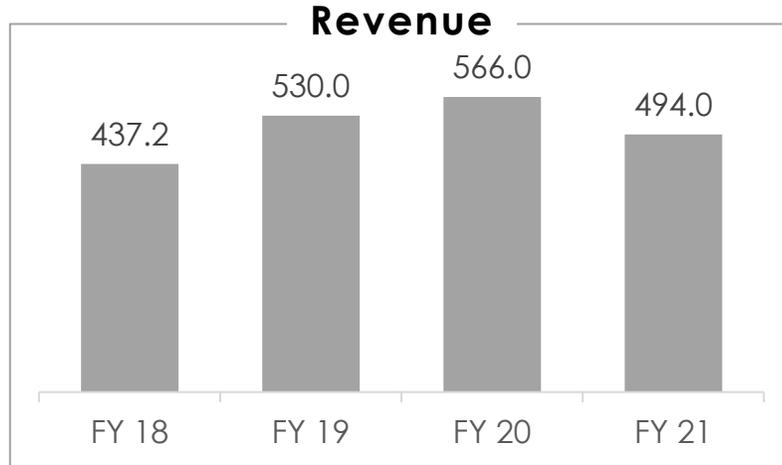


**Revenue by service line**



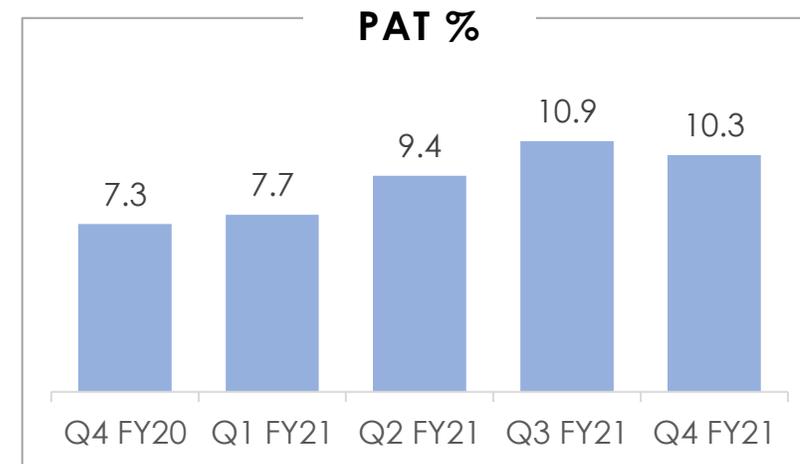
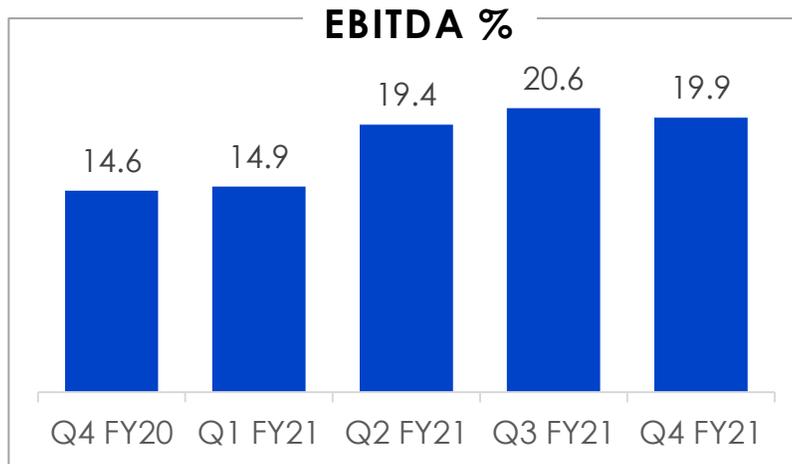
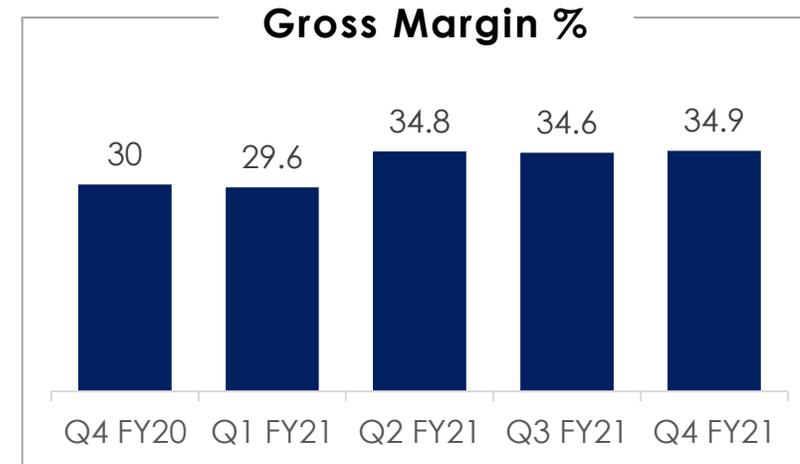
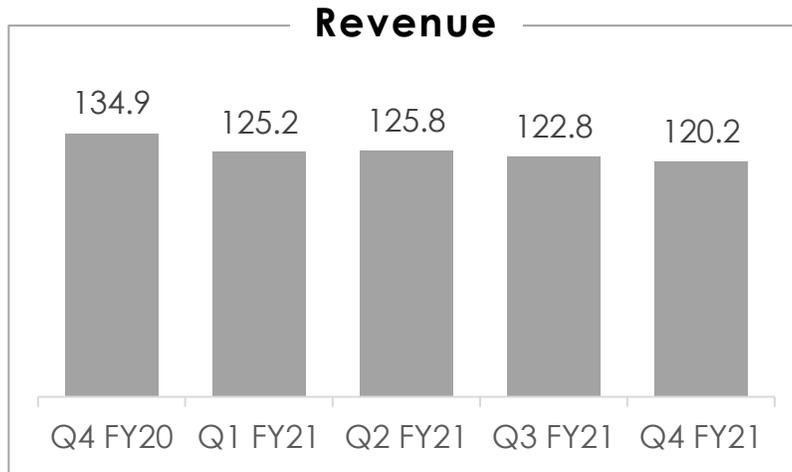
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# Key financials (1/2)



