

Date: May 15, 2021

BSE Limited

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Scrip ID: ZENSARTECH

Scrip Code: 504067

The National Stock Exchange of India Ltd.

Exchange Plaza, 03rd floor,
Plot No. C/1, 'G' block,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051

Fax: (022) 26598237/26598238

Symbol: ZENSARTECH

Series: EQ

Dear Sir/Madam,

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

This is to inform you that Zensar Technologies Inc, USA, wholly owned subsidiary of Zensar Technologies Limited ('the Company'), has entered into definitive agreement(s)/document(s) for acquisition of 100% of the membership interests in M3bi, LLC, USA.

Further, the Board of Directors ('Board'), *inter-alia*, approved/concurred/consented to acquisition of M3bi India Private Limited, India and accordingly the Company has entered into definitive agreement(s)/document(s) for acquisition of entire equity share capital of M3bi India Private Limited, subsidiary of M3bi, LLC, USA.

The details in the prescribed format under Regulation 30 and Part A of Schedule III of the Listing Regulations read along with SEBI circular dated September 9, 2015, as attached, form an integral part of this disclosure and must be read in conjunction with the same.

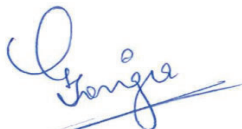
Further, please find enclosed herewith Press Release titled "Zensar acquires M3bi, a US and India based Data Engineering, Big Data & Advanced Analytics and Digital Engineering firm."

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

Thanking you,

Yours faithfully,

For **Zensar Technologies Limited**



Gaurav Tongia
Company Secretary



Encl. 1. Press Release
2. Analyst presentation

Acquisition of 100% of the membership interests in M3bi, LLC

Sl. No.	Disclosure Requirement	Details /Reason for not providing information
(a)	Name of target entity, details in brief such as size, turnover, etc.	M3bi, LLC. Revenue from operations of M3bi, LLC was approximately USD 26.75 million for the calendar year ended December 31, 2020.
(b)	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length"	No
(c)	Industry to which the entity being acquired belongs	Information Technology & Information Technology Enabled Services (IT/ITES)
(d)	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	M3bi's capabilities in the areas of data engineering, business intelligence & analytics, data warehousing & big data, as well as digital engineering services, will enhance Zensar's existing data engineering and digital engineering capabilities. Zensar and M3BI can jointly leverage the entire range of Zensar's services for M3bi's marquee clients.
(e)	Brief details of any governmental or regulatory approvals required for the acquisition	No regulatory approval will be required for any of the mentioned transactions.
(f)	Indicative time period for completion of the acquisition	On or before August 31, 2021 or upon fulfilment of closing conditions, whichever is earlier, or such other date, as mutually agreed.
(g)	Nature of consideration - whether cash consideration or share swap and details of the same	Cash Consideration.
(h)	Cost of acquisition or the price at which the shares are acquired	Aggregate upfront payment of USD 21.60 million and performance based deferred payments over 36 months not exceeding USD 9 million.
(i)	Percentage of shareholding / control acquired and / or number of shares acquired	Zensar Technologies Inc. will acquire one hundred percent of the membership interests of M3bi, LLC.

(j)	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>M3bi is engaged in providing information technology services, including data engineering, business intelligence & analytics, data warehousing & big data, as well as digital engineering services, including mobile and user experience and user interface.</p> <p>Formed on April 19, 2010, M3bi has business operations in USA and has a wholly owned subsidiary in India.</p> <p>Revenue from operations (Calendar year ended December):</p> <ul style="list-style-type: none">• CY20 – USD 26.75 million• CY19 – USD 23.91 million• CY18 – USD 16.97 million
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Acquisition of 100% equity share capital of M3bi India Private Limited

