

Date: May 3, 2021

BSE Limited

Corporate Service Department,
01st 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, 5th floor,
Plot No. C/1, 'G' block,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051

Fax: (022) 2659 8237/2659 8238

Symbol: ZENSARTECH

Series: EQ

Dear Sir(s),

Subject: Newspaper Publication of Financial Results

Please find enclosed herewith copies of newspaper advertisement, published in Financial Express (all editions) and Loksatta (Pune edition), regarding financial results, which were approved by the Board at its meeting held on April 29, 2021.

This information will also be hosted on the website of the Company at www.zensar.com

This is for your information and records.

Thanking you,

Yours faithfully,

For **Zensar Technologies Limited**


Gaurav Tongia
Company Secretary



Encl. as above

SATURDAY, MAY 1, 2021

13 FINANCIAL EXPRESS

WWW.FINANCIALEXPRESS.COM

Zensar Technologies Limited

CIN No. L72200PN1963PLC012621

Registered Office: Zensar Knowledge Park, Plot # 4, MIDC, Kharadi, Off Nagar Road, Pune - 411014, Maharashtra, India
Tel. No.: +91 20 6605 7500 Fax No.: +91 20 6605 7888 E-mail: investor@zensar.com | Website: www.zensar.com

Zensar reports 13.9% YoY growth in PAT for FY21

Extract of Consolidated 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
1. Total Income	88,290	93,921	1,03,390	3,60,684	4,27,010
2. Profit before exceptional item and tax	12,114	13,499	9,901	46,294	37,579
3. Exceptional item (refer note 7)	(69)	4,022	-	(6,510)	-
4. Net Profit / (Loss) before tax	12,154	17,862	9,901	43,294	37,579
5. Net Profit / (Loss) after tax (before share of non-controlling interests)	9,063	13,917	7,500	30,696	27,169
6. Total Comprehensive Income (before share of non-controlling interests)	10,302	11,351	6,952	30,336	27,336
7. Equity Share Capital	4,512	4,508	4,508	4,512	4,508
8. Other equity (excluding Revaluation Reserve)	-	-	-	2,29,720	2,04,491
9. Earnings Per Share (Face value INR 2 each) (not annualised):					
a) Basic	3.94	4.33	3.08	15.49	11.89
b) Diluted	3.91	4.27	3.04	15.34	11.53
10. After exceptional item	3.52	6.12	3.08	13.31	11.89
a) Basic	3.88	6.03	3.04	13.18	11.53
b) Diluted	3.88	6.03	3.04	13.18	11.53

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 22, 2021.
- Standalone 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	34,672	35,259	1,36,178	1,37,030
Profit before tax	9,779	10,263	9,491	37,318	36,459
Net profit for the period	6,100	7,974	7,656	28,064	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.
- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the standalone and consolidated quarterly financial results are available on stock exchange websites (www.sebiindia.com and www.bseindia.com) and on Company's website (www.zensar.com).
- *During the quarter ended 31st 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 "disposed 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 the sale are disclosed as exceptional item.
- On 15th 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 amounts. 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 reserves 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 disposed 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 amounts. 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 thereon.
- 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.

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Results for the Year ended 31st March, 2021

Mumbai
Date: 29th April, 2021

For and on behalf of the Board

Ajay Singh Bhutoria
CEO and Managing Director
DIN : 09013862



Zensar Technologies Limited

CIN No. L72200PN1963PLC012621

Registered Office: Zensar Knowledge Park, Plot # 4, MIDC, Kharadi, Off Nagar Road, Pune - 411014, Maharashtra, India
Tel. No.: +91 20 6605 7500 Fax No.: +91 20 6605 7888 E-mail: Investor@zensar.com | Website: www.zensar.com

Zensar reports 13.9% YoY growth in PAT for FY21

Extract of Consolidated 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
1. Total Income	66,250	69,821	1,63,290	3,80,694	4,27,019
2. Profit before exceptional item and tax	12,214	13,469	9,501	46,204	37,579
3. Exceptional item (refer note 7)	(69)	4,623	-	(4,910)	-
4. Net Profit / Loss before tax	12,144	17,492	9,501	41,294	37,579
5. Net Profit / (Loss) after tax (before share of non-controlling interests)	9,063	13,917	7,300	30,666	27,169
6. Total Comprehensive Income (before share of non-controlling interests)	10,502	11,351	6,952	30,335	27,336
7. Equity Share Capital	4,512	4,508	4,508	4,512	4,508
8. Other equity (excluding Revaluation Reserve)	-	-	-	2,29,720	2,04,491
9. Earnings Per Share (Face value INR 2 each) (not annualised):					
a) Basic	3.94	4.33	3.08	15.40	11.69
b) Diluted	3.91	4.27	3.04	15.34	11.53
After exceptional item					
a) Basic	3.92	6.12	3.09	13.31	11.69
b) Diluted	3.88	6.03	3.04	13.18	11.53

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 Financial Information:

Particulars	Quarter ended			Year ended	
	31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020
Revenue from Operations	34,788	34,673	35,799	1,36,178	1,37,030
Profit before tax	9,779	10,263	9,491	37,318	36,410
Net profit for the period	8,100	7,974	7,656	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 0.6 million) 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.
- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the standalone and consolidated quarterly financial results are available on stock exchange websites (www.sebiindia.com and www.bseindia.com) and on Company's website (www.zensar.com).
- "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 PM Inc and Zensar Technologies PM 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.



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For and on behalf of the Board

Ajay Singh Bhutoria
CEO and Managing Director
DIN : 09013862

Mumbai
Date: 29th April, 2021