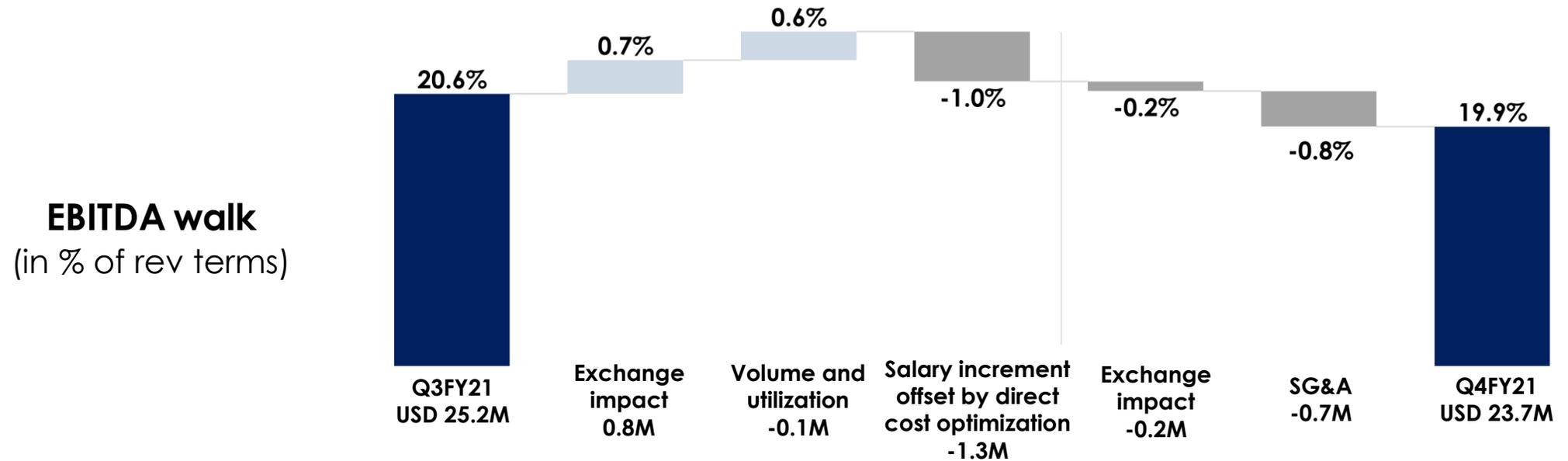
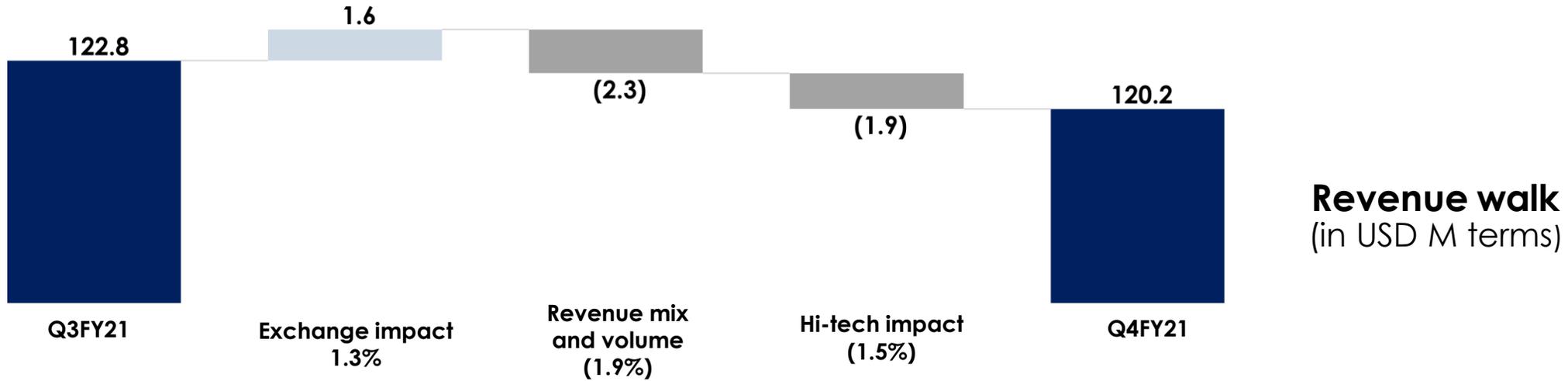
*\*Numbers presented above are adjusted to exclude TPM business performance and adjusted for exceptional items unless otherwise mentioned*