Sl. No.	Disclosure Requirement	Details /Reason for not providing information
(a)	Name of target entity, details in brief such as size, turnover, etc.	M3bi India Private Limited Revenue from operations of M3bi India Private Limited was approximately INR 295.24 million for the financial year ended March 31, 2020.
(b)	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length"	No
(c)	Industry to which the entity being acquired belongs	Information Technology & Information Technology Enabled Services (IT/ITES)
(d)	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	M3bi's capabilities in the areas of data engineering, business intelligence & analytics, data warehousing & big data, as well as digital engineering services, will enhance Zensar's existing data engineering and digital engineering capabilities. Zensar and M3BI can jointly leverage the entire range of Zensar's services for M3bi's marquee clients.
(e)	Brief details of any governmental or regulatory approvals required for the acquisition	No regulatory approval will be required for any of the mentioned transactions.
(f)	Indicative time period for completion of the acquisition	On or before August 31, 2021 or upon fulfilment of closing conditions, whichever is earlier, or such other date, as mutually agreed.
(g)	Nature of consideration - whether cash consideration or share swap and details of the same	Cash Consideration
(h)	Cost of acquisition or the price at which the shares are acquired	Upto INR 178.32 Million
(i)	Percentage of shareholding / control acquired and / or number of shares acquired	The Company will acquire the entire share capital of M3bi India Private Limited.

(j)	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>M3bi is engaged in providing information technology services, including data engineering, business intelligence & analytics, data warehousing & big data, as well as digital engineering services, including mobile and user experience and user interface.</p> <p>Incorporated on March 26, 2012, M3bi has business operations in India and its customer(s) are primarily in USA.</p> <p>Revenue from operations (Fiscal year ended March):</p> <ul style="list-style-type: none">• FY20 – INR 295.24 million• FY19 – INR 178.54 million• FY18 - INR 124.79 million
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Zensar acquires M3bi, a US and India based Data Engineering, Big Data & Advanced Analytics and Digital Engineering firm

Pune, India, May 15, 2021: [Zensar](#), an RPG company, and the management of M3bi announced today that they have entered into a definitive agreement for Zensar to acquire M3bi, a Scottsdale, Arizona-based data engineering and digital engineering firm.

Zensar Technologies Ltd will acquire the entire share capital of M3bi Private Limited (“M3bi India”), and its wholly owned subsidiary, Zensar Technologies Inc., will acquire the entire share capital of M3bi LLC. This acquisition will be completely funded by internal accruals.

The addition of M3bi reinforces Zensar’s new strategy which focuses on areas of market opportunities that allow Zensar to concentrate organization resources, investments and alliances to deliver maximum business impact. In particular, M3bi strongly augments Zensar’s thrust in the data engineering, analytics and AI/ML and advanced engineering services.

The acquisition will add marquee clients to Zensar’s portfolio in both Banking, Financial Services & Insurance and other verticals, allowing Zensar and M3bi to jointly drive an expanded set of offerings to these global firms. One of the key tenets of Zensar’s strategy involves offering depth and scale in the areas of digital engineering and data and analytics, the core offerings of M3bi.

Commenting on this acquisition, Harsh Goenka, Chairman of RPG Enterprises and Zensar Technologies, said, “We are reinforcing our strategic growth charter with the acquisition of M3bi. Our acquisitions in recent years have enhanced our competitiveness, bringing value to our customers. The team steered by Anir and Suresh brings a combination of capabilities and strong client relationships to our fold.”

Ajay S. Bhutoria, Chief Executive Officer and Managing Director, Zensar Technologies, commented, “Data engineering and analytics and advanced engineering are key strategic growth opportunities for us. With the addition of M3bi’s capabilities, we will expand our offerings in this space to address the business-critical needs of our clients. Clients looking for large-scale digital transformation will be able to leverage our combined expertise. We are delighted to welcome the M3bi team to the Zensar family and look forward to working closely together to accelerate business growth.”

Suresh Potluri, Co-founder of M3bi said, “Our customers are some of the most well-recognized global brands. Our clients require advanced engineering skills to develop new platforms and data analytics solutions to make informed decisions to drive better customer experience and engagement. Zensar’s expertise in the digital technology space will add more depth to our customers.”

Anir Khandekar, Co-founder of M3bi, said, “We are delighted to be part of a global company like Zensar. M3bi’s values center around creating customer value, which is in sync with Zensar’s core values, too. With Zensar, we can now take extended capabilities of customer experience, design and cloud-led transformation to our customers. This will significantly accelerate their growth and expansion.”