# Key financials (2/2)



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

# Revenue and EBITDA walk



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

## Million+ dollar clients (LTM)

	FY19	FY20	FY21
20 Mn Dollar+	2	2	2
10 Mn Dollar+	9	10	7
5 Mn Dollar+	19	24	24

## Revenue mix (% of total revenue)

	FY19	FY20	FY21
Top 5 Clients	38.3%	38.8%	38.8%
Top 10 Clients	47.9%	49.7%	50.0%
Top 20 Clients	59.2%	63.8%	63.7%

*\*Numbers presented above are adjusted to exclude TPM business performance*

# Key wins in FY21



Strategic partnership with a leading UK based insurance firm to transform business technology



Digital convergence mandate for a US based multinational technology conglomerate



Employee experience centric solution for a Fortune 500 drug retailer in the US



Redefining Warehouse Management for a Global Fortune 500 leader in the Retail Segment



Innovative solution focused on automation & self-service for a leading software cloud company



End-to-end business function support partner for a Fortune 500 product manufacturing company



# Awards and Recognitions



Recognized as **Disruptor** in Applied AI and Advanced Analytics RadarView 2021



Recognized as **Star Performer** and **Major Contender** in Everest Group's Application and Digital Services in Life and Annuities PEAK Matrix® Assessment 2021



Recognized as a **niche** player in 2020 Gartner Magic Quadrant for Data Center Outsourcing and Hybrid Infrastructure Managed Services, North America



Recognized as **Disruptor** in CX and CRM RadarView 2020-2021

Recognized as an **Aspirant** in System Integrator (SI) Capabilities on Amazon Web Services and Microsoft Azure Services PEAK Matrix® Assessment 2021

Mentioned in Gartner Digital Commerce Vendor Guide, 2020



**Winner 2021**

Winner in the Cloud Consultancy/MSP of the year



**Winner 2021**

Winning Edge in Digital Transformation brought by CFO



11<sup>th</sup> ANNUAL  
**AEGIS  
GRAHAM BELL  
AWARDS**

**Winner 2021**

Zensar's The Vinci™ wins under the AI Powered Innovation for Enterprise category

# Strategy Update



# The Journey So Far



## LIVING DIGITAL JOURNEY

Pre 2016  
Core building years



### Pre-Transformation

- Business was primarily focused on setting up foundational capabilities
- Competency around Oracle suite was the largest driver for business
- Acquired Professional Access (Oracle ATG/e-commerce)

2016-2017  
Digital Self-Transformation



### Self-Transformation

- Acquired Foolproof and Keystone
- Focus on core and identified non-core business for divestiture
- Started new-age Innovation Center "ZenLabs" for transformations in future technology
- 100% internal processes digitized through mobile-based platforms

2018-2019  
Digital Competency &  
Business Expansion



### Focus on Core, Digital

- Internal digitization of firm – becoming 100% digital
- GTM revamp: Focused on select customers large deals (> USD 30M); Focus on mining of 5mn accounts
- Acquired Cynosure & Indigo Slate
- Divested non-core RoW business in Jan 2019

2020-2021  
Strengthening Fundamentals



### Post-COVID actions

- Margin recovery at 18.7% in FY21; Free Cash flow on sustainable track
- 100% WFH implemented. 500+ associates onboarded in WFA
- Major focus on reskilling and upskilling of associates
- Divested MVS business and Aquila to focus on core business

**2021 &  
BEYOND:  
DIGITAL  
@  
VELOCITY  
& SCALE**

### Market Trends

#### Business

- New-age digital-native competition with high speed-to-market
- CIO/CDO/CMO driving tech spend
- Margin compression

#### Technology

- Accelerated adoption of Cloud, Big Data and Digital Platforms
- Digital transformation focusing on enterprise core

#### Talent

- High demand leading to shortage of digital & engineering skills

### Imperatives for Zensar

- Provide product and experience design services, and focus on experience-led engineering services
- Drive speed and efficiency for clients

- Provide high-resolution services in experience-to-engineering-to-infrastructure
- Expand capabilities with hyperscalers

- Skills transformation
- Work from anywhere

### Five Strategic Growth Opportunities

**Experience Services**

**Advanced Engineering Services**

**Data Engineering & Analytics**

**Application Services**

**Foundation Services**

**Five Strategic Growth Opportunities (SGOs)**

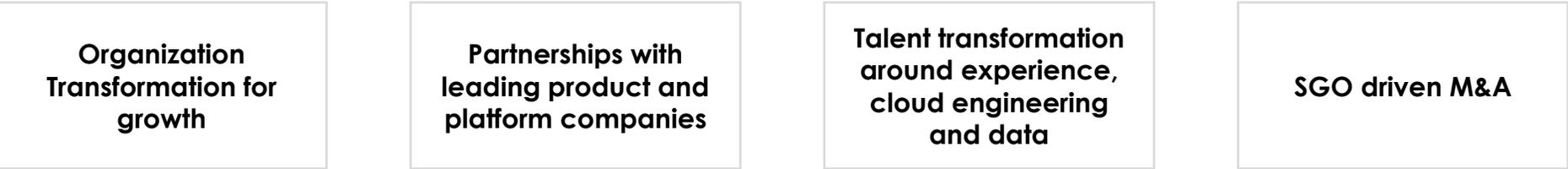
Broad areas of market opportunity that we will focus on and organize company resources, investments and alliances around for maximum business impact