M3bi was founded in 2010 and is headquartered in Scottsdale, Arizona in the US. M3bi has 445 professionals across the US and India. M3bi provides information technology services, including data engineering, business intelligence and analytics, data warehousing and big data, and digital engineering services, including mobile and user experience and user interface development. M3bi



works with some of the leading global brands, displaying a cross-section of CIO, CMO, and CDO focused expertise. The team includes architects, leads, senior software and platform engineers, senior business analysts, and data warehouse solutions specialists with deep engineering expertise across digital technologies.

Post-acquisition, M3bi will continue to be managed by co-founders Anir Khandekar and Suresh Potluri.

[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.

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About RPG Enterprises (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 reach out:

PR Contacts (Global)
Aradhana Prabhu Public Relations Zensar Technologies aradhana.prabhu@zensar.com

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

Acquisition of M3bi – May 2021



ZenSar

Zensar Technologies acquires M3bi



Deal Highlights

Company Acquired and Structuring	<p>M3bi LLC was founded in 2010 and is headquartered in Scottsdale, Arizona, US</p> <p>M3bi LLC has a wholly owned subsidiary in India – M3bi India Private Limited</p> <p>Zensar Technologies Ltd will acquire the entire share capital of M3bi Private Limited</p> <p>Zensar Technologies Inc. will acquire the entire share capital of M3bi LLC</p>
Specialization	<p>M3bi provides information technology services, including data engineering, business intelligence & analytics, data warehousing and big data, and digital engineering services, including mobile and user experience and user interface development</p> <p>M3bi works with some of the leading global brands, targeting CIOs, CMOs, and CDOs</p>
Consolidated Revenue for CY2020	\$26.75 Mn
Purchase Consideration	Aggregate upfront payment of \$24 Mn and performance based deferred payments over 36 months not exceeding \$9 Mn
Mode of Purchase	Share Purchase in India and US
Mode of Financing	Funded through internal accruals

Acquisition Rationale



Strengthen Capabilities in Data Engineering & Analytics and Advanced Engineering Services

Experience Services



Experience Strategy and Design



Digital Marketing Strategy and Creative Content

Zensar can expand Experience Services for M3bi customers

Advanced Engineering Services



Full-Stack Digital Engineering Services across Industries



Full-Stack Digital Engineering services for BFSI and other customers

M3bi will augment Zensar's Digital Engineering capability

Data Engineering & Analytics



Analytics and BIG data capabilities for BFSI and other customers



Zensar's existing Data and AI capability

M3bi will strengthen Zensar's Data Engineering & Analytics capability

Acquisition Rationale



- ▶ This acquisition continues our momentum in the direction defined by our new strategy, by augmenting our capabilities in the Data Engineering & Analytics and Advanced Engineering Services
- ▶ M3bi's capabilities in data engineering, BI & analytics, product engineering, data warehousing, big data and digital engineering services, will enhance Zensar's existing service portfolio
- ▶ This acquisition will add marquee clients to Zensar's portfolio, which will allow Zensar and M3bi to jointly deliver greater synergistic value to these clients through expanded service offerings and global scale
- ▶ M3Bi will augment and further strengthen Zensar's world-class portfolio of horizontal services that drive digital transformation for our customers in BFSI and beyond

M3bi Leadership



Nachiketa Mitra
EVP and Global Head – BFSI Zensar



- Nachi is a global executive with 25+ years of business experience in Financial Services, Management Consulting and Technology Services.
- He has successfully scaled multiple client relationships across leading multi-national organizations, by developing new offerings and building high performing teams in the Financial Services domain
- Prior to joining Zensar, Nachi was VP and SBU Head of Banking & Financial Services, NY Metro Portfolio at Cognizant

Anir Khandekar and Suresh Potturi
Co-Founders M3bi



- Anir is an experienced IT professional with 18+ years of industry experience, and 10+ years in the Data and Analytics industry
- He has worked on some of the largest and most complex data architectures in the industry
- Prior to founding M3bi, Anir held leadership positions with American Express, Apollo Group, Syntel and Hexaware technologies
- Anir holds a Master of Engineering degree from Texas A&M University



- Suresh is an experienced professional with 15+ years of industry experience including managing large data implementations across domains
- Prior to founding M3bi, Suresh worked with various Financial Services, Telecom and Retail companies in the US, including Apollo Group, Disney Consumer Products, Time Warner Cable and American Express
- Suresh is a Mechanical Engineer from Karnataka University



ZenSar
An  RPG Company

Thank
You



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