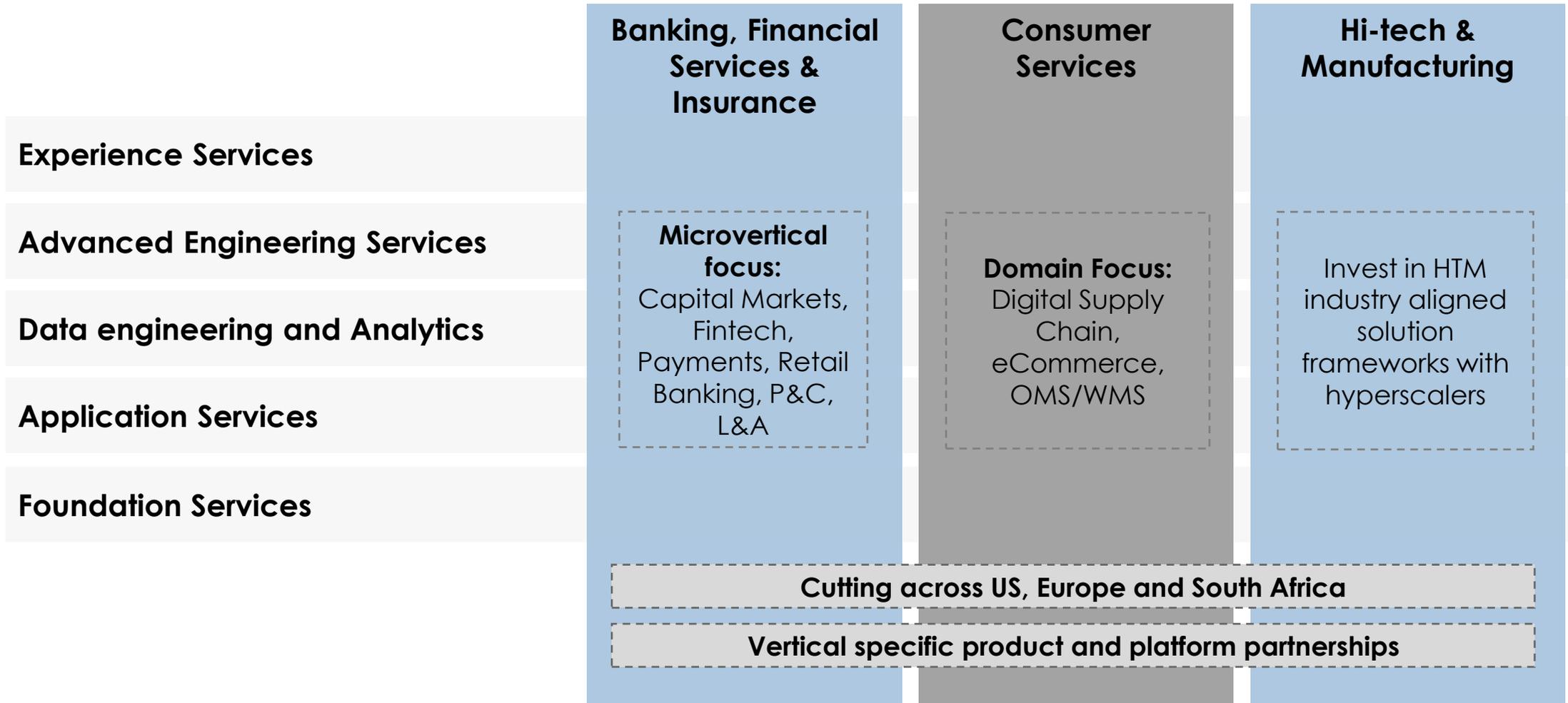
**Playbooks**

Each SGO comprises of multiple playbooks. Playbooks act as service propositions and solutions targeted towards specific market opportunities and/or customer needs to act as primary tools for go-to-market and to drive customer value-propositions.

**Pillars of strategy**



# ...overlay on vertical and geography



# Strategic partnerships to drive growth



Strategic Partnerships

Key Platform Relationships to drive CX, Software Engineering, Cloud & Data Relationships



Key SaaS Relationships to drive Enterprise Applications Transformation



\* List of partnerships not exhaustive

## 01

### Associate Wellness

Use of in-house digital platform to enable wellness and ensure swift response from global Emergency Response Teams

Employees being supported with COVID testing, vaccination, and medical assistance



## 02

### Societal Impact

Over the past year, Zensar through RPG Foundation has been involved in distributing 1.1 lakh cooked meals, distributing rations in Pune

Donated PPE kits and masks to Pune and Hyderabad Municipal Corp. Organized volunteering activities for COVID-19 and vaccination awareness



## 03

### Delivery Assurance

Identification of backup information for all critical resources within delivery organization to ensure business/service continuity in case of any exigencies

Continued proactive support and client communication



# RPG Overview

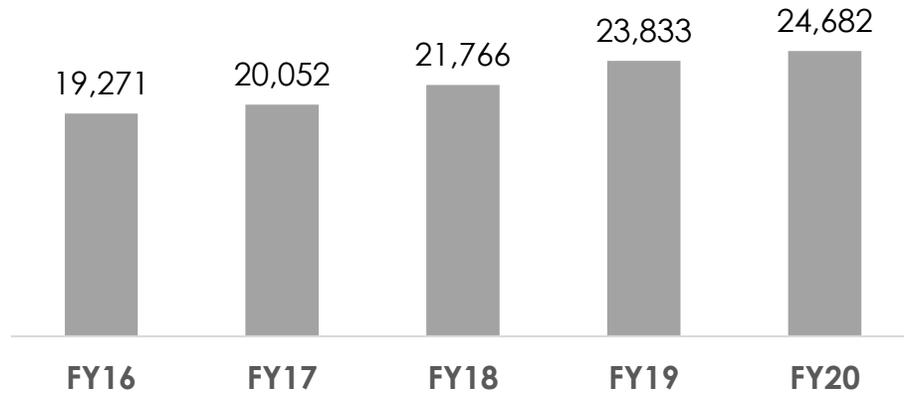


# RPG group key financials

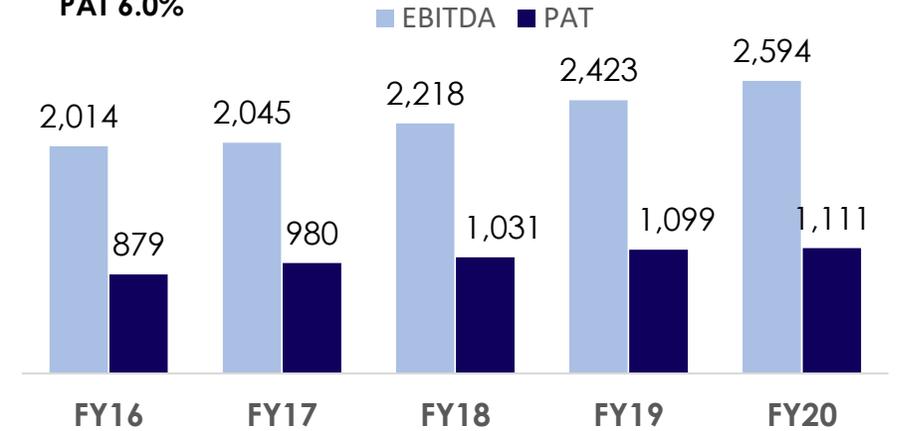


FY16-20  
CAGR: 6.4%

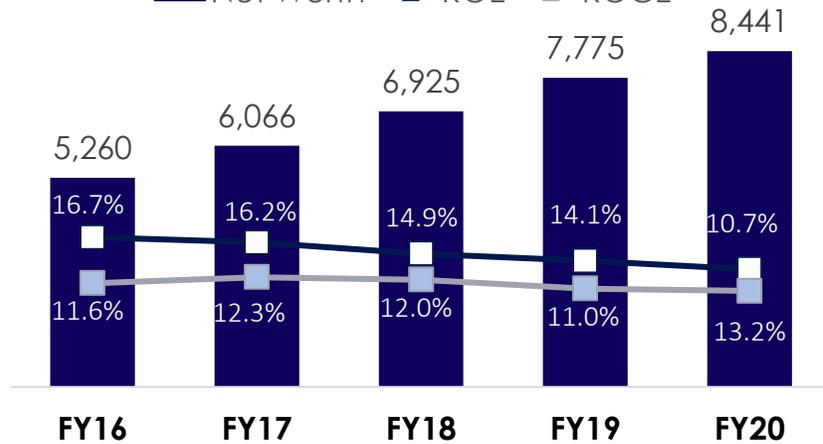
Gross Total Income (Rs Cr.)



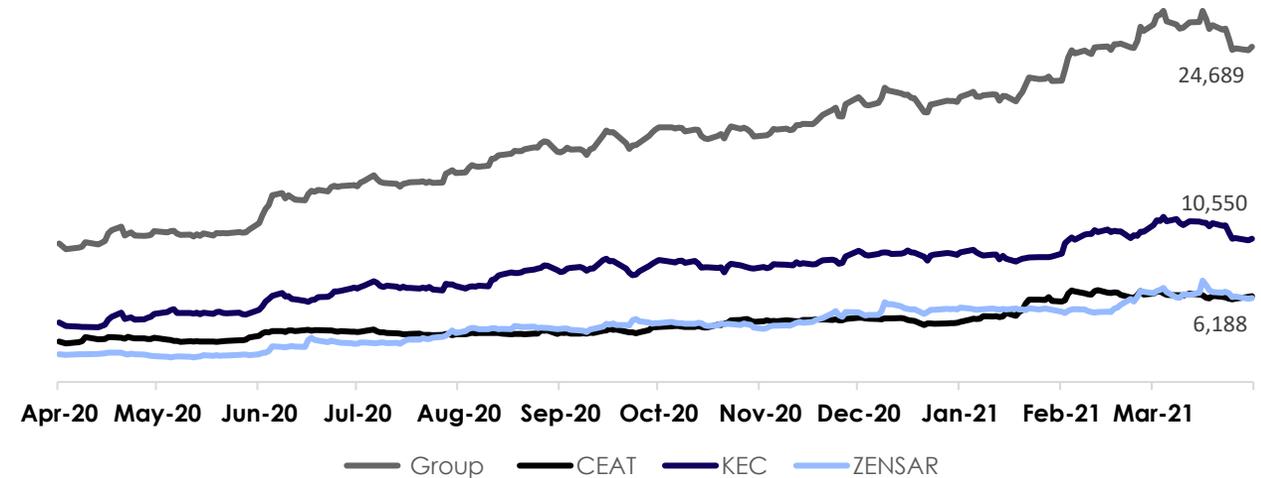
FY16-20 CAGR:  
EBITDA 6.5% PAT 6.0%



Net Worth ROE ROCE



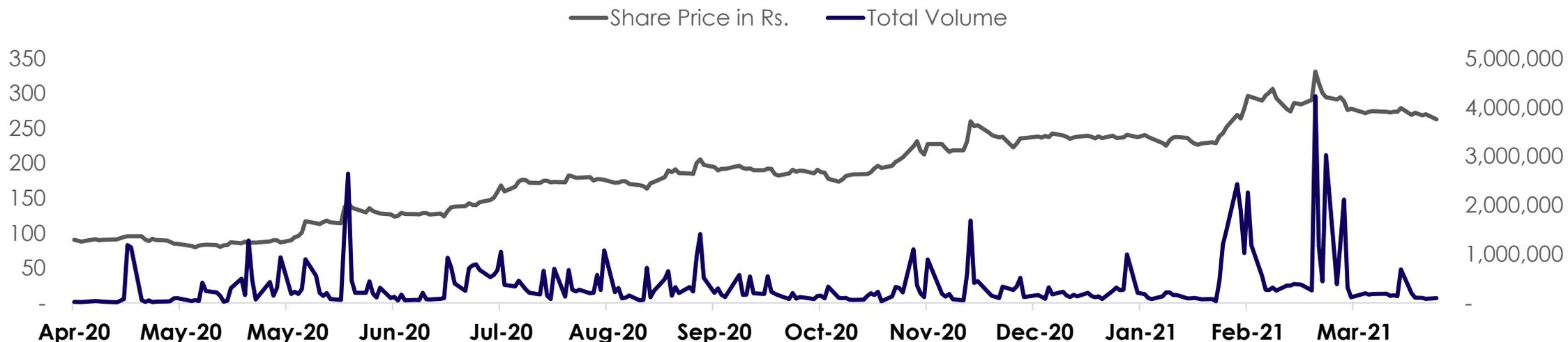
Market Cap



**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> March, 2021

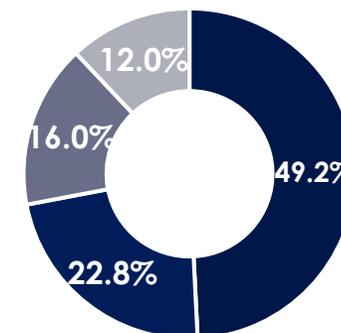
# Stock Price and shareholding pattern



## Equity Share Information:

- Share Price (31<sup>th</sup> March 2021): INR 274.25/share
- Market Cap (31<sup>th</sup> March 2021): INR 6,187.64 Crs
- Financial Year: April to March
- Face Value: INR 2 / share
- Listed on Indian Stock Exchanges:
  - Bombay Stock Exchange (code: 504067)
  - National Stock Exchange (code: ZENSARTECH)
- Bloomberg Code: ZENT.IN
- Reuters Code: ZENT.BOx

## Shareholding Pattern (as on 31<sup>st</sup> March 2021):



■ Promoter ■ Apax Partners ■ FPIs ■ DIIs/ Others



**Thank  
You**

